CSOL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2020 AND 2019

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USD = United States Dollar
PEN = Sol
€ = Euro

CSOL HOLDING LIMITED AND SUBSIDIARIES

OVERVIEW OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2020

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Note

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the board of directors of Camposol Holding PLC

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of Csol Holding Limited and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, changes in equity and cash flows for each of the years then ended, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years then ended in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Change in Accounting Principles

As discussed in Note 2.28 to the consolidated financial statements, the Company changed the manner in which it accounts for land in 2020.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated 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 the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Gaveglio Aparicio y Asociados

Countersigned by

--(Partner)
Vicente Tieri
Peruvian Public Accountant
Registration No.37180

Lima, Perú
April 16, 2021

We have served as the Company's auditor since 2017.

CSOL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(IN THOUSANDS OF U.S. DOLLARS)

		At 31 December	
	Note	**2020**	**2019**
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and bearer plants	6	710,828	447,292
Right of use assets	9	61,164	52,081
Investments accounted for using the equity method	7	5,070	3,361
Intangible assets	8	12,309	8,573
Deferred tax assets	18	4,099	2,290
Total non-current assets		793,470	513,597
CURRENT ASSETS			
Prepaid expenses		4,999	1,495
Biological assets	10	163,464	138,660
Inventories	13	49,760	46,076
Other accounts receivable	14	13,168	12,610
Trade accounts receivable	15	53,998	49,857
Cash and cash equivalents	16	33,991	27,788
Total current assets		319,380	276,486
Total assets		1,112,850	790,083
EQUITY / PARENT NET INVESTMENT			
Share capital	17	10,000	10,000
Revaluation surplus	17	172,614	-
Retained earnings		224,191	218,105
		406,805	228,105
Non-controlling interest	17	175	(347)
Total equity		406,980	227,758
LIABILITIES			
NON-CURRENT LIABILITIES			
Long - term debt	20	354,615	313,910
Lease liability	24	39,931	35,311
Other liabilities	2.20	677	11,972
Deferred tax liabilities	18	138,079	41,318
Total non-current liabilities		533,302	402,511
CURRENT LIABILITIES			
Accounts payable to related companies	36	60	16,000
Current portion of long-term debt	20	7,368	5,403
Current portion of lease liability	24	14,522	12,180
Trade accounts payable	21	74,777	51,045
Other accounts payable	22	11,094	14,172
Current tax liabilities		-	1,541
Provisions	23	6,825	3,342
Bank loans	25	57,922	56,131
Total current liabilities		172,568	159,814
Total liabilities		705,870	562,325
Total equity and liabilities		1,112,850	790,083

The notes on pages from 7 to 74 are an integral part of these consolidated financial statements.

CSOL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(IN THOUSANDS OF U.S. DOLLARS)

	Note	For the year ended 31 December 2020	2019
Revenue	26	343,245	326,638
Cost of sales:	27		
Cost of sales		(177,913)	(156,908)
Depreciation of bearer plants		(22,493)	(19,164)
Gross profit before adjustment for biological assets		142,839	150,566
Net gain arising from changes in fair value of biological assets	10	23,981	10,163
Gross profit after adjustment for biological assets		166,820	160,729
Selling expenses	28	(44,916)	(37,659)
Administrative expenses	29	(22,090)	(25,428)
Other income	31	1,115	6,410
Other expenses	31	(10,208)	(5,009)
Net foreign exchange transactions gains (losses)		(663)	2,517
Operating profit		90,058	101,560
Share of profit of investments accounted for using the equity method	7	1,708	81
Financial income	32	816	1,001
Financial cost	32	(34,997)	(21,851)
Profit before income tax		57,585	80,791
Income tax expense	34	(27,754)	2,843
Profit for the year		29,831	83,634
Other comprehensive income:			
Item that may be reclassified to profit or loss:			
Currency translation adjustment		(1,223)	(2,131)
Items that will not be reclassified to profit or loss:			
Revaluation surplus (land)		243,639	-
Deferred income tax of revaluation surplus		(71,025)	
Total comprehensive income for the year		201,222	81,503
Profit attributable to:			
Owners of the parent		29,143	83,263
Non-controlling interests		688	371
		29,831	83,634
Total comprehensive income for the year attributable to:			
Owners of the parent		200,700	81,322
Non-controlling interests		522	181
		201,222	81,503
Basic and diluted earnings per share to the equity holders of parent during the year (expressed in U.S. Dollars per share):			
Basic and diluted earnings per ordinary share	38	0.29	0.83

Items in other comprehensive income above are disclosed net of tax.

The notes on pages from 7 to 74 are an integral part of these consolidated financial statements.

CSOL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the years ended 31 December 2020 and 2019
(IN THOUSANDS OF U.S. DOLLARS)

	Notes	Number of shares	Share capital	Revaluation surplus	Retained earnings	Former parent net investment	Total equity	Non-controlling interest	Total equity
Balances at 1 January 2019		-	-	-	-	211,752	211,752	(528)	211,224
Comprehensive income:									
Profit for the year		-	-	-	54,656	28,607	83,263	371	83,634
Other comprehensive income:									
Currency translation adjustment		-	-	-	(234)	(1,707)	(1,941)	(190)	(2,131)
Total comprehensive income		-	-	-	54,422	26,900	81,322	181	81,503
Transactions with owners:									
Distribution to shareholders	17	-	-	-	(10,000)	-	(10,000)	-	(10,000)
Capital contribution	17	100,000,000	10,000	-	-	-	10,000	-	10,000
Movements of financing provided to former parent, net	17	-	-	-	-	(64,969)	(64,969)	-	(64,969)
Distribution by former parent of share capital	17	-	-	-	173,683	(173,683)	-	-	-
Total transactions with owners		100,000,000	10,000	-	163,683	(238,652)	(64,969)	-	(64,969)
Balances at 31 December 2019		100,000,000	10,000	-	218,105	-	228,105	(347)	227,758
Balances at 1 January 2020		100,000,000	10,000	-	218,105	-	228,105	(347)	227,758
Comprehensive income:									
Profit for the year		-	-	-	29,143	-	29,143	688	29,831
Other comprehensive income:									
Revaluation surplus (land)	17	-	-	243,639	-	-	243,639	-	243,639
Deferred income tax of revaluation surplus (land)	17	-	-	(71,025)	-	-	(71,025)	-	(71,025)
Currency translation adjustment		-	-	-	(1,057)	-	(1,057)	(166)	(1,223)
Total comprehensive income		-	-	172,614	28,086	-	200,700	522	201,222
Transactions with owners:									
Distribution from retained earnings	17	-	-	-	(22,000)	-	(22,000)	-	(22,000)
Total transactions with owners		-	-	-	(22,000)	-	(22,000)	-	(22,000)
Balances at 31 December 2020		100,000,000	10,000	172,614	224,191	-	406,805	175	406,980

The notes on pages from 7 to 74 are an integral part of these consolidated financial statements.

CSOL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
(IN THOUSANDS OF U.S. DOLLARS)

		For the year ended 31 December	
	Note	**2020**	**2019**
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		339,860	344,455
Cash paid to suppliers and employees		(231,354)	(244,793)
Interest paid		(21,845)	(21,092)
Income tax paid		(3,649)	(5,781)
Custom duties refund collections	14	3,087	2,090
Other payments		(399)	(639)
Net cash generated from operating activities	33	85,700	74,240
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	6	(13,165)	(40,145)
Investment in bearer plants	6	(52,812)	(61,561)
Loans granted to related parties		(78)	-
Purchase of intangibles, excluding goodwill	8	(5,384)	(4,016)
Proceeds from sale of property, plant and equipment	6	34	64
Net cash used in investing activities		(71,405)	(105,658)
CASH FLOWS FROM FINANCING ACTIVITIES			
Bank loans proceeds	25	192,850	111,500
Bank loans payments	25	(191,000)	(55,500)
Payments to related parties	36	(8,000)	(42,000)
Distribution to shareholders	17	-	(10,000)
Capital contribution	17	-	10,000
Distributions to parents	17	-	(64,969)
Payment to related parties for transfer of shares of Camposol Uruguay	17	(22,000)	-
Principal elements of lease liabilities payments	24	(9,426)	(5,392)
Transaction costs	20	(4,740)	(1,510)
Long-term debt proceeds	20	-	90,000
Bonds issuance	20	346,073	-
Payments of long-term debt	20	(311,849)	(5,428)
Net cash (used in) generated from financing activities		(8,092)	26,701
Net increase (decrease) in cash and cash equivalents		6,203	(4,717)
Cash and cash equivalents at beginning of year		27,788	32,505
Cash and cash equivalents at end of year	16	33,991	27,788
Non-cash transactions:			
Revaluation surplus, net of deferred income tax	17	172,614	-
Right of use asset acquired under finance lease		30,588	32,786
Accrued interest	20	9,137	569

The notes on pages from 7 to 74 are an integral part of these consolidated financial statements.

(IN THOUSANDS OF U.S. DOLLARS UNLESS OTHERWISE STATED)

1 GENERAL INFORMATION

a) Business activities -

Csol Holding Limited (hereinafter the Company), was incorporated as Csol Holding Limited in Cyprus on 22 October 2019, in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The Company through its subsidiaries is mainly 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. Csol Holding Limited and subsidiaries are hereinafter referred as the Group.

The legal address of the Company is Pindou 4, Engomi, 2409 Nicosia, Cyprus.

The Dyer-Coriat family (comprised of Samuel Barnaby Dyer Coriat, Piero Martin Dyer Coriat and Sheyla Dyer Coriat) is the Company's ultimate controlling party and owns 82.59% of the shares of the Company. Certain members of the Dyer family own the remainder shares of the Company.

The subsidiaries and their activities are as follows:

Company	Principal activity	Country of incorporation	Direct or indirect interest as of 31 December 2020	2019
Camposol S.A.	Agribusiness	Peru	100%	100%
Nor Agro Perú S.A.C.	Farmland owner	Peru	100%	100%
Muelles y Servicios Paita S.R.L.	Farmland owner	Peru	100%	100%
Inversiones Agrícolas Inmobiliarias S.A.C.	Farmland owner	Peru	99.99%	99.99%
Camposol Europa S.L.	Distribution	Spain	87.27%	87.27%
Camposol Fresh B.V.	Distribution	Netherlands	100%	100%
Grainlens S.A.C	Holding	Peru	100%	100%
Blacklocust S.A.C.	Holding	Peru	100%	100%
Persea, Inc.	Holding	USA	100%	100%
Camposol Fresh U.S.A., Inc.	Distribution	USA	100%	100%
Camposol Foods Trading (Shangai) Co Ltd.	Distribution	China	100%	100%
Camposol Fresh Foods Trading Co Ltd.	Distribution	China	100%	100%
Asociación para la certificación de Prod. Agrícolas proveedores de Camposol	Agribusiness	Peru	100%	100%
Camposol Colombia S.A.S.	Agribusiness	Colombia	100%	100%
Camposol Uruguay S.R.L. (*)	Agribusiness	Uruguay	100%	-
Camposol Chile SPA	Agribusiness	Chile	100%	100%
Camposol Cyprus Limited	Holding	Cyprus	100%	-
Camposol Switzerland GmbH	Distribution	Switzerland	100%	-
Camposol Trade España S.L.	Distribution	Spain	100%	-
Aliria S.A.C.	Project Development	Peru	100%	-
Arándanos Camposolinos S.A.P.I. de C.V.	Agriculture	Mexico	100%	-

(*) In November 2019, Camposol Holding PLC signed a shareholder agreement with the Company in which the control, rights, risks and rewards of Camposol Uruguay ("the investee") were transferred to the Group and became a subsidiary until the corporate reorganization was finalized. The agreement states that the Company has power over the investee, it is exposed to variable returns and has the ability to use its power over the investee to affect the amount of the Company's returns. Accordingly, there was no separate non-controlling interest (NCI) recorded related to the Camposol Uruguay interest. Finally, there was no provision for payment related to the ultimate legal transfer of the shares as of 31 December 2019. In December 2020, Camposol Holding PLC (former owner of the investee) assigned and transferred, free of obligations, its total shares in Camposol Uruguay to the Company, for an amount of USD22,000 that was paid between May and November 2020 upon legal transfer. In May 2020, it was separately agreed between the common shareholders of the Company that a fixed distribution of USD22,000 would be paid upon legal transfer, which has been accounted for as a distribution from equity in 2020.

