



Grupo Nutresa S. A.

Separate Financial Statements
at December 31st of 2019 and 2018

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Statutory auditor's report on the separate financial statements (Free translation from the original in Spanish)

To the Shareholders of Grupo Nutresa S. A.

Opinion

I have audited the accompanying separate financial statements of Grupo Nutresa S. A., which include the separate statement of financial position at December 31, 2019, and the separate statements of comprehensive income, equity changes and cash flows for the year then ended, as well as the summary of the main accounting policies and other explanatory notes.

In my opinion, the accompanying separate financial statements, faithfully taken from the accounting books, present fairly, in all material respects, the financial position of Grupo Nutresa S. A. at December 31, 2019, and the results of its operations and cash flows for the year then ended, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia.

Basis for the opinion

I conducted my audit in accordance with the Auditing Standards on Financial Reporting accepted in Colombia. My responsibility under such standards is further described in the section concerning the "statutory auditor's responsibility for the audit of the financial statements" of this report.

I am independent of Grupo Nutresa S. A. in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), and the ethical requirements relevant to my audit of the consolidated financial statements in Colombia. I have fulfilled my other ethical responsibilities in accordance with the IESBA code and other ethical requirements.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of management and those charged with governance in the Entity for the separate financial statements

Management is responsible for the preparation and fair presentation of the separate financial statements, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia, and for such internal control as management determines necessary to enable the preparation of separate financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease its operations, or has no realistic alternative but to do so.

Those charged with governance in the Entity are responsible for supervising its financial reporting process.



To the Shareholders of Grupo Nutresa S. A.

Statutory auditor's responsibility in relation to the audit of the separate financial statements

My objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the Financial Reporting Audit Standards Accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with the Financial Reporting Audit Standards Accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my statutory auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



To the Shareholders of Grupo Nutresa S. A.

I communicate with those charged with the governance in the Entity regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during my audit.

I have also provided those charged with the governance in the Entity with a statement indicating that I have complied with the applicable ethical requirements in relation to independence, and I have informed them about all relations that could reasonably be expected to affect my independence and, in case any arise, the corresponding safeguards.

Report on other legal and regulatory requirements

Management is responsible for compliance with certain regulatory requirements in Colombia, related to the handling of accounting documentation, the preparation of management reports, and the timely and appropriate payment of contributions to the Integral Social Security System, as well as for the implementation of a System to Prevent and Control the Risk of Money Laundering and Terrorism Financing. My responsibility as statutory auditor in these matters is to perform review procedures to issue an opinion on their due compliance.

With the above in mind, in my opinion:

- a) The Company's accounting records for the year ended December 31, 2019 have been kept in conformity with the legal regulations and accounting technique, and transactions therein recorded conform to the bylaws and decisions made by the Meeting of the Shareholders and Board of Directors.
- b) The correspondence, accounting vouchers and books of minutes and share register are properly kept and safeguarded.
- c) Due concordance exists between the accompanying financial statements and the administration report prepared by management. The administrators have stated in said management report that they did not hinder the free circulation of invoices issued by the vendors or suppliers.
- d) The information contained in the returns for self-computation of contributions to the Integral Social Security System, particularly regarding the affiliates and their base income for contribution, has been taken from the accounting records and supporting documents. At December 31, 2019, the Company is not in arrears regarding payment of contributions to the Integral Social Security System.
- e) The Entity has implemented the System to Prevent and Control the Risk of Money Laundering and Terrorism Financing, in accordance with that established in External Circular 062 of 2007, issued by the Superintendency of Finance.



To the Shareholders of Grupo Nutresa S. A.

In compliance with the statutory auditor's responsibilities stated in items 1 and 3 of Article 209 of the Colombian Code of Commerce, in relation to the assessment on whether the acts of the Entity's management conform to the bylaws, orders and instructions of the Shareholders' Meeting, and whether appropriate measures of internal control, conservation and custody of the Entity's assets or those of third parties in its possession are in place, I have issued a separate report dated February 21, 2020.

