FitchRatings

Corporates
Food, Beverage & Tobacco
Chile

Agrosuper S.A.

Ratings

Rating Type	Rating	Outlook	Last Rating Action
Long-Term Local-Currency IDR	BBB–	Stable	Affirmed Jan. 7, 2022
Long-Term IDR	BBB–	Stable	Affirmed Jan. 7, 2022
National Long-Term Rating	AA– (cl)	Stable	Affirmed Jan. 7, 2022

Click here for full list of ratings

Applicable Criteria

Corporate Rating Criteria (October 2021)

National Scale Rating Criteria (December 2020)

Related Research

Fitch Ratings 2022 Outlook: Latin American Protein (Sector Remains Resilient Due to Good Financial Flexibility) (November 2021)

Protein: Ratings Navigator Companion (April 2021)

Analysts

Johnny da Silva
+1 212 908-0367
johnny.dasilva@fitchratings.com

Francisco Mercadal
+56 2 2499-3340
francisco.mercadal@fitchratings.com

Agrosuper S.A.'s ratings reflect the company's solid business model, conservative capital structure, operational benefits from product and protein diversification, vertical integration, strong brand recognition and extensive distribution network. Risks include exposure to the protein industry's inherent price volatility and sanitary risks that can impact production. Additional rating constraints include Agrosuper's limited scale and geographical diversification relative to global peers.

Fitch Ratings assigned a 'BBB–' rating to Agrosuper's upcoming senior unsecured notes. Proceeds from the expected USD500 million note issuance will be used for debt repayment and general corporate purposes.

Key Rating Drivers

Solid Business Profile: Agrosuper is the leading producer of pork, chicken, turkey and salmon in Chile, with domestic market share of 48%, 54%, 74% and 23%, respectively as of Nov. 30 2021. In the salmon farming business, Agrosuper is the second-largest supplier of salmon globally, with an estimated market share of 8%. The company has highly recognized brands, multiple proteins and it is vertically integrated from feed production through distribution.

Agrosuper's strong brands, market position and distribution capacity from mom-and-pop stores through larger retail chains have resulted in higher margins than global peers, with the export market accounting for about 60% of revenues in 2020. Asia (mainly China and Japan) and North America represented 45% and 29%, respectively, of revenue from export sales in the year ending Dec. 31, 2020.

High Protein Diversification: Agrosuper benefits from a highly diversified protein business. Fitch expects Agrosuper's meat and salmon divisions to represent about 67% and 33%, respectively, of EBITDA in 2022. EBITDA margins and prices in the meat divisions (poultry and pork) are expected to normalize after reaching a peak in 2021, driven by increased consumer demand following the reopening of the foodservice segment, and strong export markets.

The gradual recovery of pork production in China should negatively impact prices in both domestic and export markets. The performance of the salmon division is forecast to grow in 2022 due to increased volume (notably Atlantic salmon) and lower costs.

Leverage Remains Low: Agrosuper has a long track record of maintaining a strong capital structure. The projected reduction of Agrosuper's debt/EBITDA ratio to 1.8x in 2021 from 3.3x in 2020 is due to strong EBITDA growth as a result of the recovery of the salmon sector and the poultry segment's strong profitability. The company paid a dividend of USD474 million in 2021 (USD1.4 million in 2020). Fitch forecasts dividends to remain at about 30% of net profit in the coming years, with a conservative level of capex intensity in the range of 3% to 4% of revenues. The group is expected to continue to pursue organic or inorganic growth opportunities while maintaining a conservative capital structure.

Salmon Division Recovery: Agrosuper has grown in the salmon business inorganically, including the acquisitions of the salmon division of Pesquera Friosur S.A. in 2018 and Empresas Aquachile S.A. in 2019. The latter was a large transaction that more than tripled Agrosuper's salmon production capacity. This transaction was financed with a combination of 50% equity and 50% debt. Fitch projects EBITDA for the salmon division at about USD170 million in 2021. The EBITDA margin for this business is expected to recover to about 14% due to higher salmon prices as a result of the rebound of the international food service demand.

The EBITDA margin is expected to improve in 2022, due to projected single-digit price increases, lower production costs and better optimization of the acquired assets. Agrosuper's performance suffered from a sharp decline in salmon prices in 2020 due to the disruption caused by the coronavirus pandemic, which resulted in a sharp drop in the consumption of salmon in the foodservice segment.

Protein Sector and Industry Risks: Fitch expects long-term fundamentals for the protein sector to remain positive due to the growing global demand for protein. World supply for Atlantic salmon is expected to increase by about 3.6% in 2022 (around 5% in 2021), driven by growth in Norway and Chile. The main risk factors of the protein industry come from supply and demand volatility; negative impacts from new highly contagious coronavirus variants, such as Omicron; sanitary risks that are inherent to animal production; and potential restrictions in international markets.