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).

The subsidiary Camposol Chile SPA, an entity that is engaged in the production of fresh produce, was incorporated in 2019.

The subsidiary Camposol Cyprus Limited is localized in Cyprus was incorporated in 2020 as a holding company.

The subsidiary Camposol Switzerland GmbH and Camposol Trade España S.L., are entities that will be engaged in the distribution of fresh produce in the future and were incorporated in 2020.

The subsidiary Aliria S.A.C., an entity that will be engaged in the project development and technological innovation for the development of agricultural crops, was incorporated in 2020.

The subsidiary Arándanos Camposolinos S.A.P.I. de C.V., an entity that will be engaged in the production of fresh produce in the future, was incorporated in Mexico in 2020.

The table below presents details of the owned agricultural land by the Group:

		Area in Hectares (Has)	
Land	**Country / region**	**2020**	**2019**
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	324	318
Compositan	Peru / La Libertad	3,778	3,778
Yakuy Minka	Peru / La Libertad	2,766	2,761
INAIN	Peru / La Libertad	22	22
Huangala - Terra	Peru / Piura	2,549	2,549
Citricola Salteña/El Tero	Uruguay/Salto	838	838
Jamilco/El Tero	Uruguay/Salto	683	683
Florida	Colombia / Caldas	2,421	2,421
Valle del Cauca/Quindio	Colombia/ Caldas	1,688	1,688
		20,567	20,556

During 2020, the Group acquired 11 hectares through its subsidiary Camposol S.A. for USD340.

During 2019, the Group acquired 3,078 hectares through its subsidiary Camposol Colombia S.A.S. for USD28,082.

The Group carries out its activities over the following planted areas:

	Area in Hectares (HS)	
	2020	**2019**
Avocados	4,816	4,410
Blueberries	2,652	2,559
Grapes	570	569
Others	1,730	1,387
	9,768	8,925

b) Corporate reorganization -

To face the global competitive environment, Camposol Holding PLC (Former Parent) 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 of Camposol Holding PLC and subsidiaries, the Company was incorporated in 2019 and then started the process of transferring the main operating companies related to the agricultural business to Csol Holding Limited, which allowed the implementation of the group reorganization.

The Company expects to complete the final stage of its corporate reorganization during 2021, which consists on incorporating new holding and trading companies in key countries for its distribution process.

c) Effect of Covid-19 on the Group's operations -

In December 2019, the World Health Organization (WHO) recognized the first reports of an unknown virus that caused pneumonia, but there was no conclusive evidence of person-to-person infections. In March 2020, the WHO declared the novel Coronavirus (Covid-19) outbreak as a global pandemic and various governments across the globe began to implement different restrictions (including travel) to prevent the crowding of people, including mandatory quarantines for people who could be exposed to the virus and mandatory social distancing measures.

After analyzing and reviewing government measures to mitigate the spread of Covid-19, the Group activated protocols for remote work to ensure business continuity and compliance with trade, tax and legal obligations for the period of the mandatory social isolation.

Furthermore, the Group took actions to strengthen its financial position and maintain the necessary liquidity to preserve its business. These measures mainly include the adaptation of protocols required by the Peruvian Central Government in terms of sanitary protocols for the restart of operations.

The Peruvian government developed a plan to reactivate the economy in order to continue with business operations. These measures included tax facilities, access to financing guaranteed by the Peruvian Government (“Reactiva Peru” Plan) and reintegration of economic activities through phases.

It is not possible to determine with certainty the final reach of the Covid-19 outbreak and its impact on the global economy or the Group's operations. However, considering that the Group is within the basic activities stated by the Peruvian Government, it continued to operate during the period of mandatory social isolation. Therefore, Management has determined that its operations did not have a significant impact during 2020 as a result of the Covid-19 pandemic.

d) Approval of the financial statements -

The 2020 consolidated financial statements of the Group were approved by the Board of Directors’ Meeting held in the offices of the Company in Lima on 16 April 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated 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 consolidated 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.

The consolidated financial statements have been prepared under the historical cost convention, as modified by land properties and 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 accompanying consolidated financial statements present the Group’s historical financial position, results of operations, comprehensive income, and cash flows in accordance with IFRS. The financial statements for periods prior to the Corporate reorganization were derived from Camposol Agribusiness’ carve-out financial statements and accounting records and prepared in accordance with IFRS for the preparation of carved-out financial statements. Through the date of the Corporate reorganization, all revenues and costs as well as assets and liabilities directly associated with Camposol Agribusiness have been included in the carve-out financial statements. Prior to the Corporate reorganization, the carve-out financial statements also included allocations of certain costs incurred by Former Parent related to the Camposol Agribusiness, primarily related to the compensation of certain members of senior management and its supervisory board. 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.

Following the corporate reorganization, the consolidated financial statements include the accounts of the Company and its subsidiaries and no longer include any allocations from Former Parent.

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 consolidated 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 1 January 2020, which have been adopted by the Group.*

The Group has applied the following standards and interpretations for the first time to financial reporting periods commencing on or after 1 January 2020:

- Definition of Material – Amendments to IAS 1 and IAS 8

  The IASB has made amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information.

In particular, the amendments clarify:

- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- the meaning of ‘primary users of general-purpose financial statements’ to whom those financial statements are directed, by defining them as ‘existing and potential investors, lenders and other creditors’ that must rely on general purpose financial statements for much of the financial information they need.

- Definition of a Business – Amendments to IFRS 3

  The IASB has issued narrow-scope amendments to IFRS 3,'Business combinations', to improve the definition of a business. The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term ‘outputs’ is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

  The amendments will likely result in more acquisitions being accounted for as asset acquisitions.

- Covid-19-related Rent Concessions - Amendments to IFRS 16 -

  As a result of the Covid-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2020, the IASB made an amendment to IFRS 16 Leases which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.

  Entities applying the practical expedients must disclose this fact, whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognized in profit or loss arising from the rent concessions.

The Group has assessed the accounting standards effective after 1 January 2020 and determined that none have a material impact on the consolidated financial statements.

b) *New standards, amendments and interpretations effective for financial statements of annual periods beginning on or after 1 January 2021, which have not been early adopted -*

The following standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group:

- Annual Improvements to IFRS Standards 2018-2020 -

  The following improvements were finalised in May 2020:

  - IFRS 9 Financial Instruments - clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
  - IFRS 16 Leases - amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.

- IFRS 1 First-time Adoption of International Financial Reporting Standards - allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.
- IAS 41 Agriculture - removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.

This interpretation is effective for financial periods beginning on or after 1 January 2022. The Group is currently evaluating the impact of this standard on its consolidated financial statements.

- Property, Plant and Equipment: Proceeds before intended use - Amendments to IAS 16 -

The amendment to IAS 16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

This interpretation is effective for financial periods beginning on or after 1 January 2022. The Group is currently evaluating the impact of this standard on its consolidated financial statements.

- Classification of Liabilities as Current or Non-current - Amendments to IAS 1 -

The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (eg the receipt of a waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023. The Group is currently evaluating the impact of this standard on its consolidated financial statements.

2.3 Consolidation -

The consolidated 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 consolidated from the date on which control is transferred to the group. They are deconsolidated 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 2.7). 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 consolidated 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 consolidated 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 equal 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 consolidated 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 2.8.

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 consolidated 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 consolidated statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents and other accounts are presented in the consolidated statement of comprehensive income within 'net foreign exchange transactions gains (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 consolidated 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, except lands, are stated at cost less accumulated depreciation and impairment losses. Land property is recognized at fair value following the change in our accounting policy during 2020 (Note 2.28) (Until 2019 land was stated at cost).

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.

Construction in progress also includes payments in advance made by banks institutions on behalf of the Group for the construction of an underlying asset within the framework of a lease agreement. As soon as the construction of the underlying asset is finalized and it becomes available for the intended use of Management, the construction in progress will be transferred to right-of-use assets.

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

Revaluation of lands

From 2020, the Group determines a property's value within a range of reasonable fair value estimation. Land is recognized at fair value and will be evaluated every year or when there are significant changes in its value by external independent valuers. At the end of each reporting period, management updates their assessment of the fair value of each property, taking into account the most recent independent valuations. A revaluation surplus is credited to revaluation surplus in shareholders' equity (note 17).

Increases in the carrying amounts arising on revaluation of land is recognized, net of deferred income tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

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 1 January 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 consolidated 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 12 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	Between 18 and 28
- Mangoes	20
- Grapes	20
- Blueberries	10
- Tangerine	18
- Cherry	17

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 2020 and 2019, 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 and a half 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 written-down immediately to its recoverable amount, if the asset’s carrying amount is greater than its estimated recoverable amount (Note 2.8).

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 consolidated statement of comprehensive income.

2.7 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) 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.

c) 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.

2.8 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.

2.9 Financial assets -

Classification -

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’ in the consolidated statement of financial position (Notes 15, 14 and 16, respectively).

The Group holds financial assets 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.

2.10 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 written 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 are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written-off are credited against the same line item.

2.11 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 consolidated 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.

2.12 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 2.11).

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 written-off to their net realizable value. The Group determines the provision for obsolescence as follows:

Fresh and frozen products	100% of cost at expiration

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).

2.13 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 2.10). The amount of the provision is recognized in the consolidated statement of comprehensive income in “other expenses”. Accounts receivable provided for are written-off when they are assessed as uncollectible.

2.14 Cash and cash equivalents -

In the consolidated 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.

2.15 Equity -

Share capital

Ordinary shares are classified as equity. Any excess received over the par value of issued shares is classified as share premium. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company’s equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs are deducted from equity attributable to the Company’s equity holders until the shares are cancelled or reissued. Where such shares are subsequently sold, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company’s equity holders.

Former parent net investment

Former Parent 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 consolidated financial statements reflect all costs of doing business, whereas the statement of financial position of entities should include the assets currently or formerly owned by the entities and those liabilities for which the entities was or is legally responsible. Differences between statement of comprehensive income and statement of financial position allocations are reflected as part of the former parent's net investment in the entities (as contributions to the entities or distributions from the entities) unless an arrangement between the parent and the entities requires cash settlement (in which case, differences would be reflected as a net payable to, or net receivable from, the parent).

Revaluation surplus -

The lands revaluation surplus is used to record increments and decrements on the revaluation of non-current assets such as land property. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings (Note 2.6)

2.16 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.

In accordance with accounts payable policy of the Group; the payment to suppliers is due between 150 and 180 days

Trade accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.17 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 consolidated 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 consolidated 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.

2.18 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.

2.19 Current and deferred income tax -

Income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the consolidated 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 consolidated 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 consolidated 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 consolidated 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.

2.20 Other liabilities -

Other liabilities correspond to payments in advance made by banks institutions on behalf of the Group for the construction of an underlying asset within the framework of a lease agreement. As soon as the construction of the underlying asset is finalized and it becomes available for the intended use of Management, the borrowing will be transferred to lease liability.

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% of taxable income in Peru of each year. This amount is charged to the consolidated 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 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 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 and frozen 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 consolidated statement of comprehensive income when the Group has the right to claim the refund (when the export is completed).