Other matters

The Entity's separate financial statements for the year ended December 31, 2018 were audited by a different statutory auditor, appointed by PwC Contadores y Auditores Ltda., whom in a report dated February 22, 2019 issued an unqualified opinion on such statements. My opinion on this matter is unqualified.

(Original in Spanish signed by:)

Juber Ernesto Carrión
Statutory Auditor
Professional Card No. 86122-T
Appointed by PwC Contadores y Auditores Ltda.
February 21, 2020

Certification of the Financial Statements

The undersigned Legal Representative and the General Counsel of Grupo Nutresa S. A.

CERTIFY:

21 of February of 2020


We have previously verified all claims, herewith contained, in the Consolidated Financial Statements, at December 31, 2019 and 2018, according to, the regulations, and the same that have been faithfully taken, from the Financial Statements of the Parent Company, and its subsidiaries, duly certified and audited.

In accordance with the above stated, in relationship to the Financial Statements, herewith mentioned, we declare the following:

1. The assets and liabilities, are stated and the recorded transactions, have been recorded, during said years.
2. All realized economic transactions, have been recognized.
3. The assets represent rights, and liabilities represent obligations, obtained or under the responsibility of the Companies.
4. All elements have been recognized, in the appropriate amounts, and in accordance with the Financial Information Norms, applicable in Colombia.
5. The economic transactions, that impact the Companies, have been correctly classified, described, and disclosed.
6. The Financial Statements and Notes, do not contain misstatements, errors, differences or material inaccuracies, which could impact the financial position, equity, and operations of the Companies. Similarly, appropriate procedures, reporting systems, and control of the financial information, have been established, to insure accurate reporting to third-party users, of such.



Carlos Ignacio Gallego Palacio
President



Jaime León Montoya Vásquez
General Accountant - T.P. 45056-T

Certification of the Financial Statements Law 964 of 2005

Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

21 of February of 2020

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2019 and 2018, do not contain any defects, differences, inaccuracies, or errors that impede the knowledge of the true and fair presentation, of the financial situation, of the same.

The foregoing, is stated, for purposes of compliance with Article 46 of Law 964 of 2005.

And is signed, as a record, on the 21st day of the month of February of 2020.



Carlos Ignacio Gallego Palacio
President

Separate Financial Position Statement

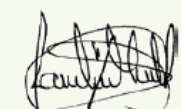
At December 31st, 2019 and 2018 (values expressed in millions of Colombian Pesos)

	Notes	2019	2018
ASSETS			
Current assets			
Cash and cash equivalents		\$ 54	\$ 1.086
Trade and other accounts receivables	5	25.733	14.608
Other assets	6	150	1.131
Total current assets		\$ 25.937	\$ 16.825
Non-current assets			
Trade and other accounts receivables	5	565	567
Investments in subsidiaries	7	5.167.033	4.991.464
Investments in associated	8	150.658	150.606
Other financial non-current assets	9	3.497.287	3.322.470
Deferred tax assets	10.4	1.847	1.412
Right-of-use assets		104	-
Other assets	6	6	9
Total non-current assets		\$ 8.817.500	\$ 8.466.528
TOTAL ASSETS		\$ 8.843.437	\$ 8.483.353
LIABILITIES			
Current liabilities			
Trade and other account payables	11	89.014	74.322
Income tax and other taxes, payable	10.2	877	495
Employee benefits liabilities	12	1.880	745
Right-of-use liabilities		98	-
Total current liabilities		\$ 91.869	\$ 75.562
Non-current liabilities			
Trade and other accounts payables	11	158	158
Employee benefits liabilities	12	1.737	1.503
Deferred tax liabilities	10.4	6.582	8.239
Other liabilities		-	301
Right-of-use liabilities		10	-
Total non-current liabilities		\$ 8.487	\$ 10.201
TOTAL LIABILITIES		\$ 100.356	\$ 85.763
EQUITY			
Share capital issued	13.1	2.301	2.301
Paid-in-capital	13.1	546.832	546.832
Reserves	13.2	4.144.250	3.915.685
Retained earnings	13.2	3	3
Other comprehensive income, accumulated	14	3.535.797	3.422.603
Earnings for the period		513.898	510.161
TOTAL EQUITY		\$ 8.743.081	\$ 8.397.590
TOTAL LIABILITIES AND EQUITY		\$ 8.843.437	\$ 8.483.353

The Notes are an integral part of the Separate Financial Statements.