Financial Summary

(CLP 000, as of Dec. 31)	2019	2020	2021F	2022F
Gross Revenue	2,422,726,412	2,594,060,658	3,029,286,536	3,234,111,923
Operating EBITDA	444,053,744	317,596,064	570,103,531	483,103,135
Operating EBITDA Margin (%)	18.3	12.2	18.8	14.9
Total Adjusted Debt/Operating EBITDAR (x)	2.7	3.3	1.8	1.9
Total Adjusted Net Debt/ Operating EBITDAR (x)	2.3	2.4	1.6	1.5
Total Debt with Equity Credit	1,214,853,536	1,044,619,707	1,038,331,309	927,758,450
Readily Available Cash	207,386,723	273,477,682	153,332,954	223,465,516

F – Forecast.
Source: Fitch Ratings, Fitch Solutions.

Rating Derivation Relative to Peers

The ratings reflect the company's leading position in the protein industry in Chile and a high operating margin attributable to its strong distribution network and market position. The company has a leading position in the salmon industry, where barriers of entry are high and scale is important, as it provides leverage in negotiations with its suppliers (grains, freight and packaging). Fitch expects the company's financial profile to remain conservative over the next 24 months, with gross leverage below 2.0x, which is more in line with the 'BBB–' and 'AA–(cl)' ratings.

The company maintains higher protein diversification than global peers, such as Marfrig Global Foods S.A. (BB/Positive) and Minerva S.A. (BB/Stable), as well as lower gross leverage ratios. Agrosuper's rating is constrained by its limited scale and less geographical diversification of its production base compared with its international peers, such as JBS S.A. (BBB–/Stable) or Tyson Foods, Inc. (BBB/Stable).

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Debt/EBITDA below 1.5x (net debt/EBITDA of 1.0x) on a sustained basis;
- Increased scale and geographical diversification outside Chile.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Debt/EBITDA above 2.5x (net debt/EBITDA of 2.0x) on a sustained basis due to material reduction in operational performance, aggressive capex or dividends;
- EBITDA margin lower than 10%.

Liquidity and Debt Structure

Adequate Liquidity: Agrosuper has a strong liquidity position, with USD271 million of cash at Sept. 30, 2021, which represents 1.5x coverage of short-term debt of USD182 million that mainly comprises revolving and export finance credit facilities. In addition to having broad access to local financial markets, Agrosuper maintains five registered bond programs for a total available amount of UF26.5 million (around USD990 million). The new international senior unsecured bond aims to extend the group's debt maturity profile and improve financial flexibility.

ESG Considerations

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. That means ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on our ESG Relevance Scores, visit www.fitchratings.com/esg.

Liquidity and Debt Maturities

Liquidity Analysis

	12/31/20 (CLP Mil.)	9/31/21 (USD Mil.)
Total Cash and Cash Equivalents	273,477	271
Short-Term Investments		
Less Not Readily Available Cash and Cash Equivalents	0	0
Fitch-Defined Readily Available Cash and Cash Equivalents	**273,477**	**271**
Availability Under Committed Lines of Credit	0	0
Total Liquidity	**273,477**	**271**
LTM EBITDA After Associates and Minorities	317,596	703[a]

[a]Estimated by Fitch.
Source: Fitch Ratings, Fitch Solutions, Agrosuper S.A.

Scheduled Debt Maturities

(USD Mil.)	9/31/21
2022	182
2023	16
2024	164
2025	271
2026	154
Thereafter	408
Total	**1,196**

Source: Fitch Ratings, Fitch Solutions, Agrosuper S.A.

Key Assumptions

Fitch's Key Assumptions Within its Rating Case for the Issuer Include

- Growth in revenues in the lower single digits between 2022 and 2024;
- EBITDA margin normalization to 15%–16% in 2021–2024 from 12% in 2020;
- Dividend distribution equivalent to 30% of net income in 2022–2024 period;
- Annual capex of USD100 million to USD150 million in the 2022–2024 period.