2.27 Non-controlling interest -

The Group recognizes non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For its non-controlling interests, the Group elected to recognize the non-controlling interests at its proportionate share of the acquired net identifiable assets. See Note 2.3 for the Group's accounting policies for consolidation.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

2.28 Change in accounting policies -

Between February and August 2020, the Group performed valuations of its lands, being most of them revalued in June 2020. The Group determines a land property's value within a range of reasonable fair value estimation. Land is recognized at fair value and will be evaluated every year or when there are significant changes in its value by external independent valuers. At the end of each reporting period, management updates their assessment of the fair value of each land property, taking into account the most recent independent valuations.

The Company considers this change better reflects the current value of its land property and therefore provides more relevant information to management, users of the financial statements and others. The accounting change has been applied prospectively in accordance with IAS 16 during 2020, therefore, the adoption of the new policy has no effect in previous years. The effect in the current year is the recognition of a revaluation surplus in the year amounting to USD243,639 and a deferred income tax liability amounting to USD71,025.

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 2020, and 2019, the Group had the following assets and liabilities in Sol (PEN) and Euros (€) (expressed in USD000):

	2020		Total	2019		Total
	PEN	€	USD	PEN	€	USD
Assets -						
Cash and cash equivalents	4,225	1,584	5,809	1,811	3,229	5,040
Trade and other accounts receivable	8,915	14,838	23,751	3,004	16,875	19,879
	13,140	16,422	29,560	4,815	20,104	24,919
Liabilities -						
Trade and other accounts payable	22,910	4,477	27,387	27,982	5,539	33,521
(Liability) asset position, net	(9,770)	11,945	2,173	(23,167)	14,565	(8,602)

The remaining balance of cash and cash equivalents, trade and other accounts receivable amounting to USD71,594 relates to balances denominated in United States Dollar (2019 USD65,336).

The remaining balance of liabilities, except for the deferred income tax, amounting to USD540,404 relates to balances denominated principally in United States Dollar (2019 USD487,486).

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
2020	+2%	195	+2%	(239)
	-2%	(195)	-2%	239
2019	+2%	463	+2%	(291)
	-2%	(463)	-2%	291

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 periodic 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 exposure 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 consolidated 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 2020 and 2019, 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 20 percent of the balance as of 31 December 2020 (12.8 percent as of 31 December 2019). 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 frozen products in an aggregate amount up to USD328,220 at 31 December 2020 (USD313,362 in 2019).

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. The Group assumes this risk.

As of 31 December 2020, lines of credit available but not used amount to USD81,964 (USD31,000 as of 31 December 2019).

On 3 February 2020, Camposol S.A., and its guarantors CSOL Holding Limited agreed with BofA Securities, Inc., Santander investment Securities Inc., Scotia Capital (USA) Inc., UBS Securities LLC, and BBVA Securities Inc., as representatives of several purchasers, to issue and sell to the several purchasers, USD350,000 of the principal of its 6.000% Senior Notes due in 2027.

On February 12, 2020, Camposol S.A. prepaid in full the outstanding balance of indebtedness of its Syndicated Loan (USD250,000 3.25%plus LIBOR Rate Applicable Margin).

On February 14, 2020, Camposol S.A. prepaid in full the outstanding balance of its Interbank Long-term Loan (USD68,277 6.6% rate).

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
At 31 December 2020 -				
Long-term debt (*)	28,937	22,724	440,242	491,903
Lease liability (*)	16,714	13,473	33,712	63,899
Other liabilities	-	677	-	677
Trade accounts payable (Note 21)	74,777	-	-	74,777
Accounts payable to related companies	60	-	-	60
Other accounts payable (Note 11)	2,340	-	-	2,340
Bank loans (Note 25)	57,922	-	-	57,922
	180,750	36,874	473,954	691,578
At 31 December 2019 -				
Long-term debt (**)	23,632	58,842	336,849	419,323
Lease liability (*)	14,646	10,891	31,449	56,986
Other liabilities	-	11,972	-	11,972
Trade accounts payable (Note 21)	51,045	-	-	51,045
Accounts payable to related companies	16,000	-	-	16,000
Other accounts payable (Note 11)	2,421	-	-	2,421
Bank loans (Note 25)	56,131	-	-	56,131
	163,875	81,705	368,298	613,878

(*) 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 consolidated statement of financial position), less cash and cash equivalents. Total capital is calculated as equity as shown in the consolidated statement of financial position plus net debt.

As of 31 December 2020, the Group's strategy was to maintain the gearing ratio within 0.40 to 0.60 (not to exceed 0.65 as of 31 December 2019). The gearing ratios were as follows:

	2020 USD	2019 USD
Bank loans (Note 25)	57,922	56,131
Long-term debt (Note 20)	361,983	319,313
Lease liability (Note 24)	54,453	47,491
Other liabilities	677	11,972
Less cash and cash equivalents (Note 16)	(33,991)	(27,788)
Net debt (a)	441,044	407,119
Total equity as per statement of financial position (b)	406,980	227,758
Total capital as defined by management (a) + (b)	848,024	634,877
Gearing ratio (a) / (a) + (b)	0.48	0.64

The decrease in the gearing ratio in 31 December 2020 compared to 31 December 2019 was mainly due to the increase in the total equity due to revaluation surplus of lands.

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.

See Note 6 for disclosures of the fair value measurement of land.

As of 31 December 2020, and 2019, 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 (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 2.11 and 10.

To assess the fair value of biological assets the Group considers 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**
2020	+5%	1,349
	-5%	(1,349)
2019	+5%	296
	-5%	(296)

Sensitivity analysis for all other variables is included in Note 10.

- Estimation of fair value of land – Notes 2.6, 6 and 17.

The Group obtains independent valuations for its land (classified in property, plant and equipment and bearer plants) at least every year or when there are significant changes in its value.

At the end of each reporting period, management updates their assessment of the fair value of each land property, taking into account the most recent independent valuations. The management determines a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties.

The Group carries out a sensitivity analysis of its land property taking into consideration volatility levels that would give rise to a material effect in revaluation surplus. The key inputs under this approach are the price per hectare from current year sales of comparable lots of land in the area (location and size). The Group estimated that, other factors being constant, a 5% reduction on the sales price for the period ended 31 December 2020 would have reduced the value of the land property in the amount of US$12,182, which would have impacted, net of its tax effect the "Revaluation surplus" line item in the consolidated statement of financial position.

- 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-year's 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 2019 a recovery of impairment of fixed assets (Note 6) was recorded based on the change in the estimations of Management.

- Estimation of income tax - Notes 2.19, 18 and 34.

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	
	2020	2019
	USD	USD
Decrease the income tax liability	694	71
Increase the income tax liability	(694)	(71)

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 Perú 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 US 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 2.18 and 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 grapes, 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, Chile and Uruguay.

The following shows sales from continuing operations based on the country/area in which the customer is located:

	2020 USD	2019 USD
USA	177,946	155,431
Europe	112,601	115,709
Canada	22,345	17,525
Asia	20,454	30,774
South America	8,601	5,880
Other	1,298	1,319
	343,245	326,638

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
2020 -				
Revenues	174,355	75,027	92,359	341,741
Cost of sales	(98,939)	(45,928)	(54,543)	(199,410)
Gross profit before adjustment for biological assets	75,416	29,099	37,816	142,331
Gain arising from changes in fair value of biological assets	486	18,057	5,438	23,981
Gross profit after adjustment for biological assets by segment	75,902	47,156	43,254	166,312
2019 -				
Revenues	200,484	73,154	51,383	325,021
Cost of sales	(90,579)	(49,481)	(34,586)	(174,646)
Gross profit before adjustment for biological assets	109,905	23,673	16,797	150,375
Gain (loss) arising from changes in fair value of biological assets	3,480	11,190	(4,507)	10,163
Gross profit after adjustment for biological assets by segment	113,385	34,863	12,290	160,538

The following table shows assets by segment, excluding unallocated assets:

	Blueberries USD	Avocados USD	Others USD	Total USD
At 31 December 2020 -				
Biological assets	102,979	44,284	16,201	163,464
Finished products	18,487	2,959	16,614	38,060
Property, plant and equipment (*)	281,022	255,620	165,281	701,923
Right of use asset	29,187	7,581	13,777	50,545
Total assets by segment	431,675	310,444	211,873	953,992
Area (Hectares)	2,652	4,816	2,450	9,918
At 31 December 2019 -				
Biological assets	101,811	27,792	9,057	138,660
Finished products	11,461	1,770	19,085	32,316
Property, plant and equipment	174,039	166,496	99,668	440,203
Right of use asset	9,080	9,542	6,661	25,283
Total assets by segment	296,391	205,600	134,471	636,462
Area (Hectares)	2,559	4,410	1,956	8,925

(*) This includes land property, which for 2020 has been stated on a revalued basis.

At 31 December 2020 and 2019, no transactions between reportable segments were 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:

	2020 USD	2019 USD
Total revenue of reportable segments	341,741	325,021
Unallocated revenue (i)	1,504	1,617
Total revenue of the Group	343,245	326,638

(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:

	2020 USD	2019 USD
Profit after adjustment for biological assets by segments	166,312	160,538
Unallocated revenue	1,504	1,617
Unallocated cost of sales	(996)	(1,426)
Profit after adjustment for biological assets	166,820	160,729

Following is a reconciliation of total assets by segments with total assets:

	2020 USD	2019 USD
Total assets by segments	953,992	636,462)
Unallocated inventories	11,700	13,760)
Unallocated property, plant and equipment	8,905	7,089
Unallocated right of use asset	10,619	26,798
Intangible assets	12,309	8,573
Investment in associate	5,070	3,361
Deferred tax assets	4,099	2,290
Prepaid expenses	4,999	1,495
Other accounts receivable	13,168	12,610
Trade accounts receivable	53,998	49,857
Cash and cash equivalents	33,991	27,788
Total assets	1,112,850	790,083

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
2020					
Revenues	162,398	31,778	29,676	119,393	343,245
Gross profit	93,678	15,117	9,270	24,774	142,839
2019					
Revenues	156,367	43,595	22,355	104,321	326,638
Gross profit	83,555	18,481	9,870	38,660	150,566

Gross profit before adjustment for biological assets by type of produce from continuing operations for the year ended 31 December is as follows:

	2020			**2019**		
	Revenue	**Cost of sales**	**Gross profit**	**Revenue**	**Cost of sales**	**Gross profit**
	USD	**USD**	**USD**	**USD**	**USD**	**USD**
Fresh	310,386	(169,868)	140,518	296,319	(151,106)	145,213
Frozen	25,800	(20,076)	5,724	26,769	(21,862)	4,907
Others	7,059	(10,462)	(3,403)	3,550	(3,104)	446
	343,245	(200,406)	142,839	326,638	(176,072)	150,566