Carlos Ignacio Gallego Palacio
President



Jaime León Montoya Vásquez
General Accountant
Professional Card No. 45056-T

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Separate Comprehensive Income Statement

From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Notes	2019	2018
Operating Income		\$ 515.139	\$ 515.387
Portfolio dividends	9	61.493	57.649
Share of profit, for the period of subsidiaries	7	456.219	459.115
Share of profit, for the period of associates	8	(2.573)	(1.377)
Gross profit		\$ 515.139	\$ 515.387
Administrative expenses	15	(5.085)	(3.771)
Exchange differences on operating assets and liabilities		1	(3)
Other operating income, net		2.744	2.094
Operating profit		\$ 512.799	\$ 513.707
Financial income		2.601	4
Financial expenses		(1.257)	(1.152)
Exchange differences on non-operating assets and liabilities		19	-
Income before tax		\$ 514.162	\$ 512.559
Current income tax	10.3	(561)	(181)
Deferred income tax	10.3	297	(2.217)
Net profit for the period		\$ 513.898	\$ 510.161

Earnings per share (*)

Basic, attributable to controlling interest (in Colombian Pesos)

16 1.116,87 1.108,75

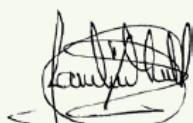
(*) Calculated on 460,123,458 shares, which have not been modified during the period covered by these Financial Statements.

OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit or loss:			
Actuarial (losses)/gains of defined benefit plans	12.1	(5.879)	1.102
Equity investments measured at fair value	9	186.697	(803.165)
Income tax from items that will not be reclassified		1.764	(523)
Total items that are not subsequently reclassified to profit or loss		\$ 182.582	\$ (802.586)
Items that may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	7	(69.319)	(59.701)
Share of other comprehensive income of associates	8	(105)	(458)
Income tax from items that will be reclassified		31	137
Total items that are or may be subsequently reclassified to profit and loss:		\$ (69.393)	\$ (60.022)
Other comprehensive income, net taxes		\$ 113.189	\$ (862.608)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		\$ (627.087)	\$ (352.447)

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(See attached opinion)

Separate Change in Equity Statement

From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Share capital issued	Paid-in-capital	Reserves	Retained earnings	Profit for the period	Other comprehensive income, accumulated	Total
Balance at December 31st, 2018	2.301	546.832	3.915.685	3	510.161	3.422.608	8.397.590
Profit for the period	-	-	-	-	513.898	-	513.898
Other comprehensive income for the period	-	-	-	-	-	113.189	113.189
Comprehensive income for the period	-	-	-	-	513.898	113.189	627.087
Transfer to income, in prior years	-	-	-	510.161	(510.161)	-	-
Cash dividends (Note 13.3)	-	-	(281.596)	-	-	-	(281.596)
Appropriation of reserves	-	-	510.161	(510.161)	-	-	-
Balance at December 31st, 2019	2.301	546.832	4.144.250	3	513.898	3.535.797	8.743.081

Balance at December 31st, 2017	2.301	546.832	3.746.020	3	430.279	4.285.216	9.010.651
Profit for the period	-	-	-	-	510.161	-	510.161
Other comprehensive income for the period	-	-	-	-	-	(862.608)	(862.608)
Comprehensive income for the period	-	-	-	-	510.161	(862.608)	(352.447)
Transfer to accumulated results	-	-	-	430.279	(430.279)	-	-
Cash dividends (Note 13.3)	-	-	(64.218)	(196.396)	-	-	(260.614)
Appropriation of reserves	-	-	233.883	(233.883)	-	-	-
Balance at December 31st, 2018	2.301	546.832	3.915.685	3	510.161	3.422.608	8.397.590