Financial Data

	Historical			Forecast		
(CLP 000, as of Dec. 31)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Summary Income Statement						
Gross Revenue	1,654,751,931	2,422,726,412	2,594,060,658	3,029,286,536	3,234,111,923	3,254,761,625
Revenue Growth (%)	2.9	46.4	7.1	16.8	6.8	0.6
Operating EBITDA (Before Income from Associates)	275,552,782	444,053,744	317,596,064	570,103,531	483,103,135	496,543,589
Operating EBITDA Margin (%)	16.7	18.3	12.2	18.8	14.9	15.3
Operating EBITDAR	275,552,782	444,053,744	317,596,064	570,103,531	483,103,135	496,543,589
Operating EBITDAR Margin (%)	16.7	18.3	12.2	18.8	14.9	15.3
Operating EBIT	199,470,079	316,478,506	194,449,307	454,919,228	348,425,990	355,976,836
Operating EBIT Margin (%)	12.1	13.1	7.5	15.0	10.8	10.9
Gross Interest Expense	(8,722,982)	(44,993,217)	(43,369,720)	(30,744,721)	(30,554,739)	(27,382,833)
Pretax Income (Including Associate Income/Loss)	191,079,270	258,223,564	65,988,459	427,389,125	322,175,841	332,728,140
Summary Balance Sheet						
Readily Available Cash and Equivalents	72,374,790	207,386,723	273,477,682	153,332,954	223,465,516	210,897,764
Total Debt with Equity Credit	353,317,214	1,214,853,536	1,044,619,707	1,038,331,309	927,758,450	730,566,251
Total Adjusted Debt with Equity Credit	353,317,214	1,214,853,536	1,044,619,707	1,038,331,309	927,758,450	730,566,251
Net Debt	280,942,424	1,007,466,813	771,142,025	884,998,355	704,292,934	519,668,488
Summary Cash Flow Statement						
Operating EBITDA	275,552,782	444,053,744	317,596,064	570,103,531	483,103,135	496,543,589
Cash Interest Paid	(8,863,748)	(35,428,422)	(32,860,917)	(30,744,721)	(30,554,739)	(27,382,833)
Cash Tax	(19,936,160)	(30,518,451)	(22,185,292)	(92,316,051)	(69,589,982)	(71,869,278)
Dividends Received Less Dividends Paid to Minorities (Inflow/[Out]flow)	0	0	0	0	0	0
Other Items Before FFO	(32,474,399)	209,684,548	(105,211,708)	0	0	0
FFO	217,024,302	591,663,336	160,505,264	449,316,019	386,321,647	400,484,257
FFO Margin (%)	13.1	24.4	6.2	14.8	11.9	12.3
Change in Working Capital	(101,501,787)	(489,030,094)	104,948,419	(150,524,425)	(31,018,007)	(23,803,301)
CFO (Fitch Defined)	115,522,515	102,633,242	265,453,683	298,791,595	355,303,640	376,680,956
Total Non-Operating/Nonrecurring Cash Flow	0	0	0			
Capex	(178,123,040)	(143,803,749)	(56,165,728)			
Capital Intensity (Capex/Revenue) (%)	10.8	5.9	2.2			
Common Dividends	(48,488,841)	(1,270,971)	(1,001,507)			
FCF	(111,089,366)	(42,441,478)	208,286,448			
Net Acquisitions and Divestitures	(77,648,137)	(531,113,301)	140,061			
Other Investing and Financing Cash Flow Items	17,662	(42,448,989)	(18,604,033)	0	0	0
Net Debt Proceeds	170,272,376	479,942,976	(123,734,568)	(6,288,398)	(110,572,859)	(197,192,199)
Net Equity Proceeds	0	271,072,725	3,051	0	0	0
Total Change in Cash	(18,447,465)	135,011,933	66,090,959	(120,144,728)	70,132,562	(12,567,752)
Leverage Ratios (x)						
Total Net Debt with Equity Credit/Operating EBITDA	1.0	2.3	2.4	1.6	1.5	1.0
Total Adjusted Debt/Operating EBITDAR	1.3	2.7	3.3	1.8	1.9	1.5
Total Adjusted Net Debt/Operating EBITDAR	1.0	2.3	2.4	1.6	1.5	1.0
Total Debt with Equity Credit/Operating EBITDA	1.3	2.7	3.3	1.8	1.9	1.5

