



By Maura Maxwell

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## Hortifrut approves US\$160m capitalisation



Funds will be used to consolidate and stabilise its position in the global market

**B**erry giant Hortifrut has approved a plan to raise US\$160m through a share issue at an extraordinary shareholder meeting on 30 April.

The company wants to increase the production of berries – raspberries and blackberries as well as blueberries, close to its key strategic markets of Europe, the US and Asia.

In particular, it wants to take advantage of the higher value opportunities that occur in the Northern Hemisphere spring, balancing its participation in the global market in all seasons of the year and in both hemispheres.

Juan Carlos Toro, Hortifrut's financial manager, said the capital would allow the company to strengthen its existing commercial platforms.

US\$49m of the funds will go to China, where the company is in the third and

final phase of a project with Joy Wing Mau, its Chinese partner, to jointly develop local berry production and distribution. It will be used for new farms and a new packhouse.

The two companies embarked on the project in March 2018 and will yield its first commercial crop of 250 tonnes at the end of this year. Phase two of the project is expected to deliver its first crop in the first half of 2020.

A further US\$51m will be used to increase production in Morocco with Hortifrut's European partner Atlantic Blue. These will mostly be dedicated to beefing up the company's raspberry and blueberry volume in the African country.

Finally in Mexico, Hortifrut plans to invest US\$44m in increasing its supply for the North American spring season by expanding its blueberry and raspberry production.

"Together, these investments will allow us to deliver the best quality berries throughout the year, consolidating our leadership in the permanent and global supply of berries from the most diverse origins," the company said.

The funds will also allow Hortifrut to increase plantings of exclusive varieties of blueberries, raspberries and blackberries.