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(See attached opinion)

Separate Cash-flow Statement

From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	2019	2018
Cash flow from operating activities		
Dividends received (Note 7 – 9)	\$ 314.594	\$ 332.996
Dividends paid (Note 13.3)	(275.537)	(256.194)
Collection from goods and services	2.750	2.073
Payments to suppliers for goods and services	(1.253)	(2.042)
Payments to and on behalf of employees	(11.673)	(21.257)
Income taxes on reimbursed (paid) gains	7	(317)
Other cash inflows	4.002	15.627
Net cash flow from operating activities	\$ 32.890	\$ 70.886
Cash flows from investing activities		
Purchases of equity of associates and joint ventures (Note 8)	(2.730)	(3.000)
Payments to third parties, to obtain control of subsidiaries (Note 7)	(42.952)	(3.221)
Purchases and sales of other equity instruments (Note 9)	11.880	(63.950)
Other cash inflows	7	35
Net cash flows used in investment activities	\$ (33.795)	\$ (70.136)
Cash flow from financing activities		
Leases paid	(99)	-
Interest paid	(1)	(46)
Other cash outflows	(46)	(82)
Net cash flow used in financing activities	\$ (146)	\$ (128)
Increase in cash and cash equivalents from activities	\$ (1.051)	\$ 622
Net foreign exchange differences	19	(1)
Net increase in cash and cash equivalents	(1.032)	621
Cash and cash equivalents, at the beginning of the period	1.086	465
Cash and cash equivalents at the end of the period	\$ 54	\$ 1.086

The Notes are an integral part of the Separate Financial Statements.



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Notes for the Separate Financial Statements

For the period between January 1st and December 31st of 2019 and 2018

(Values are expressed as millions of Colombian Pesos, except for the values in foreign currency, exchange rates, and number of shares).

Note 1. CORPORATE INFORMATION

1.1 Entity and corporate purpose

Grupo Nutresa S.A., (hereinafter referred to as: Grupo Nutresa, the Company, or Nutresa, indistinctly), is a corporation of Colombian nationality, incorporated on April 12, 1920, with its headquarters in the City of Medellin, Colombia; its terms expire on April 12, 2050. The Corporate Business Purpose consists of the investment or application of available resources, in organized enterprises, under any of the forms permitted by law, whether domestic or foreign, and aimed at the use of any legal economic activity, either tangible or intangible assets, with the purpose of safeguarding its capital.

The Company is the Parent of Grupo Nutresa, constitutes an integrated and diversified food industry group that operates mainly in Colombia and Latin America.

Note 2. BASIS OF PREPARATION

The Separate Financial Statements of Grupo Nutresa, for the period from January 1st to December 31st, 2019, have been prepared in accordance with the Accounting and Financial Information Standards, accepted in Colombia, based on the International Financial Reporting Standards (IFRS), together with its interpretations, conceptual framework, the foundation for conclusions, and the application guidelines authorized and issued, by the International Accounting Standards Board (IASB), until 2017 (IFRIC 23 and IFRS 17 not included), and other legal provisions, defined by the Financial Superintendence of Colombia.

2.1 Basis of measurement

The Separate Financial Statements have been prepared on a historical cost basis, except for the measurements at fair value of certain financial instruments, as described in the accounting policies, herewith. The book value of recognized assets and liabilities, that have been designated as hedged items, in fair value hedges, and which would otherwise be accounted for at amortized cost and are adjusted to record changes in the fair values, attributable to those risks that are covered under "Effective hedges".

2.2 Functional and presentation currency

The Separate Financial Statements are presented in Colombian Pesos, which is both the functional and presentation currency of Grupo Nutresa. These figures are expressed in millions of Colombian Pesos, except for basic earnings per share and the representative market exchange rates, which are expressed in Colombian Pesos, as well as, other currencies (E.g. USD, Euros, Pounds Sterling, et al.), and which are expressed as monetary units.