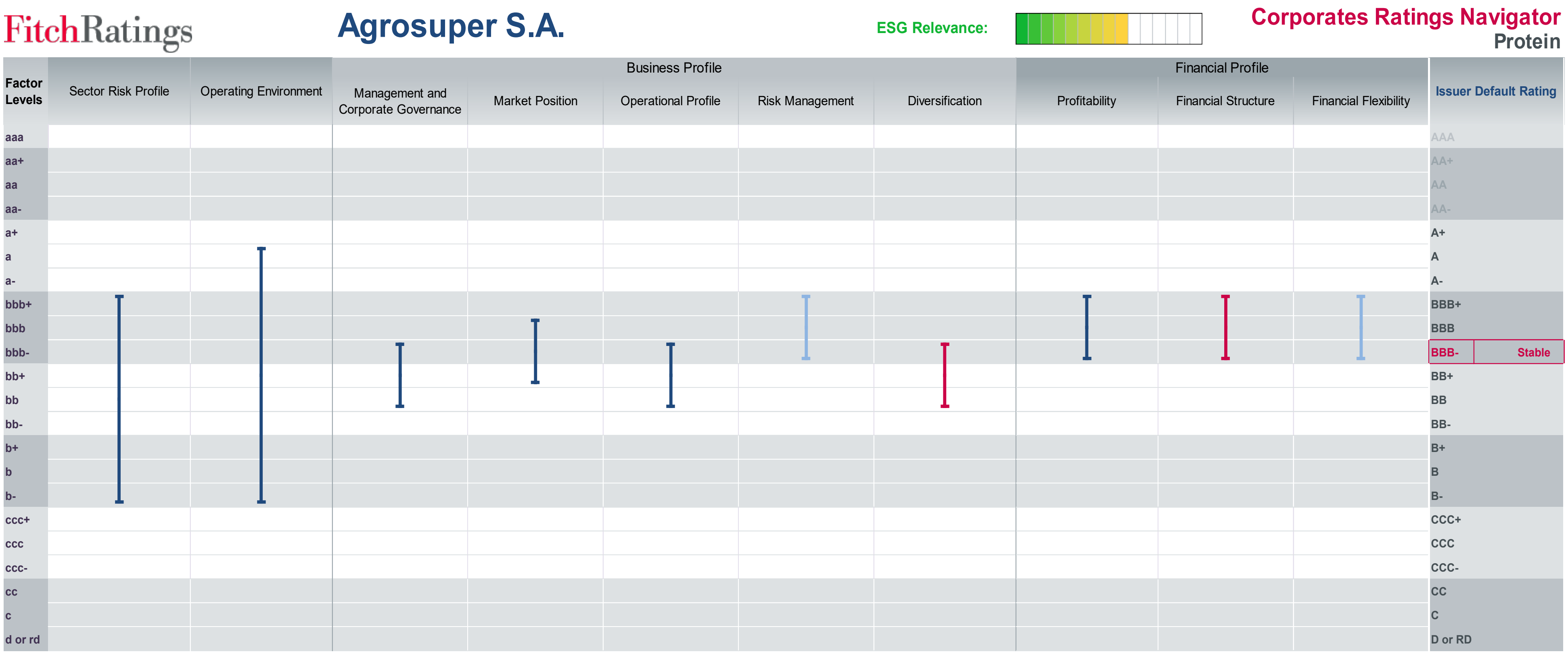
	Historical			Forecast		
(CLP 000, as of Dec. 31)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
FFO-Adjusted Leverage	1.6	1.9	5.5	2.2	2.2	1.7
FFO-Adjusted Net Leverage	1.3	1.6	4.1	1.9	1.7	1.2
FFO Leverage	1.6	1.9	5.5	2.2	2.2	1.7
FFO Net Leverage	1.3	1.6	4.1	1.9	1.7	1.2
Calculations for Forecast Publication						
Capex, Dividends, Acquisitions and Other Items Before FCF	(304,260,018)	(676,188,021)	(57,027,174)	(412,647,925)	(174,598,218)	(192,056,509)
FCF After Acquisitions and Divestitures	(188,737,503)	(573,554,779)	208,426,509	(113,856,330)	180,705,421	184,624,447
FCF Margin (After Net Acquisitions) (%)	(11.4)	(23.7)	8.0	(3.8)	5.6	5.7
Coverage Ratios (x)						
FFO Interest Coverage	25.2	17.6	5.8	15.5	13.5	15.5
FFO Fixed-Charge Coverage	25.2	17.6	5.8	15.5	13.5	15.5
Operating EBITDAR/Interest Paid + Rents	31.1	12.5	9.7	18.5	15.8	18.1
Operating EBITDA/Interest Paid	31.1	12.5	9.7	18.5	15.8	18.1
Additional Metrics (%)						
CFO-Capex/Total Debt with Equity Credit	(17.7)	(3.4)	20.0	23.7	29.6	34.9
CFO-Capex/Total Net Debt with Equity Credit	(22.3)	(4.1)	27.1	27.8	38.9	49.1

CFO – Cash flow from operations.
Source: Fitch Ratings, Fitch Solutions.