6 PROPERTY, PLANT, EQUIPMENT AND BEARER PLANTS

	Land USD	Building and other construction USD	Plant and equipment USD	Furniture, fixtures and equipment USD	Vehicles USD	Bearer plants (mature) USD	Bearer plants (immature) USD	Construction in progress USD	Total USD
31 December 2019									
Opening net book amount	39,855	48,341	21,305	10,716	219	154,689	64,424	28,789	368,338
Additions	28,082	1,648	856	1,020	172	-	61,561	16,020	109,359
Transfers to right of use assets (Note 9)	-	-	-	-	-	-	-	(5,049)	(5,049)
Transfers of bearer plants	-	-	-	-	-	28,239	(28,239)	-	-
Transfers of other assets	-	2,954	7,435	-	-	-	- 2,467	(12,856)	-
Impairment reversal	-	-	617	-	-	1,884	-	-	2,501
Write off	-	(2)	(916)	(87)	(37)	-	-	-	(1,042)
Depreciation charge	-	(2,734)	(3,832)	(994)	(91)	(19,164)	-	-	(26,815)
Closing net book amount	67,937	50,207	25,465	10,655	263	165,648	100,213	26,904	447,292
At 31 December 2019									
Cost	67,937	66,277	83,386	16,001	2,132	270,692	100,213	26,904	633,542
Accumulated impairment	-	-	(619)	-	-	(6,216)	-	-	(6,835)
Accumulated depreciation	-	(16,070)	(57,302)	(5,346)	(1,869)	(98,828)	-	-	(179,415)
Net book amount	67,937	50,207	25,465	10,655	263	165,648	100,213	26,904	447,292
31 December 2020									
Opening net book amount	67,937	50,207	25,465	10,655	263	165,648	100,213	26,904	447,292
Additions	340	1,026	1,454	1,016	90	-	52,812	9,239	65,977
Revaluation surplus	243,639	-	-	-	-	-	-	-	243,639
Transfers to right of use assets (Note 9)	-	-	-	-	-	-	-	(13,277)	(13,277)
Transfers of bearer plants	-	-	-	-	-	87,893	(87,893)	-	-
Transfers of other assets	-	2,393	2,694	1,256)	- 9	-	1,001	(7,353)	-
Write off	-	(24)	-	(6)	(3)	(1,490)	-	-	(1,523)
Depreciation charge	-	(3,148)	(4,320)	(1,235)	(84)	(22,493)	-	-	(31,280)
Closing net book amount	311,916	50,454	25,293	11,686	275	229,558	66,133	15,513	710,828
At 31 December 2020									
Cost or fair value	311,916	69,572	88,145	18,225	2,062	356,003	66,133	15,513	927,569
Accumulated impairment	-	-	(619)	-	-	(6,216)	-	-	(6,835)
Accumulated depreciation	-	(19,118)	(62,233)	(6,539)	(1,787)	(120,229)	-	-	(209,906)
Net book amount	311,916	50,454	25,293	11,686	275	229,558	66,133	15,513	710,828

For the year ended 31 December 2020 loss on write-off of property, plant and equipment amounts to USD1,523 (loss of USD1,042 for the year ended 31 December 2019). For the year ended 31 December 2020 gain on disposals of property, plant and equipment amounts to USD3 (gain on disposals of USD45 for the year ended 2019) (Note 31).

a) The additions of land correspond to acquisition of 11 hectares in Peru for USD340 through Camposol S.A. (3,078 hectares in Colombia for USD28,082 through Camposol Colombia in 2019).

b) As of 31 December 2020, property, plant and equipment are insured up to a value of USD75,000 (USD60,000 as of 31 December 2019). 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.

c) The allocation of the depreciation charge is as follows:

	2020 USD	2019 USD
Cost of sales (Note 27)	7,842	6,953
Depreciation of bearer plant (Note 27)	22,493	19,164
Administrative expenses (Note 29)	785	669
Selling expenses (Note 28)	160	29
	31,280	26,815

d) Bank borrowings are secured by fixed assets with a total amount of USD24,424 in 2020 (USD403,509 in 2019).

e) As of 31 December 2020, if land were stated on the historical cost basis, the amount would be USD68,277.

f) An impairment test on all CGUs' was performed in 2019 by comparing the recoverable amount of the cash-generating unit (value in use) and their carrying amount. 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.
- 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.
- 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 each CGU.

The annual growth rate corresponds to the average growth rate in revenue of the initial five year. In 2019 this assumption increased compared to previous years (in 2016 this assumption decreased because of the results of unexpected climatic conditions).

Management identified the recoverable amount is higher than the carrying amount of CGUs that leads to an impairment reversal in avocado CGU and grape CGU. Management recognized an impairment reversal in avocado and grape CGU of USD2,501 (Note 31) in 2019 in the consolidated statement of comprehensive income as follows:

	2019		
	Avocado	**Grapes**	**Total**
	USD	**USD**	**USD**
Bearer plants	1,253	631	1,884
Plant and equipment	617	-	617
	1,870	631	2,501

The main assumptions used on the recoverable amount calculation were:

	2019	
	Avocado	**Grape**
Compound annual growth rate (%)	3.8%	2.8%
Budgeted gross margin (%)	57.3%	34.1%
Export prices (USD)	2.3	1.03
Risk adjusted rate (%)	10.3%	9.6%
Recoverable amount of the CGU	471,845	48,869
Carrying amount of the CGU	104,079	39,986

Bearer Plants -

During 2020 and 2019, the Company prepared 9,918 and 8,925 hectares land for cultivation, respectively. During 2020 the Company planted 993 hectares (406 hectares of avocado, 343 hectares of tangerine, 150 hectares of cherry, 93 hectares of blueberry and 1 hectares of grapes). During 2019 the Company planted 2,030 hectares (1,459 hectares of avocado, 391 hectares of blueberry and 180 hectares of grapes) and reduction of 79 hectares of tangerine of Uruguay absorbed for other hectares.

Bearer plants additions in 2020 are related to investments in avocado, tangerine, cherry, blueberry and grapes (avocado, blueberry and grapes in 2019).

Write-offs in 2020 are related mainly to avocado and tangerine bearer plants, based on decision by management to replace plantations in order to increase yields in future harvests.

Valuation processes of the Group -

The Group engages external, independent and qualified valuers to determine the fair value of land at least every year.

All resulting fair value estimates for land are included in level 3 and has been derived using the sales comparison approach. Sale prices of comparable land properties are adjusted considering the specific aspects of each land property, the most relevant premise being the price per hectare (Level 3). The key inputs under this approach are the price per hectare from current year sales of comparable lots of land in the area (location and size). There were no transfers between any levels during the year.

7 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

	2020 USD	% share in the capital %	2019 USD	% share in the capital %
Empacadora de Frutos Tropicales S.A.C	5,070	35.00	3,361	35.00

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 2020 income of this company amounted to USD1,709 (USD81 in 2019) which are shown separately in the consolidated statement of comprehensive income.

The summarized financial information at 100% for this associated company as follows:

	2020 USD	2019 USD
Total assets	17,868	12,504
Total liabilities	3,387	2,905
Total revenue	14,982	9,073
Profit for the year	4,680	2,388
Total equity	14,481	9,599

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 January 1, 2019				
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
Year ended 31 December 2019				
Opening net book amount	-	3,733	1,447	5,180
Additions	-	4,016	-	4,016
Amortization charge	-	(543)	(80)	(623)
Closing net book amount	-	7,206	1,367	8,573
As at 31 December 2019				
Cost	11,950	12,995	1,487	26,432
Accumulated amortization	(11,950)	(5,789)	(120)	(17,859)
Net book amount	-	7,206	1,367	8,573
Year ended 31 December 2020				
Opening net book amount	-	7,206	1,367	8,573
Additions	-	5,384	-	5,384
Write off	-	(589)	-	(589)
Amortization charge	-	(978)	(81)	(1,059)
Closing net book amount	-	11,023	1,286	12,309
As at 31 December 2020				
Cost	11,950	17,059	1,487	30,496
Accumulated amortization	(11,950)	(6,036)	(201)	(18,187)
Net book amount	-	11,023	1,286	12,309

In 2020 and 2019, additions mainly corresponds to the implementation of the SAP project.

The allocation of the amortization charge is as follows:

	2020 USD	2019 USD
Cost of sales (Note 27)	309	94
Selling expenses (Note 28)	19	4
Administrative expenses (Note 29)	731	525
	1,059	623

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	Total USD
As at January 1, 2019						
Cost	9,332	9,634	12,224	1,153	3,883	36,226
Accumulated depreciation	(1,396)	(2,540)	(3,193)	(589)	(683)	(8,401)
Net book amount	7,936	7,094	9,031	564	3,200	27,825
Year ended 31 December 2019						
Transference of Property, plant, equipment and bearer plant upon adoption of IFRS 16	7,936	7,094	9,031	564	3,200	27,825
Additions	7,999	6,841	7,661	1,978	117	24,596
Transfers from property, plant and equipment	-	3	5,043	3	-	5,049
Write off	(23)	(44)	-	-	-	(67)
Depreciation charge	(1,040)	(1,182)	(1,265)	(881)	(954)	(5,322)
Closing net book amount	14,872	12,712	20,470	1,664	2,363	52,081
As at 31 December 2019						
Cost	17,262	16,283	24,928	3,134	4,000	65,607
Accumulated depreciation	(2,390)	(3,571)	(4,458)	(1,470)	(1,637)	(13,526)
Net book amount	14,872	12,712	20,470	1,664	2,363	52,081
Year ended 31 December 2020						
Opening net book amount	14,872	12,712	20,470	1,664	2,363	52,081
Additions	1,852	222	2,629	2	188	4,893
Transfers from property, plant and equipment	8	2,765	9,283	1,128	93	13,277
Write off	(2)	(406)	-	-	(27)	(435)
Depreciation charge	(1,586)	(2,048)	(2,996)	(940)	(1,082)	(8,652)
Closing net book amount	15,144	13,245	29,386	1,854	1,535	61,164
As at 31 December 2020						
Cost	19,113	18,911	36,974	4,253	4,215	83,466
Accumulated depreciation	(3,969)	(5,666)	(7,588)	(2,399)	(2,680)	(22,302)
Net book amount	15,144	13,245	29,386	1,854	1,535	61,164

Additions in 2020 are related to contracts signed with suppliers and banks for leased assets such as property, edifications, irrigation systems and vehicles.

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 4.73% (4.7% in 2019). 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:

	2020 USD	2019 USD
Cost of sales (Note 27)	8,337	4,992
Selling expenses (Note 28)	-	93
Administrative expenses (Note 29)	315	237
	8,652	5,322

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 8.03% and 12.55% over different products for 2020 (between the range of 6.62% and 9.10% over different products for 2019).

The movement for the period in the fair value of biological assets is as follows:

	Opening balance		Additions and deductions		Closing balance	
	Area Has	Market value USD	Area Has	Market value USD	Area Has	Final balance USD
At 31 December 2020						
Avocados	4,410	27,792	406	16,492	4,816	44,284
Mangos	562	637	-	2,271	562	2,908
Grapes	569	6,186	1	1,395	570	7,581
Tangerines	825	2,234	343	3,478	1,168	5,712
Blueberries	2,559	101,811	93	1,168	2,652	102,979
	8,925	138,660	843	24,804	9,768	163,464

	Opening balance		Additions and deductions		Closing balance	
	Area	Market value	Area	Market value	Area	Final balance
	Has	USD	Has	USD	Has	USD
At 31 December 2019						
Avocados	2,951	15,205	1,459	12,587	4,410	27,792
Mangos	562	1,276	-	(639)	562	637
Grapes	389	5,590	180	596	569	6,186
Tangerines	904	4,838	(79)	(2,604)	825	2,234
Blueberries	2,168	93,616	391	8,195	2,559	101,811
	6,974	120,525	1,951	18,135	8,925	138,660

The main assumptions used to estimate the fair values of the biological assets were as follows:

Avocados:

- 91 plots in Agromás, Marverde, Frusol, Terra, Agricultor, Yakuy Minka, La Moravia, Salento, La Bretaña and El Castillo. (65 plots in 2019).
- Every harvest cycle lasts 1 year for 2020 and 2019.
- Risk adjusted rate of 9.11% in Peru and 12.55% in Colombia for 2020 (7.63% in Peru and 9.01% in Colombia for 2019).
- The harvest period is mainly during the months of March to January.

Mangos:

- 13 plots in Atypsa, Balfass and Dunas (9 plots in 2019).
- Every harvest cycle lasts 1 year for 2020 and 2019.
- Risk adjusted rate of 8.27% for 2020 (6.84% for 2019).
- The harvest period is mainly during December to March.

Grapes:

- 33 plots in Agroalegre (33 plots in 2019).
- Each harvest cycle last 1 year for 2020 and 2019.
- Risk adjusted rate of 9.47% for 2020 (7.97% for 2019).
- The harvest period is mainly during the months of November and December.