2.3 Classification of items in current and non-current

Grupo Nutresa presents assets and liabilities, in the Statement of Financial Position, classified as current and non-current. An asset is classified as current, when the entity: expects to realize the asset, or intends to sell or consume it, within its normal operating cycle, holds the asset primarily, for negotiating purposes, expects to realize the asset within twelve months, after the reporting period is reported, or the asset is cash or cash equivalent, unless the asset is restricted for a period of twelve months, after the close of the reporting period. All other assets are classified as non-current. A liability is classified as current when the entity expects to settle the liability, within its normal operating cycle, or holds the liability primarily for negotiating purposes.

Note 3. SIGNIFICANT ACCOUNTING POLICIES

Grupo Nutresa applies the following significant accounting policies in preparing its Financial Statements:

3.1 Investments in subsidiaries

A subsidiary is an entity controlled by one of the companies that make up Grupo Nutresa. Control exists when any of the Group companies has the power to direct the relevant activities of the subsidiary, which are generally: the operating activities and the financing to obtain benefits from its activities, and is exposed, or has rights, to those variable yields.

Investments in subsidiaries are measured in the Separate Condensed Financial Statements of Grupo Nutresa, using the equity method, according to the established regulations in Colombia, under which the investment is initially recorded at cost, and is adjusted with the changes in participation of Grupo Nutresa, over the net assets of the subsidiary, after the date of acquisition, minus any impairment loss of the investment. The losses of the subsidiary, that exceed Grupo Nutresa's participation in the investment, are recognized as provisions, only when it is probable that there will be an outflow of economic benefits and there is a legal or implicit obligation.

3.2 Investments in associates and joint ventures

An associate is an entity over which Grupo Nutresa has significant influence over financial and operating policies, without having control or joint control.

A joint venture is an entity that Grupo Nutresa controls jointly with other participants, where, together, they maintain a contractual agreement that establishes joint control over the relevant activities of the entity.

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At the date of acquisition, the excess acquisition cost, over the net fair value of the identifiable assets, liabilities, and contingent liabilities, assumed by the associate or joint venture, is recognized as goodwill. Goodwill is included in the book value of the investment and is not amortized, nor is it individually tested for impairment.

Investments in associates or joint ventures are measured in the Separate Financial Statements, using the equity method, under which the investment is initially recorded at cost, and is adjusted with changes of the participation of Grupo Nutresa, over the net assets of the associate or joint venture after the date of acquisition minus any impairment loss on the investment. The losses of the associate or joint venture, that exceed Grupo Nutresa's shares in the investment, are recognized as a provision, only when it is probable that there will be an outflow of economic benefit and there is a legal or implicit obligation.

Where the equity method is applicable, adjustments are made to homologize the accounting policies of the associate or joint venture with those of Grupo Nutresa. The portion that corresponding to Grupo Nutresa of profit and loss, obtained from the measurement of at fair value, at the date of acquisition, is incorporated into the Financial Statements, and gains and losses from transactions between Grupo Nutresa and the associate or joint venture, to the extent of Grupo Nutresa's participation in the associate or joint venture. The equity method is applied from the date of the acquisition, to the date that significant influence or joint control over the entity is lost.

The portion of profit and loss, of an associate or joint venture, is presented in the Statement of Comprehensive Income, for the period, net of taxes and non-controlling interest in the subsidiaries of the associate or joint venture. The portion of changes, recognized directly in equity and other comprehensive income of the associate or joint venture, is presented in the Statement of Changes in Equity and other comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized by reducing the book value of the investment.

Grupo Nutresa periodically analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses of the associate or joint venture investment. Impairment losses are recognized in profit and loss and are calculated as the difference between the recoverable amount of the associate or joint venture, (which is the higher of the two values, between the value in use and its fair value minus cost to sell), and the book value.

When the significant influence over an associate or joint control is lost, Grupo Nutresa measures and recognizes any retained residual investment, at fair value. The difference between the book amount of the associate or joint venture, (taking into account the relevant items of other comprehensive income) and the fair value of the retained residual investment at its value from sale is recognized in profit and loss, for the period.