How to Interpret the Forecast Presented

The forecast presented is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

Ratings Navigator



Bar Chart Legend:			
Vertical Bars = Range of Rating Factor		Bar Arrows = Rating Factor Outlook	
Bar Colours = Relative Importance		⇧	Positive
■	Higher Importance	⇩	Negative
■	Average Importance	⇳	Evolving
■	Lower Importance	□	Stable

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Corporates Ratings Navigator
Protein

Operating Environment

a+	Economic Environment	bbb	Average combination of countries where economic value is created and where assets are located.
a	Financial Access	a	Strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
	Systemic Governance	aa	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-			
ccc+			

Management and Corporate Governance

bbb	Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
bbb-	Governance Structure	bb	Board effectiveness questionable with few independent directors. "Key person" risk from dominant CEO or shareholder.
bb+	Group Structure	bb	Complex group structure or non-transparent ownership structure. Related-party transactions exist but with reasonable economic rationale.
bb	Financial Transparency	bbb	Good quality reporting without significant failing. Consistent with the average of listed companies in major exchanges.
bb-			

Market Position

bbb+	Size (Annual EBITDA)	bb	USD>0.4 billion
bbb	Relevance in the Supply Chain	bbb	Major counterparty for retailers and foodservice operators in its relevant markets of operation.
bbb-	Ranking in Global Industry	bb	Mid-size player by global standards
bb+			
bb			

Operational Profile

bbb	Veterinary Standards	bb	Good veterinary standards but track record of occasional disease outbreaks material to short-term performance.
bbb-	Access to Livestock Supply and Capacity Utilization	bbb	Consistently reliable access to livestock supply results in high processing capacity utilisation.
bb+			
bb			
bb-			

Risk Management

a-	Commodity Risk Management	bbb	Robust risk-management policies.
bbb+	Vertical Integration	bbb	High integration into crop growing and fodder production or processed food.
bbb			
bbb-			
bb+			

Diversification

bbb	End Markets	bb	Strong competitive operating position within a region.
bbb-	Sourcing Regions	b	Heavy concentration on one animal-sourcing region.
bb+	Animal Protein Type	bbb	Broadly diversified by animal protein type.
bb	Business Line	bbb	Broadly diversified by business line.
bb-			

Profitability

a-	FFO Margin (%)	bbb	6%
bbb+	EBITDA Margin (%)	bbb	8%
bbb	EBIT Margin (%)	bbb	5%
bbb-	FCF Margin (%)	bbb	2.5%
bb+	Volatility of Profitability	bbb	Volatility of profits viewed as a positive outlier for the industry.

Financial Structure

a-	FFO Leverage	bbb	3.0x
bbb+	FFO Net Leverage	bbb	2.5x
bbb	Total Net Debt With Equity Credit/Op. EBITDA	bbb	2.0x
bbb-	Total Debt With Equity Credit/Op. EBITDA	bbb	2.5x
bb+	(CFO-Capex)/Total Debt With Equity Credit	bbb	12.5%

Financial Flexibility

a-	Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
bbb+	Liquidity	bbb	One-year liquidity ratio above 1.25x. Well-spread maturity schedule of debt but funding may be less diversified.
bbb	FFO Interest Coverage	bbb	6.0x
bbb-	FX Exposure	bbb	Some exposure of profitability to FX movements and/or debt/cash-flow match. Effective hedging in place.
bb+	Op. EBITDA/Interest Paid	bbb	6.5x

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Credit-Relevant ESG Derivation

Agrosuper S.A. has 8 ESG potential rating drivers

- Emissions from manufacturing
- Water usage in manufacturing
- Land use & ecological impacts; supply chain management - product
- Operational facilities and inventory exposure to extreme weather events; feed sourcing exposure to extreme weather events
- Use of antibiotics in animal production; food quality and safety
- Impact of labor negotiations and employee (dis)satisfaction

Showing top 6 issues

			Overall ESG
key driver	0	issues	5
driver	0	issues	4
potential driver	8	issues	3
not a rating driver	5	issues	2
	1	issues	1

For further details on Credit-Relevant ESG scoring, see page 3.

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Credit-Relevant ESG Derivation

Agrosuper S.A. has 8 ESG potential rating drivers

- Agrosuper S.A. has exposure to emissions regulatory risk but this has very low impact on the rating.
- Agrosuper S.A. has exposure to water management risk but this has very low impact on the rating.
- Agrosuper S.A. has exposure to waste & impact management risk and supply chain management risk but this has very low impact on the rating.
- Agrosuper S.A. has exposure to extreme weather events but this has very low impact on the rating.
- Agrosuper S.A. has exposure to customer accountability risk and product quality & safety risk but this has very low impact on the rating.
- Agrosuper S.A. has exposure to labor relations & practices risk but this has very low impact on the rating.