Blueberries:

- 58 plots in Agromas, Marverde, Gloria, Agricultor, Oro azul and Yakuy Minka (56 plots in 2019).
- Each harvest cycle last 1 year for 2020 and 2019.
- Risk adjusted rate of 8.03% for 2020 (6.62% for 2019).
- The harvest period is during all the year.

Tangerines:

- 21 plots in Yakuy Minka and El Tero (8 plots in 2019).
- Each harvest cycle last 1 year for 2020 and 2019.
- Risk adjusted rate of 9.11% in Peru and 11.55% in Uruguay for 2020 (7.63% in Peru and 9.10% in Uruguay for 2019).
- The harvest period is mainly during the months of April to September.

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
At 31 December 2020	
+2%	4,958
-2%	(4,958)
At 31 December 2019	
+2%	4,179
-2%	(4,179)

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
At 31 December 2020	
+2%	6,205
-2%	(6,205)
At 31 December 2019	
+2%	5,367
-2%	(5,367)

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
At 31 December 2020	
+2%	(2,305)
-2%	2,305
At 31 December 2019	
+2%	(2,191)
-2%	2,191

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
At 31 December 2020						
Initial balance of fair value	27,792	637	6,186	2,234	101,811	138,660
Harvest	(19,255)	(3,431)	(12,212)	(4,441)	(40,640)	(79,979)
Price change	1,842	1,091	458	4,147	7,326	14,864
Change in fair value due to biological transformation	16,215	236	1,722	(2,216)	(6,840)	9,117
Increase due to purchases	17,690	4,375	11,427	5,988	41,322	80,802
Final balance of fair value	44,284	2,908	7,581	5,712	102,979	163,464
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	18,057	1,327	2,180	1,931	486	23,981
At 31 December 2019						
Initial balance of fair value	15,205	1,276	5,590	4,838	93,616	120,525
Harvest	(16,403)	(2,704)	(6,268)	(3,963)	(28,896)	(58,234)
Price change	1,707	(74)	342	(1,979)	11,554	11,550
Change in fair value due to biological transformation	9,483	(1,009)	(741)	(1,046)	(8,074)	(1,387)
Increase due to purchases	17,800	3,148	7,263	4,384	33,611	66,206
Final balance of fair value	27,792	637	6,186	2,234	101,811	138,660
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	11,190	(1,083)	(399)	(3,025)	3,480	10,163

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 31 December 2020 USD	Fair value 31 December 2019 USD	Valuation technique	Unobservable inputs	Range of unobservable inputs probability- (weighted average)	Relationship of unobservable inputs to fair value
Avocados produce	44,284	27,792	Discounted cash flows	Crop yield - tonnes Per hectare (*)	0.9 - 36.9 (16.3) in 2020 (18.5 in 2019)	The higher the crop yield, the higher the fair value
				Avocados average price	31.12.2020 (1,545 in Peru and 0.641 in Colombia) 31.12.2019 (1,399 in Peru and 1,519 in Colombia) per tonne	The higher the market price, the higher the fair value
				Discounted rate	31.12.20 (9.11% in Peru and 12.55% in Colombia) 31.12.19 (7.63% in Peru and 9.01% in Colombia)	The higher the discount rate the lower the fair value
Mangos produce	2,908	637	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.9 - 34 (17.9) in 2020 (20.6 in 2019)	The higher the crop yield, the higher the fair value
				Mangoes average price	31.12.2020 (495) 31.12.2019 (404) per tonne	The higher the market price, the higher the fair value
				Discounted rate	31.12.20 (8.27%) 31.12.19 (6.84%)	The higher the discount rate the lower the fair value
Grapes produce	7,581	6,186	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.9 – 34.0 (17.3) in 2020 (22.1 in 2019)	The higher the crop yield, the higher the fair value
				Grapes average price	31.12.2020 (1,694) 31.12.2019 (1,659) per tonne	The higher the market price, the higher the fair value
				Discounted rate	31.12.20 (9.47%) 31.12.19 (7.97%)	The higher the discount rate, the lower the fair value
Tangerines produce	5,712	2,234	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.0 - 75 (43.1) in 2020 (47.4 in 2019)	The higher the crop yield, the higher the fair value
				Tangerine average price	31.12.2020 (826 in Peru and 931 in Uruguay) 31.12.2019 (596 in Peru and 514 in Uruguay) per tonne	The higher the market price, the higher the fair value
				Discounted rate	31.12.20 (9.11% in Peru and 11.55% in Uruguay) 31.12.19 (7.63% in Peru and 9.10% in Uruguay)	The higher the discount rate, the lower the fair value
Blueberries produce	102,979	101,811	Discounted cash flows	Crop yield - tonnes Per hectare (*)	3.6 – 22.4 (12.4) in 2020 (16.2 in 2019)	The higher the crop yield, the higher the fair value
				Blueberry average price	31.12.2020 (5,605) 31.12.2019 (5,388) per tonne	The higher the market price, the higher the fair value
				Discounted rate	31.12.20 (8.03%) 31.12.19 (6.62%)	The higher the discount rate, the lower the fair value
	163,464	138,660				

(*) 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 consolidated statement of financial position as of 31 December 2020 and 2019 are as follows:

	2020 USD	2019 USD
Financial assets at amortized cost:		
Trade accounts receivable (Note 15)	53,998	49,857
Other accounts receivable (*) (Note 14)	2,937	3,094
Cash and cash equivalents (Note 16)	33,991	27,788
	90,926	80,739

(*) This item excludes Value added tax, Custom duties refund and Prepayment to suppliers.

Financial liabilities as per the consolidated statement of financial position as of 31 December 2020 and 2019 are as follow:

	2020 USD	2019 USD
Financial liabilities at amortized cost:		
Trade accounts payable (Note 21)	74,777	51,045
Other accounts payable (excluding statutory liabilities and non-financial liabilities) (Note 22)	2,340	2,421
Bank loans (Note 25)	57,922	56,131
Lease liability (Note 24)	54,453	47,491
Other liabilities	677	11,972
Long-term debt (Note 20)	361,983	319,313
	552,152	488,373

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:

	2020 USD	2019 USD
Trade accounts receivable		
New customers (less than 6 months as a customer)	3,118	6,078
Existing customers (more than 6 months) without non-compliance experience in the past	50,859	42,048
Existing customers (more than 6 months) with some non-compliance experience in the past	21	1,731
	53,998	49,857
Other accounts receivable		
Existing customers (more than 6 months) without non-compliance experience in the past	2,055	1,711
Existing customers (more than 6 months) with some non-compliance experience in the past	444	270
	2,499	1,981

See credit quality of deposits in banks in Note 16.

13 INVENTORIES

	2020 USD	2019 USD
Finished products:		
- Avocados	2,959	1,770
- Mangos	3,937	2,020
- Grapes	12,666	17,054
- Blueberries	18,487	11,461
- Tangerine	11	11
Supplies	5,483	6,922
Packs	4,131	4,753
Seeds, seedlings and others	1,947	1,153
In-transit raw material and supplies	908	2,135
	50,529	47,279
Provision for obsolescence of inventories	(769)	(1,203)
	49,760	46,076

The increase in blueberry finished products in 2020 is mainly due to a increase in the production of harvest campaign that will be finished in March 2021

Finished products by type of produce for the year ended 31 December is as follows:

	2020 USD	2019 USD
Fresh	32,470	29,887
Frozen	5,590	2,429
	38,060	32,316

As of 31 December 2020 and 2019, inventories are free of any pledges as guarantee on liabilities.

The cost of inventories recognized as expense and included in the cost of sales amounted to USD86,350 (2019: USD77,581) (Note 27).

Movement in the provision for obsolescence of inventories:

	2020 USD	2019 USD
Opening balance	(1,203)	(1,157)
Additions (Note 31)	(96)	(461)
Net realizable value	(15)	(177)
Write-off	545	592
Balance at the end of the year	(769)	(1,203)

The additions correspond mainly to impaired supplies and net realizable value impairment is related to finished products. Additions are recognized in other expenses amounts to USD96 (2019: USD461) (Note 31).

14 OTHER ACCOUNTS RECEIVABLE

	2020 USD	2019 USD
Value added tax (IGV in Peru)	6,560	5,810
Custom duties refund (Drawback in Peru and Uruguay)	3,173	3,087
Services rendered to third parties	1,694	1,697
Loans to third parties	785	760
Related companies (Note 36)	435	1,113
Prepayments to suppliers	498	619
Rental of the pepper plant	-	378
Claims to third parties	538	434
Receivables from government health entity	263	264
Due from employees	908	139
Other	8	6
	14,862	14,307
Less: Provision for impairment of other accounts receivable	(1,694)	(1,697)
	13,168	12,610

Loans to third parties corresponds to loans granted to minor farmers, that Camposol makes to incentivize the agricultural activity 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:

	2020 USD	2019 USD
Opening balance	(1,697)	(1,690)
Additions (Note 31 and 33)	-	(18)
Recoveries (Nota 32)	-	8
Reclassification	3	3
Balance at the end of the year	(1,694)	(1,697)

Other accounts receivables not provisioned are current and are not impaired.

The drawback (custom duties refund) recovered during the year 2020 amounted to USD3,087 (USD2,090 in 2019). 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 31 December 2020. On 5 November 2020 the contract was renewed until 31 December 2021.

The minimum lease payments receivable on the lease of the plant are as follows:

	2020 USD	2019 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	320

15 TRADE ACCOUNTS RECEIVABLE

	2020 USD	2019 USD
Third parties	54,892	50,783
Less: Provision for impairment of trade accounts receivable	(894)	(926)
	53,998	49,857

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 USD14,838 in Euros (2019: USD17,796) and USD219 in Sol (2019: USD85 in Sol). The remaining balances are denominated in US Dollars.

The movement of the provision for impairment of trade accounts receivable is as follows:

	2020 USD	2019 USD
Opening balance	(926)	(654)
Additions (Notes 31 and 33)	(305)	(609)
Recoveries (Note 32)	295	253
Write-off	38	86
Adjustments	4	(2)
Balance at the end of the year	(894)	(926)

The Group does not ask for collaterals to secure the full collection of its trade accounts receivable.

As of 31 December 2020 and 2019, the ageing 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 31 December 2020	53,998	49,634	4,227	137	-	-
At 31 December 2019	49,857	48,785	787	285	-	-

As of 31 December 2020, trade accounts receivable amounting to USD894 (USD926 in 2019) 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 2020, and 2019 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

	2020 USD	2019 USD
Cash in hand	20	18
Cash at banks	16,248	17,931
Short-term deposits	13,998	6,356
Short-term investments	2,728	2,464
Restricted cash at banks	997	1,019
	33,991	27,788

The Group's cash and cash equivalents, except cash in hand, amounts to USD28,182, USD4,225 and USD1,584 (in 2019 USD22,748, USD1,811 and USD3,229) in U.S. Dollars, Sol and Euros, respectively. The 2020 and 2019 short-term deposits are denominated in U.S. Dollars.

The short-term deposits as of 31 December 2020 and 2019 comprise balance in banks with maturities of less than three months. As of 31 December 2020, the time deposits have generated interest of USD137 (USD311 to 31 December 2019) (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 credit classification of cash and cash equivalents are as follows:

	2020 USD	2019 USD
Bank deposits (*)		
Classification AAA	1,093	1,018
Classification A +	29,183	23,116
Classification A	3,695	2,806
Others	-	830
	33,971	27,770

(*) The balances above do not include the balance of cash in hand.

17 SHAREHOLDERS' EQUITY

Former 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 corporate 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 Former Parent's net investment in the consolidated financial statements. Prior to the legal reorganization, net income (loss) of the Camposol Agribusiness forms part of Former Parent's net investment. Former 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.

On 21 May 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 50,000 (see note 36). The Group paid USD42,000 and USD8,000 in 2019 and 2020 respectively.