3.3 Foreign currency

Transactions made in a currency other than the functional currency of the Company are translated, using the exchange rate at the date of the transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated, using the exchange rates at the closing of the Financial Statements and taken from the information published by the official body responsible for certifying this information. Non-monetary items, that are measured at fair value, are translated, using the exchange rates on the date when its fair value is determined, and non-monetary items that are measured at historical cost, are translated using the exchange rates determined on the date of the original transaction.

All exchange differences, arising from operating assets and liabilities, are recognized on the Income Statement, as part of income and operating expenses. Exchange differences in other assets and liabilities are recognized as income or expense, except for, monetary items that provide an effective hedge, for a net investment in a foreign operation, and from investments in shares classified as fair value through equity. These items and their tax impact are recognized in "Other comprehensive income", until disposal of the net investment, at which time are recognized in profit and loss.

3.4 Cash and cash equivalents

Cash and cash equivalents, in the Statement of Financial Position and Statement of Cash Flows, include cash on hand and banks, highly liquid investments readily convertible to a known amount of cash, and subject to an insignificant risk of changes in its value, with a maturity of three months or less from the date of purchase. These items are initially recognized at historical cost and are restated to recognize its fair value at the date of each accounting year.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and, simultaneously, to a financial liability or equity instrument of another entity. Financial assets and liabilities are initially recognized at fair value, plus (minus) the transaction costs directly attributable, except for those who are subsequently measured at fair value.

At initial recognition, Grupo Nutresa classifies its financial assets for subsequent measurement, at amortized cost or fair value, depending on Grupo Nutresa's business model for the administration of financial assets, and the characteristics of the contractual cash flows of the instrument; or as derivatives designated as hedging instruments, in an effective hedge, accordingly.

(i) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to keep the contractual cash flows, and the contractual terms of the same grants, on specific dates, cash flows that are solely for payments of principal and interest, on the value of outstanding capital. The carrying amount of these assets is adjusted by any estimate of expected and recognized credit loss. Income from interest of these financial assets is included in "interest and similar income", using the effective interest rate method.

Grupo Nutresa has determined that the business model for accounts receivable is to receive the contractual cash flows, which is why they are included in this category, the Group evaluates whether the cash flows of the financial instruments represent only capital and interest payments. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic loan agreement. That is, the

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interest includes only the consideration for the value of money over time, credit risk, other basic credit risks, and a profit margin consistent with a basic loan agreement. When the contractual terms introduce a risk, or volatility exposure, and are inconsistent with a basic loan agreement, the related financial asset is classified and measured at fair value, through profit or loss.

Accounts receivable, from sales are measured by the value of income, minus the value of the expected impairment losses, according to the model defined by the Group. These accounts receivable are recognized, when all the risks and benefits are transferred to the third party.

(ii) Financial assets measured at fair value with changes in other comprehensive income

The financial assets, held for the collection of contractual cash flows and for sales of the assets, where the cash flows of the assets represent only payments of principal and interest, and which are not designated at fair value, through profit or loss, are measured at fair value with changes in other comprehensive income.

For investments in equity instruments, that are not held for trading purposes, Grupo Nutresa chooses to irrevocably present gains or losses, from fair value measurement, in other comprehensive income. In the disposal of investments, at fair value, through other comprehensive income, the accumulated value of gains or losses is transferred directly to retained earnings and is not reclassified to profit or loss. Dividends received in cash, from these investments, are recognized in profit or loss for the period.

The fair values of share price investments are based on the valid quoted prices. If the market for a financial instrument is not active (or the instrument is not quoted on a stock exchange), the Group establishes its fair value using valuation techniques. These techniques include the use of the values observed in recent transactions, realized under the terms of free competition, the reference to other instruments that are substantially similar, analyses of discounted cash flows, and option models, making maximum use of market information, and giving the lesser degree of confidence possible, in internal information specific to the entity.