Showing top 6 issues

			Overall ESG Scale
key driver	0	issues	5
driver	0	issues	4
potential driver	8	issues	3
not a rating driver	5	issues	2
	1	issues	1

Environmental (E)

General Issues	E Score	Sector-Specific Issues	Reference	E Scale
GHG Emissions & Air Quality	3	Emissions from manufacturing	Operating Efficiency; Profitability; Financial Structure; Financial Flexibility	5
Energy Management	2	Energy use in manufacturing	Scale and Market Position; Profitability; Financial Structure; Financial Flexibility	4
Water & Wastewater Management	3	Water usage in manufacturing	Diversification; Operating Efficiency; Profitability; Financial Structure; Financial Flexibility	3
Waste & Hazardous Materials Management; Ecological Impacts	3	Land use & ecological impacts; supply chain management - product	Operating Efficiency; Profitability; Financial Structure; Financial Flexibility	2
Exposure to Environmental Impacts	3	Operational facilities and inventory exposure to extreme weather events; feed sourcing exposure to extreme weather events	Diversification; Operating Efficiency; Scale and Market Position; Profitability; Financial Structure	1

Social (S)

General Issues	S Score	Sector-Specific Issues	Reference	S Scale
Human Rights, Community Relations, Access & Affordability	1	n.a.	n.a.	5
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Use of antibiotics in animal production; food quality and safety	Operating Efficiency; Scale and Market Position; Profitability; Financial Structure; Financial Flexibility	4
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Scale and Market Position; Profitability; Financial Structure; Financial Flexibility	3
Employee Wellbeing	2	Worker safety and accident prevention	Operating Efficiency; Scale and Market Position; Profitability; Financial Structure; Financial Flexibility	2
Exposure to Social Impacts	3	Ethical treatment of animals	Operating Efficiency; Scale and Market Position; Profitability; Financial Structure; Financial Flexibility	1

Governance (G)

General Issues	G Score	Sector-Specific Issues	Reference	G Scale
Management Strategy	2	Strategy development and implementation	Management and Corporate Governance	5
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance	4
Group Structure	2	Complexity, transparency and related-party transactions	Management and Corporate Governance	3
Financial Transparency	2	Quality and timing of financial disclosure	Management and Corporate Governance	2
				1

How to Read This Page
ESG scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the individual components of the scale. The right-hand box shows the aggregate E, S, or G score. General Issues are relevant across all markets with Sector-Specific Issues unique to a particular industry group. Scores are assigned to each sector-specific issue. These scores signify the credit-relevance of the sector-specific issues to the issuing entity's overall credit rating. The Reference box highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The Credit-Relevant ESG Derivation table shows the overall ESG score. This score signifies the credit relevance of combined E, S and G issues to the entity's credit rating. The three columns to the left of the overall ESG score summarize the issuing entity's sub-component ESG scores. The box on the far left identifies the some of the main ESG issues that are drivers or potential drivers of the issuing entity's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the score.

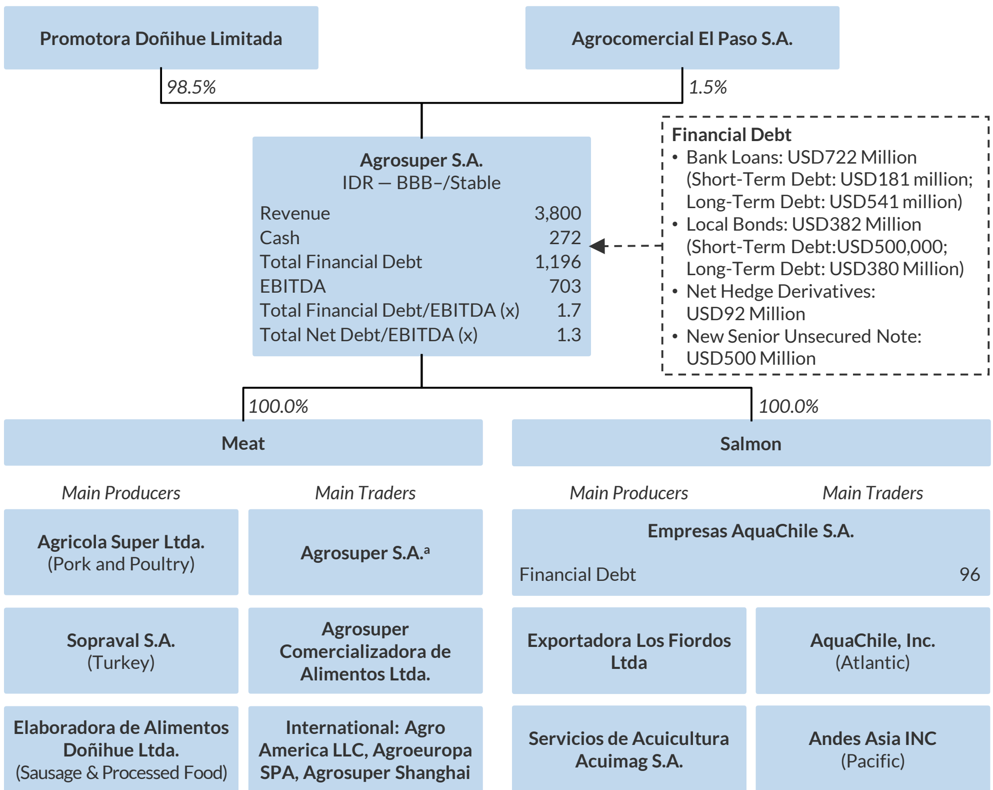
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI) and the Sustainability Accounting Standards Board (SASB).