Revaluation surplus -

In 2020, the Group has recognized a revaluation surplus of its land properties (classified in property, plant and equipment) included in other comprehensive income, net of deferred tax liabilitiy. The Group engaged external independent valuers to determine the fair value estimation. As of 31 December 2020, the revaluation surplus, net of deferred tax liability, amounted to USD172,614.

Share capital and premium -

On 22 October 2019, the shareholders made a capital contribution of USD10,000 into Csol Holding Limited and the spin-off of the main operating companies began.

As of 31 December 2020, the total authorized number of ordinary issued shares is 100,000,000 shares with a par value of USD0.1 per share. All shares issued have been fully paid-in.

In December 2020, Camposol Holding PLC assigned and transferred, free of obligations, its total shares in Camposol Uruguay to Csol Holding Limited for an amount of USD22,000 (see note 1.a).

Shareholder -

As of 31 December 2020, and 2019 the Dyer-Coriat family (comprised of Samuel Barnaby Dyer Coriat, Piero Martin Dyer Coriat and Sheyla Dyer Coriat) is the Group's ultimate controlling party and owns 82.59% of the shares of the Company. Certain members of the Dyer family own the remainder shares of the Company.

Distribution to shareholders (Note 36) -

In November 2019, Csol Holding Limited distributed a total amount of USD10,000 to its shareholders.

Non-controlling interest -

As of 31 December 2020 and 2019, the non-controlling interest is related to the shareholding in Camposol Europa S.L. and Camposol Fresh B.V.

18 DEFERRED INCOME TAX

The net movement in the deferred income tax liabilities is as follows:

	2020 USD	2019 USD
Opening balance	39,028	53,598
Expense (profit) for the year (Note 34)	23,924	(14,570)
Other comprehensive income	71,025	-
Balance at the end of the year	133,980	39,028

Deferred tax relates to the following items:

	Opening balance USD	Income statement USD	Other comprehensive income USD	Closing balance USD
At 31 December 2020 -				
Deferred tax assets -				
Tax losses carried-forward	1,625	1,167	-	2,792
Provisions	148	720	-	868
Effect IFRS 16	214	(118)	-	83
Trade accounts receivable	303	53	-	356
	2,290	1,809	-	4,099
Deferred tax liabilities				
Withholding tax on dividends	5,640	2,209	-	7,849
Fair value of biological assets	18,220	3,261	-	21,481
Deemed cost - bearer plants	11,259	14,666	-	25,925
Fair value of revalued land	-	-	71,025	71,025
Fair value of fixed assets	6,034	5,280	-	11,314
Gain on investments in associates	328	256	-	584
Fair value of inventories (NRV)	(163)	64	-	(99)
	41,318	25,736	71,025	138,079
Deferred tax	(39,028)	(23,927)	(71,025)	(133,980)
At 31 December 2019 -				
Deferred tax assets -				
Tax losses carried-forward	282	1,343	-	1,625
Provisions	(474)	622	-	148
Effect IFRS 16	118	96	-	214
Trade accounts receivable	316	(13)	-	303
	242	2,048	-	2,290
Deferred tax liabilities				
Withholding tax on dividends	3,455	2,185	-	5,640
Fair value of biological assets	16,121	2,099	-	18,220
Deemed cost - bearer plants	29,663	(18,404)	-	11,259
Fair value of fixed assets	4,901	1,133	-	6,034
Gain on investments in associates	220	108	-	328
Fair value of inventories (NRV)	(520)	357	-	(163)
	53,840	(12,522)	-	41,318
Deferred tax	(53,598)	14,570	-	(39,028)

On 29 October 2019, Law No.27360 was amended and among other provisions, it extended the tax rate benefit of 15% for the agricultural industry until 31 December 2031. This amendment in 2019 has a specific impact in the Deferred income tax over the deemed cost of bearer plants

On 31 December 2020, Law No.31110 was enacted and among other provisions, it establishes a gradual reduction of the tax rate benefit for the agricultural industry until 31 December 2027. A tax rate of 15% for years 2021-2022, 20% for years 2023-2024, 25% for years 2025-2027. After the year 2028 the tax rate will be 29.5%. This amendment in 2020 had a significant impact in the deferred income tax over the deemed cost of bearer plants (see Note 34).

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.

Management expects that remaining balance of tax loss will be recovered in the coming years considering the projections of taxable income.

In 2020 the Group recognized USD2,209 (the Group recognized USD2,185 in 2019) 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:

	2020 USD	2019 USD
2023	294	-
2022	1,996	-
2021	502	-
2020	-	1,625
	2,792	1,625

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 Law, Camposol S.A. recorded a provision for workers' profit sharing equivalent to 5% of the taxable income of the Peruvian subsidiaries for 2020 and 2019. 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:

	2020 USD	2019 USD
Cost of sales (Note 27)	633	3,423
Selling expenses (Note 28)	2	17
Administrative expenses (Note 29)	56	358
	691	3,798

20 LONG-TERM DEBT

Type of debt	Issuer	Annual interest rate	31 December 2020 USD	2019 USD
Bonds	Camposol S.A.	6.000%	351,040	-
Bank borrowings	Camposol S.A.	6.6%	10,943	73,123
Syndicated loans	Camposol S.A.	5.41%+LIBOR (each 3 months)	-	246,190
			361,983	319,313
Less-current portion			(7,368)	(5,403)
			354,615	313,910

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	Total long-term debt USD
Balance as of 1 January 2019	-	37,808	197,844	235,652
Cash transactions:				
Repayment of long-term borrowings	-	(5,428)	-	(5,428)
Borrowings received	-	41,000	49,000	90,000
Transactions costs	-	(498)	(1,012)	(1,510)
Payment of interest	-	(21)	(370)	(391)
Non-cash transactions:				
Amortization of transaction costs	-	105	316	421
Accrued interest	-	157	412	569
Balance as of 31 December 2019	-	73,123	246,190	319,313
Balance as of 1 January 2020	-	73,123	246,190	319,313
Cash transactions:				
Repayment of long-term borrowings	-	(62,849)	(249,000)	(311,849)
Bonds issuance	346,073	-	-	346,073
Transactions costs	(4,715)	(25)	-	(4,740)
Payment of interest	-	(158)	(411)	(569)
Non-cash transactions:				
Amortization of transaction costs	612	785	3,221	4,618
Accrued interest	9,070	67	-	9,137
Balance as of 31 December 2020	351,040	10,943	-	361,983

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:

	2020 USD	2019 USD
1 - 2 years	1,207	41,095
2 - 3 years	794	43,241
3 - 4 years	791	43,780
More than 4 years	351,823	185,794
	354,615	313,910

Fair values -

The carrying amounts and fair value of the non-current borrowings are as follows:

	Carrying amount At 31 December		Fair value At 31 December	
	2020 USD	2019 USD	2020 USD	2019 USD
Bank borrowings	10,901	67,662	9,753	63,377
Bonds	343,714	-	333,323	-
Syndicated loans	-	246,248	-	253,241
	354,615	313,910	343,076	316,618

At 31 December 2020 and 2019 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 -

USD 350,000 6.000% Senior Secured Notes due 2027 -

On 28 January 2020, Camposol S.A., Csol Holding Limited's subsidiary, issued USD350,000 6.000% senior unsecured notes due 2027, which are guaranteed by Csol Holding Limited as parent guarantor.

Settlement of the bond issue occurred on 3 February 2020. The net proceeds from the bond issue were used to repay long term debt, to finance capital expenditures and for general corporate purposes.

With this transaction, the Company extended the maturity of its long term debt to 6.6 years under better conditions than the previous long-term debt facility, which allowed it to refinance existing debt in order to extend the duration releasing all collateral.

These notes include certain restrictive covenants based on the consolidated financial statements of Csol Holding Limited, as described below.

At any time the Notes are assigned Investment Grade Ratings by 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 cease to be subject to the following covenants in the Indenture:

i. Limitation on Indebtedness and Disqualified Stock.

   a. 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. Limitation on Restricted Payments, which are to:

   a. 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, subject to certain exceptions.
   b. Purchase, redeem, retire or otherwise acquire for value any shares of Capital Stock.
   c. Make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of Indebtedness.
   d. Make any Investment, other than a Permitted Investment

iii. Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries. Subject to certain exceptions, 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:

   a. 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.
   b. Pay any Indebtedness owed to the Parent Guarantor or any other Restricted Subsidiary.
   c. Make loans or advances to the Parent Guarantor or any other Restricted Subsidiary.
   d. Sell, lease or transfer any of its property or assets to the Parent Guarantor or any other Restricted Subsidiary.

iv. Limitation on Issuances of Guarantees by Restricted Subsidiaries

v. Limitation on Transactions with Affiliates

a. The Affiliate Transaction will not be permitted unless it 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 other requirements are satisfied.

vi. 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, except for certain permitted liens.

vii. Limitation on Sale of Assets. The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, consummate an Asset Sale, unless, amongst other conditions:

a. At least 75% of the consideration received consists of cash or Temporary Cash Investments.

viii. 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 under the Indenture.

ix. 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 time, 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.

x. 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 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.

xi. Government Approvals and Licenses; Compliance with Law

The Parent Guarantor will, and will cause each Restricted Subsidiary to, 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.

b) Bank borrowings -

USD 68,277 6.6% Interbank Long-Term Loan due 2026

On 28 December 2018, Camposol S.A. obtained a borrowing from Interbank for up to USD68,277 (The New Interbank Mid-Term Loan) at an Annual Interest Rate of 6.6% due November 2026. A first disbursement of USD38,277 was made on 28 December 2018, these proceeds were used to prepay of the outstanding balance of the USD40,000 6.6% Interbank Mid-Term Loan due 2023 and other corporate purposes. A second disbursement of USD30,000 was made on 28 February 2019.

On 14 February 2020, Camposol S.A. prepaid in full the outstanding amount under the Interbank Long-Term Loan for USD 68,277.

USD 20,000 6.6% Banco BBVA Peru Long-Term Loan due 2026

On 12 November 2019, Camposol S.A. obtained a borrowing from Banco BBVA Peru for up to USD20,000 (The New BBVA Long-Term Loan) at an Annual Interest Rate of Libo Rate for a period equal to three months plus 3.20% due December 2026. A first disbursement of USD11,000 was made on 18 November 2019, these proceeds were used for corporate purposes.

The BBVA Long-Term Loan includes certain restrictive covenants:

a. Leverage ratio less than or equal to 3.5

According to Management evaluation at 31 December 2020, the Group was in compliance with these covenants.

c) Syndicated Loans -

USD250,000 3.25% LIBOR Rate plus Applicable Margin Syndicated Loan due 2025

On 13 December 2018, Camposol S.A. obtained a borrowing for up to USD250,000 (The Syndicated Loan) at an Annual Interest Rate of Libor for a period equal to three months plus 3.25% due December 2025. A first disbursement of USD200,000 was made on 20 December 2018, these proceeds were used to redeem the USD147,490 10.5% Senior Secured Notes due 2021 and other corporate purposes. A second disbursement of USD49,000 was made on 20 June 2019.

On 12 February 2020, Camposol S.A. prepaid in full its Syndicated Loan for USD250,000 to 3.25% LIBOR Rate plus Applicable Margin with the proceeds of its 6.000% Senior Notes due 2027.

21 TRADE ACCOUNTS PAYABLE

	2020 USD	2019 USD
Suppliers	54,089	47,379
Bills of exchange payable	13,004	2,189
Payables to related parties (Note 36)	7,684	1,477
	74,777	51,045

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 US dollars are due within 3 months and bear interest at an annual average rate of 9%.

The average payment terms of trade payables are between 150 to 180 days.