(iii) Financial assets measured at fair value

The financial assets, different from those measured at amortized cost or at fair value, with changes in other comprehensive income, are subsequently measured at fair value, with changes recognized in profit and loss. A loss or gain on a debt instrument, that is subsequently measured at fair value, through profit or loss and is not part of a hedging relationship, is recognized in the Income Statement, for the period in which it arises, unless it arises from instruments of debt that were designated at fair value, or that are not held for trading.

(iv) Impairment of financial assets at amortized cost

The Group evaluates, in a prospective manner, the expected credit losses associated with the debt instruments, recorded at amortized cost and at fair value, through changes in other comprehensive income, as well as with the exposure derived from loan commitments and financial guarantee contracts. The Group recognizes a provision for losses, at each presentation date. The measurement of the expected credit losses reflects:

- An unbiased and weighted probability quantity, that is determined by evaluating a range of possible outcomes;
- The value of money in time; and
- Reasonable and supported information, available without incurring undue costs or efforts, on the filing date, with regard to past events, current conditions, and future economic condition forecasts.

(v) Derecognition

A financial asset, or a part of it, is derecognized, from the Statement of Financial Position, when it is sold, transferred, expires, or Grupo Nutresa loses control over the contractual rights or the cash flows of the instrument. A financial liability, or a portion of it, is derecognized from the Statement of Financial Position, when the contractual obligation has been settled, or has expired. When an existing financial liability is replaced by another, from the same counterparty, on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, and the recognition of a new liability, and the difference, in the respective book value, is recognized in the Comprehensive Income Statement.

(vi) Modification

In some circumstances, the renegotiation, or modification of the contractual cash flows, of a financial asset, may lead to the derecognition of an existing financial asset. When the modification of a financial asset results in the derecognition of an existing financial asset, and the subsequent recognition of a modified financial asset, it is considered a new financial asset. Accordingly, the date of the modification will be treated as the date of initial recognition, of that financial asset.

(vii) Financial liabilities

Financial liabilities are subsequently measured at amortized cost, using the effective interest rate. Financial liabilities include balances with suppliers and accounts payable, financial obligations, and other derivative financial liabilities. This category also includes those derivative financial instruments, taken by the Group, that are not designated as hedging instruments, in effective hedging.

Financial obligations are classified as such, for obligations that are obtained by resources, be it from credit institutions or other financial institutions, in the country or abroad.

Financial liabilities are written-off in accounts when they are canceled, that is, when the obligation specified in the contract is met, canceled, or expires.

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(viii) Off-setting financial instruments

Financial assets and financial liabilities are offset, so that the net value is reported on the Statement of Financial Position of the Separate, only if (i) there is, at present, a legally enforceable right to offset the amounts recognized, and (ii) there is an intention to settle on a net basis, or to realize the assets and settle the liabilities, simultaneously.

3.6 Taxes

This heading includes the value of mandatory general-nature taxation in favor of the State, by way of private closeouts, that are based on the taxes of the fiscal year, and responsibility of each company, according to the tax norms of national and territorial governing entities, in the countries where Grupo Nutresa operate.

a) Income tax

(i) Current

Current assets and liabilities, generated from the income tax, for the period, are measured by the values expected to be recovered or paid to the taxation authorities. Expenses for income tax is recognized under current tax, in accordance with the tax clearance, between taxable incomes and accounting profit and loss, impacted by the rate of income tax in the current year, in accordance with the effective tax rules in each country. Taxes rates and tax norms or laws used to compute these values are those that are approved at the end of the reporting period, over which it is reported. Current assets and liabilities, from income tax are compensated for, if related to the same Fiscal Authority, and whose intention is to settle for a net value or realize the asset, and settle the liability, simultaneously.

(ii) Deferred

Deferred income tax is recognized, using the liability method and is calculated on temporary differences between the taxable bases of assets and liabilities in and book value. Deferred tax liabilities are generally recognized for all temporary tax differences imposed, and all of the deferred tax assets are recognized, for all temporary deductible differences, future compensation of tax credits, and unused tax losses, to the extent that it is likely there will be availability of future tax profit, against which, they can be attributed. Deferred taxes are not subject to financial discount.