CREDIT-RELEVANT ESG SCALE
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Simplified Group Structure Diagram

Organizational Structure — Agrosuper S.A.
(USD Mil., LTM as of Sept. 30, 2021[a])



[a]Date estimated by Fitch, as Agrosuper S.A. published financial figures in U.S. dollars starting March 2021.
Source: Fitch Ratings, Fitch Ratings, Agrosuper S.A.

Peer Financial Summary

Company	Issuer Default Rating	Financial Statement Date	Gross Revenue (USD Mil.)	Operating EBITDAR (USD Mil.)	Operating EBITDAR Margin (%)	Total Adjusted Debt/Operating EBITDAR (x)	Total Adjusted Net Debt/Operating EBITDAR (x)
Agrosuper S.A.	BBB–						
	AA–(cl)[a]	2020	3,275	401	12.2	3.3	2.4
	AA–(cl)[a]	2019	3,450	632	18.3	2.7	2.3
	AA–(cl)[a]	2018	2,582	430	16.7	1.3	1.0
Minerva S.A.	BB						
	BB	2020	3,767	413	11.0	5.5	2.5
	BB–	2019	4,342	440	10.1	6.1	3.6
	BB–	2018	4,441	426	9.6	6.8	4.0
BRF S.A.	BB						
	BB	2020	7,662	834	10.9	5.3	3.5
	BB	2019	8,481	939	11.1	5.2	3.9
	BBB–	2018	8,268	801	9.7	8.6	6.8
JBS S.A.	BBB–						
	BB+	2020	52,450	5,402	10.3	2.4	1.7
	BB	2019	51,857	4,665	9.0	2.9	2.3
	BB–	2018	49,760	4,295	8.6	3.8	3.3
Tyson Foods, Inc.	BBB						
	BBB	2020	43,185	4,564	10.6	2.9	2.5
	BBB	2019	42,405	4,330	10.2	3.2	3.1
	BBB	2018	40,052	4,503	11.2	2.6	2.5

[a]National Long-Term Rating.
Source: Fitch Ratings, Fitch Solutions.