22 OTHER ACCOUNTS PAYABLE

	2020 USD	2019 USD
Vacations and other payables to employees	7,317	7,953
Workers' profit sharing	1,437	3,798
Workers' pension fund payable	663	1,164
Other	1,677	1,257
	11,094	14,172

Workers' profit sharing pending of payment include USD691 of the period 2020 and USD746 of the period 2019 (Note19). Other accounts payable are due within 12 months, not interest-bearing and are mainly denominated in Sol.

23 PROVISIONS

	Legal claims USD	Other provisions USD	Total USD
At 1 January 2019	2,028	2,649	4,677
Additional provisions	1,528	-	1,528
Payments	(474)	(2,389)	(2,863)
At 31 December 2019	3,082	260	3,342
At 1 January 2020	3,082	260	3,342
Additional provisions	1,272	3,093	4,365
Payments	(722)	(160)	(882)
At 31 December 2020	3,632	3,193	6,825

New provisions in 2020 of USD2,596 correspond mainly to bonus performance to employees for results of the year and USD1,272 legal claims for employee benefits (USD1,528 in 2019 for legal claims for employee benefits).

24 LEASE LIABILITY

Type of debt	Guarantee	Annual interest rate	2020 USD	2019 USD
Lease liabilities	Property subject to financial lease	Between 3.70% and 5.70%	54,453	47,491
Less - current portion			(14,522)	(12,180)
Non-current portion			39,931	35,311

All leases are denominated in United States Dollars.

For purposes of reconciliation with the information provided in the consolidated statement of cash flows, following is the movement of leases liabilities:

	USD
Balance as of 1 January 2019	22,570
Cash transactions:	
Repayment of leases liabilities	(5,392)
Payment of interest	(2,207)
Non-cash transactions:	
Accrued interest	2,338
Purchase of fixed assets under finance lease	30,182
Balance as of 31 December 2019	47,491
Balance as of 1 January 2020	47,491
Cash transactions:	
Repayment of leases liabilities	(9,426)
Payment of interest	(1,933)
Non-cash transactions:	
Accrued interest	2,088
Purchase of fixed assets under finance lease	16,233
Balance as of 31 December 2020	54,453

The maturity of the non-current portion of lease liability is as follows:

	2020 USD	2019 USD
1 - 2 years	12,368	8,967
2 - 3 years	10,598	8,353
3 - 4 years	5,036	6,939
More than 4 years	11,929	11,052
	39,931	35,311

The future minimum lease payments under finance leases together with the present value of net minimum lease payments are as follows:

	2020		2019	
	Minimum payments USD	Present value of payments USD	Minimum payments USD	Present value of payments USD
Within one year	16,714	14,522	14,646	12,180
After one year but no more than seven years	47,185	39,931	42,340	35,311
Total minimum lease payments	63,899	54,453	56,986	47,491
less amounts representing finance charges	(9,446)		(9,495)	
Present value of minimum lease payments	54,453		47,491	

25 BANK LOANS

	2020 USD	2019 USD
Loans -		
Banco BBVA (Peru)	20,000	31,000
Banco Scotiabank (Peru)	28,850	20,000
Banco ICBC (Peru)	9,000	5,000
Accrued interest to pay	72	131
	57,922	56,131

For purposes of reconciliation with the information provided in the consolidated statement of cash flows, following is the movement of bank loans for the years ended 31 December:

	2020 USD	2019 USD
Initial balance	56,131	-
Accrued interest in the year	1,475	453
Bank loans proceeds	192,850	111,500
Bank loans payments	(191,000)	(55,500)
Interest paid in the year	(1,534)	(322)
Closing balance	57,922	56,131

Bank loans represent promissory notes with maturities up to 210 days, which were obtained for working capital. These loans bear fixed annual interest rates between 1.25 per cent and 1.85 per cent (between 1.80 per cent and 4.55 per cent in 2019).

26 REVENUE

Revenue represents the sale of fresh and frozen biological products.

For the years ended 31 December, comprise the following (Note 5):

	2020 USD	2019 USD
Blueberries	174,355	200,484
Avocado	75,027	73,154
Mangos	31,465	25,526
Grapes	38,346	15,090
Tangerine	22,548	10,767
Others	1,504	1,617
	343,245	326,638

27 COST OF SALES

	2020 USD	2019 USD
Cost of inventories recognized as expenses (Note 13)	86,350	77,581
Personnel expenses (Note 30)	77,232	70,319
Depreciation of bearer plants (Note 6)	22,493	19,164
Depreciation of property, plant and equipment (Note 6)	7,842	6,953
Depreciation of right of use asset (Note 9)	8,337	4,992
Write-off of bearer plant (Note 6)	1,490	-
Amortization of computer software (Note 8)	309	94
Custom duties refund	(3,647)	(3,031)
	200,406	176,072

In Peru, Camposol S.A. is beneficiary of a simplified procedure for custom duties refunding (Drawback), at a rate of 3% of FOB value of exports (3% in 2019).

Personal expenses include USD633 of workers profit sharing (USD3,423 in 2019) (Note 19).

In 2020, 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 USD15 (USD177 in 2019) (Note 13 and 33).

28 SELLING EXPENSES

Selling expenses for the years ended 31 December comprise the following:

	2020 USD	2019 USD
Freight	23,559	19,010
Exportation custom duties	10,131	7,717
Personnel expenses (Note 30)	5,297	4,371
Insurances	1,106	1,534
Consulting services	1,069	1,425
Travel and business expenses	275	803
Subscriptions to associations	189	733
Selling commissions	1,849	672
Depreciation of right of use asset (Note 9)	-	93
Depreciation (Note 6)	160	29
Amortization of computer software (Note 8)	19	4
Other expenses	1,262	1,268
	44,916	37,659

Personal expenses include USD2 of workers’ profit sharing (USD17 in 2019) (Note 19).

29 ADMINISTRATIVE EXPENSES

Administrative expenses for the years ended 31 December are comprised of the following:

	2020 USD	2019 USD
Personnel expenses (Note 30)	11,303	11,874
Professional fees	3,938	5,291
Renting of machinery and equipment	902	1,197
Travel and business expenses	338	1,234
Amortization of computer software (Note 8)	731	525
Depreciation (Note 6)	785	669
Materials and supplies	354	649
Depreciation of right of use asset (Note 9)	315	237
Audit services and others	315	352
Directors' remuneration (Note 30)	148	280
Maintenance	506	354
Subscriptions to associations	372	372
Insurances	256	27
Other taxes	108	112
Transport and telecommunications	96	128
Utilities	76	108
Other expenses	1,547	2,019
	22,090	25,428

Personal expenses include USD56 of workers' profit sharing (USD358 in 2019).

30 PERSONNEL EXPENSES

	2020 USD	2019 USD
Salaries and wages	75,209	73,329
Vacations	4,582	2,376
Other employees' benefits	12,553	8,255
Other expenses	1,636	2,884
	93,980	86,844
Average number of staff employed during the year	16,259	16,308

Personnel expenses are allocated as follows:

	2020 USD	2019 USD
Cost of sales (Note 27)	77,232	70,319
Selling expenses (Note 28)	5,297	4,371
Administrative expenses (Note 29)	11,303	11,874
Directors' remuneration (Note 29)	148	280
	93,980	86,844

31 OTHER INCOME AND EXPENSES

	2020 USD	2019 USD
Other income -		
Indemnity of insurance	36	2,310
Impairment reversal on fixed assets (Note 6)	-	2,501
Gain on sale of supplies	-	323
Services to third parties	313	761
Gain on sale of property, plant and equipment (Note 33)	3	45
Recovery of written-off accounts receivable (Note 14 and 15)	295	261
Other	468	209
	1,115	6,410
Other expenses -		
Organizational restructuring expenses	(1,908)	-
Personnel transportation	(1.960)	-
Contingencies (Notes 23)	(1,272)	(1,528)
Write-off of fixed assets (Note 6 and 8)	(622)	(1,042)
Default interest and fines	(45)	(611)
Impairment of trade receivable (Notes 15)	(305)	(627)
Donations and samples	(587)	(507)
Obsolescence of inventories (Notes 13)	(96)	(461)
Write-off of project	(1,121)	-
Loss on sale of supplies	(525)	-
Other	(1,767)	(233)
	(10,208)	(5,009)

32 FINANCIAL INCOME AND COSTS

	2020 USD	2019 USD
Income -		
Interest (Note 16)	137	311
Interest to shareholder	405	455
Gain in investment funds	270	209
Other income	4	26
	816	1,001
Costs -		
Interest on bonds and bank loans	(28,717)	(17,566)
Interest on lease liability	(2,559)	(2,402)
Tax on financial transactions	(1,764)	(978)
Interest on accounts payable to suppliers	(1,475)	(453)
Other finance costs	(482)	(452)
	(34,997)	(21,851)

33 CASH GENERATED FROM OPERATIONS

	Note	2020 USD	2019 USD
Reconciliation of profit for the year to net cash generated from operating activities:			
Profit before income tax		57,585	80,791
Depreciation	6	31,280	26,815
Depreciation of right of use asset	9	8,652	5,322
Amortization	8	1,059	623
Impairment of accounts receivable	14 and 15	305	627
Obsolescence of inventories	13	96	461
Write- off of avocado and tangerine	6	1,523	-
Net gain in change of fair value of biological assets	10	(23,981)	(10,163)
Gain on sale of fixed assets	31	(3)	(45)
Gain attributable to associate	7	(1,708)	(81)
Net exchange difference		737	(1,731)
Net realizable value of inventories	13 and 27	15	177
Workers' profit sharing	19	691	3,798
Recovery of 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		(4,446)	17,799
Other accounts receivable		(555)	(5,076)
Inventories		(3,795)	(20,292)
Biological assets		(823)	(28,298)
Prepaid expenses		(3,504)	(1,014)
Trade accounts payable		23,732	3,663
Other accounts payable and provisions		(1,160)	3,365
Net cash generated from operating activities		85,700	74,240

34 INCOME TAX EXPENSE

a) According to the Peruvian law, 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.

The standard rate for the Peruvian subsidiaries ranges between 29.5% and 15% for 2020 and 2019. The standard tax rate for other subsidiaries ranges between 33% and 25%.

	2020 USD	2019 USD
Current income tax	3,830	11,727
Deferred income tax (Note 18)	23,924	(14,570)
Income tax expense	27,754	(2,843)

b) For the years 2020 and 2019 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:

	2020 USD	2019 USD
Profit before income tax	57,585	80,791
Relevant theoretical income tax 15%	8,638	12,119
Income not subject to tax	(627)	(456)
Expenses not deductible for tax purposes	903	2,851
Foreign exchange differences	5,605	(797)
Impact of change in tax rate	10,014	(12,805)
Difference in tax rates from other jurisdictions	2,348	(2,853)
Other	873	(902)
Income tax expense	27,754	(2,843)

c) Until 30 December 2020, the Company was framed within Law No. 27360 “Ley de Promoción del Sector Agrario”, enacted on October 31, 2000. Among the tax benefits of this Law, some of which the Company had adopted, the highlight was the application of an income tax rate of 15%, subject to the Income Tax Law and its corresponding regulations.

On 31 December 2020, Peruvian Congress issued an agricultural Law No. 31110 , the Agricultural Labor Regime and Incentives under the Agrarian and Irrigation, Agro-exporter and Agro-industrial Sector Law (Ley del Régimen Laboral Agrario y de Incentivos para el Sector Agrario y Riego, Agroexportador y Agroindustrial) (the “New Agricultural Law”) which aims to introduce changes in the standards of working conditions of the sector.

On 1 January 2021, this significant new law went into effect in Peru. The New Agricultural Law has reduced benefits granted to agricultural companies, such as the Company, by the repealed Agricultural Sector Promotion Law (Ley de Promoción del Sector Agrario). Under the New Agricultural Law, companies may qualify for certain benefits, such us (i) a discounted health insurance contribution (EsSalud) of 7% of the monthly salary until 31 December 2022 (it will be further increased to 8% as of 1 January 2023 and to 9% as of 1 January 2025), and (ii) until 31 December 2025, 20% depreciation rate for hydraulic infrastructure. Further, from 2021 to 2023 employees will be entitled to receive 5% of the company's profit (it will be further increased to 7.5% from 2024 and to 10% from 2027). Also, the New Agricultural Law provides that agricultural companies will be subject to a reduced income tax rate of 15% until the end of 2022, but thereafter a progressive increasing tax regime will apply up to 2028 when the applicable income tax rate will become equal to the general income tax rate (29.5%). This increase may significantly impact the profitability and margins of the Company.

c) 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.

	Years open to tax review	
Company	**Income Tax**	**Value Added Tax**
Camposol S.A.	2015-2020	December 2015-2020
Muelles y Servicios Paita S.A.C.	2015-2020	December 2015-2020
Nor Agro Perú S.A.	2015-2020	December 2015-2020
Camposol Europa S.L.	2015-2020	December 2015-2020
Camposol Fresh B.V.	2015-2020	December 2015-2020
Inversiones Agrícolas Inmobiliarias S.A.C.	2015-2020	December 2015-2020
Persea, Inc	2013-2020	December 2013-2020
Camposol Fresh U.S.A Inc	2013-2020	December 2013-2020
Blacklocust S.A.C.	2019-2020	December 2019-2020
Grainlens S.A.C.	2019-2020	December 2019-2020
Camposol Fresh Foods Trading Co., Limited	2019-2020	December 2019-2020
Camposol Foods Trading (Shanghai) Co., Ltd.	2019-2020	December 2019-2020
Camposol Colombia S.A.S.	2019-2020	December 2019-2020
Camposol Uruguay, S.R.L.	2019-2020	December 2019-2020
Camposol Chile	2020	December 2019
CSOL Holding Limited	2020	December 2019
Camposol Cyprus Limited	2020	December 2019
Camposol Switzerland GmbH	2020	December 2019
Camposol Trade España S.L.	2020	December 2019
Aliria S.A.C.	2020	December 2019
Arándanos Camposolinos S.A.P.I. de C.V.	2020	December 2019

35 CONTINGENT LIABILITIES

As of 31 December 2020, the Group has labor-related contingencies and other claims amounting to USD2,440 (USD1,573 as of 31 December 2019). 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:

	2020 USD	2019 USD
i) Associate -		
Empacadora de Frutos Tropicales S.A.C. -		
Sale of services	111	6
Dividends received	405	-
Purchase of supplies	38	-
Purchase of services	9,885	4,289
ii) Entities related to Directors -		
Gestora del Pacífico S.A.C -		
Sale of services	197	543
Sale of finish product	-	1
Purchase of services	1,055	1,099
Desarrollo Inmobiliario Mar Verde S.A.C.-		
Purchase of services	604	5,309
Purchase of land	223	-
Marinasol S.A.-		
Sales of services	173	61
Loans granted	35	-
Purchase of services	10	-
Corporación Refrigerados Iny S.A.-		
Sales of services	2,060	1,510
Ecopacking Clasmshells S.A. -		
Purchase of supplies	4,529	4,956
Ecopacking Cartoness S.A. -		
Purchase of supplies	3,819	-
Camposol Holding PLC -		
Payment for transfer of shares of Camposol Uruguay (Note 17)	22,000	-
iii) Shareholders -		
Distribution to shareholders (Note 17)	-	10,000

b) Amounts due from/to related parties –

Other accounts receivable (Note 14)

	2020 USD	2019 USD
i) Associate -		
Empacadora de Frutos Tropicales S.A.C.	-	2
ii) Entities related to shareholders -		
Campoinca S.A.	133	144
Camposol Holding PLC	146	93
Congelados y Frescos S.A.	2	19
Corporacion Refrigerados INY SA	104	752
Marinasol S.A.	-	62
Sociedad Oceanica	50	-
iii) Entities related to Directors -		
Gestión del Pacífico S.A.C.		41
	435	1,113

Accounts payable to related companies

	2020 USD	2019 USD
i) Entities related -		
Marinasol S.A. (*)	60	8,000
Siboure Holdings S.A.C. (**)	-	8,000
	60	16,000

(*) Corresponds to other payables due to services rendered during 2019.
(**) The Group has paid USD42,000 in 2019 and USD8,000 in 2020.

Trade payables (Note 21)

	2020 USD	2019 USD
i) Associates		
Empacadora de Frutos Tropicales S.A.C.	5,155	1,282
ii) Entities related to Directors		
Gestora del Pacífico S.A.C	460	130
Marinazul S.A.	10	-
Ecopacking Clasmshells S.A.	2,059	65
	7,684	1,477

c) Compensation of the Group key management

	2020 USD	2019 USD
Short-term employee benefits		
Salaries of key management (excluding remuneration of Directors)	7,350	8,367
Remuneration of Directors (all of which are non - executives)	148	280
Post-employment benefits		
Employees' severance indemnities of Key management	67	94

There were no other post-employment benefits, long-term benefits, termination benefits and share-based payments in 2020 and 2019.

There are no management services provided by a related party to the Group.

37 COMMITMENTS AND GUARANTEES

Commitments and guarantees in respect of the bonds and bank borrowings are described in Note 20.

38 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share -

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	2020	2019
Profit for the year attributable to owners of the Company (USD)	29,143	83,263
Weighted average number of ordinary outstanding shares (thousands)	100,000	100,000
Basic earnings per share (expressed in USD)	0.29	0.83

In October 2019, the Company issued 100,000,000 Ordinary shares at a nominal value of USD10,000. All shares issued have been fully paid.

For the year ended 31 December 2019 and 2020, the weighted average number of shares outstanding was 100,000,000 shares.

For the year ended 31 December 2018, the denominator for basic earnings per share uses the number of shares distributed on the date of the corporate reorganization.

Diluted earnings per share -

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has no transactions which are dilutive.

39 RESTRICTIONS AND PARENT COMPANY FINANCIAL INFORMATION

The bond (USD 350,000 6.000% Senior Secured Notes due 2027) contains customary negative covenants that generally limit the ability of Camposol S.A. on making Distributions as such term is defined under the bond (See note 20).

Considering that such covenants restrict the flow of cash from the Restricted Subsidiaries to Csol Holding Limited in the form of dividends and other payments, the stand-alone condensed statements of financial position, statements of comprehensive income, statements of change in equity and statements of cash flows of Csol Holding Limited are included below.

Csol Holding Limited

Financial information of Parent Company
Condensed statement of financial position
(In thousands of U.S. Dollars)

	2020 USD	**2019 USD**
ASSETS		
NON-CURRENT ASSETS		
Investments in subsidiaries	32,037	10,000
Total non-current assets	32,037	10,000
CURRENT ASSETS		
Accounts receivable to related companies	79	-
Cash and cash equivalents	982	1
Total current assets	1,061	1
Total assets	33,098	10,001
EQUITY / PARENT NET INVESTMENT		
Share capital	10,000	10,000
Retained earnings	(384)	-
Total equity	9,616	10,000
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable to related companies	23,399	- 1
Trade accounts payable	53	-
Other accounts payable	30	-
Total current liabilities	23,482	1
Total liabilities	23,482	1
Total equity and liabilities	33,098	10,001

Financial information of Parent Company
Condensed statement of comprehensive income (loss)
For the year ended 31 December 2020 and 2019
(In thousands of U.S. Dollars)

	2020 USD	2019 USD
Administrative expenses	(376)	-
Net foreign exchange transactions losses	(5)	-
Operating profit (loss)	(381)	-
Financial income	-	10,000
Financial cost	(3)	-
(Loss) Profit before income tax	(384)	10,000
Income tax expense	-	-
(Loss) Profit for the year	(384)	10,000

Financial information of Parent Company
Condensed statement of cash flows
For the year ended 31 December 2020 and 2019
(In thousands of U.S. Dollars)

	2020 USD	2019 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Other payments	(287)	-
Interest paid	(3)	-
Net cash used in operating activities	(290)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in subsidiary	-	(10,000)
Dividends from subsidiary	-	10,000
Loans granted to related parties	(42)	-
Net cash used in investing activities	(42)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to shareholders	-	(10,000)
Capital contribution	-	10,000
Payment to related parties for transfer of shares of Camposol Uruguay	(22,000)	
Loans received from related parties	23,313	1
Net cash generated from financing activities	1,313	1
Net increase in cash and cash equivalents	981	1
Cash and cash equivalents at beginning of year	1	-
Cash and cash equivalents at end of year	982	1
RECONCILIATION OF LOSS BEFORE INCOME TAX FOR THE PERIOD / YEAR TO NET CASH USED IN OPERATING ACTIVITIES:		
Loss before income tax	(384)	-
Decrease in accounts receivable from subsidiaries	(35)	-
Increase in accounts payable to subsidiaries	35	-
Net exchange difference	5	-
Increase in trade accounts payable	59	-
Increase in other accounts payable	30	-
Net cash used in operating activities	(290)	-

Business activity -

Csol Holding Limited is the holding company of the Camposol Group (hereinafter the “Group”). The principal activities of Csol Holding Limited is the holding of investments in entities involved mainly in agricultural activities in Peru, Colombia, Uruguay, Chile and Mexico.

Basis of preparation -

Csol Holding Limited was incorporated in Cyprus on 22 October 2019, in accordance with the provisions of the Cyprus Companies Law, Cap. 113, therefore only shows activity since it was incorporated.The parent company only financial information of Csol Holding Limited, presented above, is prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Accounting policies adopted in the preparation of this condensed parent company only financial information are the same as those adopted in the consolidated financial statements and described in Note 2 - Summary of significant accounting policies, except that the cost method has been used to account for investments in subsidiaries.

Investments in subsidiaries -

Subsidiaries are all entities (including structured entities) over which the Csol Holding Limited has control. Csol Holding Limited controls an entity when it 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.

The entity has power over the investee where the investor possesses the right that gives it the current ability to direct the relevant activities. Csol Holding Limited carries the investments in subsidiaries at cost less any impairment in its separate financial statements.

Accounts payable to subsidiaries mainly corresponds to loans received from Camposol S.A. for USD23,358 as well as loan payable to Camposol Cyprus USD34 and Camposol Trade España USD7. The total amount of USD23,399 will be paid by the end of 2021.

Loans receivable from related parties corresponds to borrowing receivable from Camposol Cyprus USD40, Camposol S.A. USD35 and Camposol Trade España USD4.

As at 31 December 2020 there were no material contingencies at Csol Holding Limited.

Distribution to shareholders -

On November 2019, Csol Holding Limited distributed a total amount of USD10,000 to its owners (individual shareholders).

Dividends from subsidiary -

On 2019, Csol Holding Limited received dividends from its subsidiary Blacklocust for a total amount of USD10,000. On 2020, Csol Holding Limited did not received any dividends.

40 EVENTS AFTER THE REPORTING PERIOD

On February 17, 2021, the Company held a shareholders meeting approving its conversion into a public company limited by shares under Cyprus law and changed the name of the Company to Csol Holding PLC, which was filed with the Cypriot Registry of Companies and authorized on March 17, 2021. Then, on March 30, 2021, the Company held a shareholders meeting approving the change of the name to Camposol Holding PLC, which was filed with the Cypriot Registry of Companies and authorized on April 3, 2021.

On March 27, 2021, Peruvian Government issued the Supreme Decree No. 058-2021-PCM for an extension of the state of national emergency until April 30, 2021, due to the consequences of Covid-19 in human lives. The aforementioned Supreme Decree establishes limitations on the exercise of the people's right to freedom of movement until April 30, 2021, due to an increase in positive cases of the pandemic. Management considers that this event does not require adjustments to 2020 financial statements and, it considers that this situation will not have a significant impact in 2021.