Fitch Adjusted Financials

(CLP 000, as of Dec. 31, 2020[a])	Notes and Formulas	Reported Values	Sum of Adjustments	Other Adjustments	Adjusted Values
Income Statement Summary					
Revenue		2,594,060,658			2,594,060,658
Operating EBITDAR		324,088,632	(6,492,568)	(6,492,568)	317,596,064
Operating EBITDAR After Associates and Minorities	(a)	324,088,632	(6,492,568)	(6,492,568)	317,596,064
Operating Lease Expense	(b)	0			0
Operating EBITDA	(c)	324,088,632	(6,492,568)	(6,492,568)	317,596,064
Operating EBITDA After Associates and Minorities	(d) = (a-b)	324,088,632	(6,492,568)	(6,492,568)	317,596,064
Operating EBIT	(e)	195,004,501	(555,194)	(555,194)	194,449,307
Debt and Cash Summary					
Total Debt with Equity Credit	(f)	1,096,142,818	(51,523,111)	(51,523,111)	1,044,619,707
Lease-Equivalent Debt	(g)	0			0
Other Off-Balance-Sheet Debt	(h)	0			0
Total Adjusted Debt with Equity Credit	(i) = (f+g+h)	1,096,142,818	(51,523,111)	(51,523,111)	1,044,619,707
Readily Available Cash and Equivalents	(j)	273,477,682			273,477,682
Not Readily Available Cash and Equivalents		0			0
Cash Flow Summary					
Operating EBITDA After Associates and Minorities	(d) = (a-b)	324,088,632	(6,492,568)	(6,492,568)	317,596,064
Preferred Dividends (Paid)	(k)	0			0
Interest Received	(l)	3,167,117			3,167,117
Interest (Paid)	(m)	(32,860,917)			(32,860,917)
Cash Tax (Paid)		(22,185,292)			(22,185,292)
Other Items Before FFO		(111,704,276)	6,492,568	6,492,568	(105,211,708)
Funds from Operations (FFO)	(n)	160,505,264			160,505,264
Change in Working Capital (Fitch-Defined)		104,948,419			104,948,419
Cash Flow from Operations (CFO)	(o)	265,453,683			265,453,683
Non-Operating/Nonrecurring Cash Flow		0			0
Capital (Expenditures)	(p)	(56,165,728)			(56,165,728)
Common Dividends (Paid)		(1,001,507)			(1,001,507)
Free Cash Flow (FCF)		208,286,448			208,286,448
Gross Leverage (x)					
Total Adjusted Debt/Operating EBITDAR[b]	(i/a)	3.4			3.3
FFO Adjusted Leverage	(i/(n-m-l-k+b))	5.8			5.5
FFO Leverage	(i-g)/(n-m-l-k)	5.8			5.5
Total Debt with Equity Credit/Operating EBITDA[b]	(i-g)/d	3.4			3.3
(CFO-Capex)/Total Debt with Equity Credit (%)	(o+p)/(i-g)	19.1			20.0
Net Leverage (x)					
Total Adjusted Net Debt/Operating EBITDAR[b]	(i-j)/a	2.5			2.4
FFO Adjusted Net Leverage	(i-j)/(n-m-l-k+b)	4.3			4.1
FFO Net Leverage	(i-g-j)/(n-m-l-k)	4.3			4.1
Total Net Debt with Equity Credit/Operating EBITDA[b]	(i-g-j)/d	2.5			2.4
(CFO-Capex)/Total Net Debt with Equity Credit (%)	(o+p)/(i-g-j)	25.4			27.1
Coverage (x)					
Operating EBITDA/(Interest Paid + Lease Expense)[b]	a/(-m+b)	9.9			9.7
Operating EBITDA/Interest Paid[b]	d/(-m)	9.9			9.7
FFO Fixed-Charge Coverage	(n-l-m-k+b)/(-m-k+b)	5.8			5.8
FFO Interest Coverage	(n-l-m-k)/(-m-k)	5.8			5.8

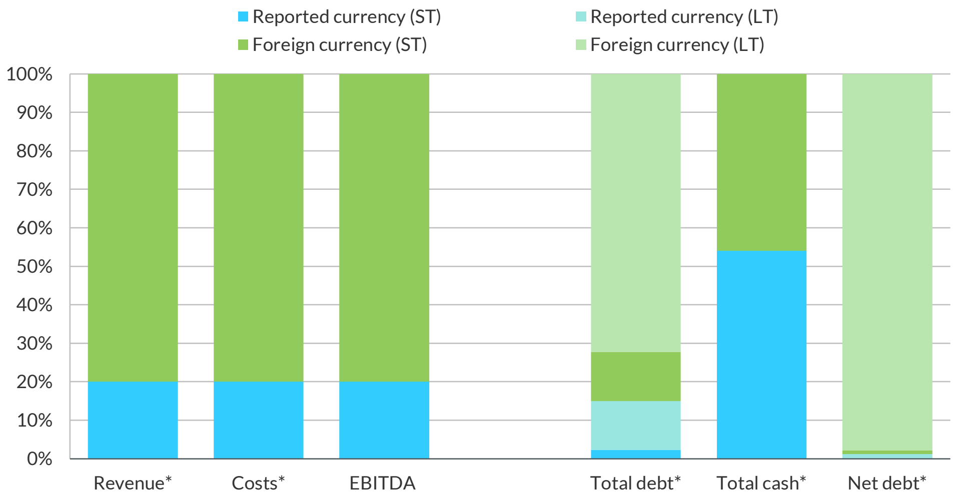
[a]Change in currency to U.S. dollars from Chilean pesos in 1Q21 financial statements. [b]EBITDA/R after dividends to associates and minorities.
Source: Fitch Ratings, Fitch Solutions, Agrosuper S.A.

FX Screener

Agrosuper traditionally reported results in Chilean pesos, but started to report in U.S. dollars in March 2021. Foreign currency refers to hard currencies — U.S. dollars, euros and Japanese yen. A significant portion of revenue comes from exports (60%), and 80% of costs are indexed to the U.S. dollar. About 40% of domestic revenues are linked to international prices in U.S. dollars, so Agrosuper has no relevant mismatch between revenues and costs.

A 20% depreciation in Chilean pesos would not imply a material change in the company's gross and net leverage. Therefore, 57% of debt is in U.S. dollars as of YE 2020, 15% is in Chilean pesos and 28% is in Unidades de Fomento, covered by cross-currency swaps.

Fitch FX Screener
Agrosuper S.A



* Post hedge, absolute figures displayed are Fitch's analytical estimates, based on publicly available information
Source: Fitch Ratings

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.