Deferred asset and liability taxes are not recognized, if a temporary difference arises from the initial recognition of an asset or liability, in a transaction that is not a business combination, and at the time of the transaction, it impacted neither the accounting profit nor taxable profit and loss; and in the case of deferred tax liability, arising from the initial recognition of goodwill.

The deferred tax liabilities, related to investments in associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that said differences will not reverse in the near future, and the deferred tax assets related to investments in associates, and interests in joint ventures are recognized only to the extent that it is probable that the temporary differences will reverse in the near future, and it is likely the availability of future tax profit, against which these deductible differences, will be charged. Deferred tax liabilities, related to goodwill, are recognized only to the extent that it is probable that the temporary differences will be reversed in the future.

The book value of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available for use, in part or in totality, or a part of the asset, from said tax. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized, to the extent that it is probable that future taxable profit income is likely to allow for their recovery.

Assets and liabilities from deferred taxes are measured at the tax rates, that are expected to be applicable, in the period when the asset is realized, or the liability is settled, based on income tax rates and norms, that were approved at the date of filing, or whose approval will be nearing completion, by that date.

Deferred tax is recognized in profit and loss, except when relating to items not recognized in profit and loss, in which case will be presented in "Other comprehensive income", or directly in equity.

3.7 Employee benefits

a) Short-term benefits

They are, (other than termination benefits), benefits expected to be settled in its totality, before the end of the following twelve months (12), at the end of the annual period, of which the services rendered, by employees, is reported. Short-term benefits are recognized to the extent that the employee renders the service, to the expected value to be paid.

b) Other long-term benefits

Long-term employee benefits, (that differ from post-employment benefits and termination benefits), that do not expire within twelve (12) months, after the end of the annual period in which the employee renders services, are remunerated, such as long-term benefits, the variable compensation system, and retroactive severance interest. The cost of long-term benefits is distributed over the time measured between the employee starting date, and the expected date of when the benefit is received. These benefits are projected to the payment date and are discounted with the projected unit credit method.

c) Pensions and other post-employment benefits

Defined benefit plans

Defined benefit plans are plans for post-employment benefits, in which Grupo Nutresa has a legal or implicit obligation, of the payment of benefits.

The cost of this benefit is determined by the projected unit credit method. The liability is measured annually, by the present value of expected future payments required to settle the obligations, arising from services rendered by employees, in the current period and prior periods.

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Updates of the liability for actuarial gains and losses are recognized in the Statement of Financial Position, against retained earnings through "Other comprehensive income". These items will not be reclassified to profit and loss, in subsequent periods. The cost of past and present services, and net interest on the liability, is recognized in profit and loss, distributed among cost of sales and administrative expenses, sales and distribution, likewise as are gains and losses by reductions in benefits and non-routine settlements.

Interest on the liability is calculated by applying the discount rate, on said liability.

3.8 Provisions, contingent liabilities and assets

a) Provisions

Provisions are recognized when, as a result of a past event, the Company has a present legal or implicit obligation to a settlement, and requires an outflow of resources, are considered probable, and can be estimated with certainty.

In cases where Grupo Nutresa expects the provision to be reimbursed in whole, or in part, the reimbursement is recognized as a separate asset, only in cases where such reimbursement is virtually certain.

Provisions are measured at best estimate of the disbursement of the expenditure required to settle the present obligation. The expense relating to any provision is presented in the Statement of Comprehensive Income, net of all reimbursement. The increase in the provision, due to the passage of time, is recognized as interest expense.

b) Contingent liabilities

Possible obligations, arising from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one more uncertain future events, not wholly within the control of Grupo Nutresa, or present obligations arising from past events, are not likely, but are possible that an outflow of resources including economic benefits is required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability, are not recognized in the Statement of Financial Position and are, instead, revealed as contingent liabilities.

c) Contingent assets

Possible assets, arising out of past events and whose existence will be confirmed only by the occurrence, or possibly by the non-occurrence of one or more uncertain future events, which are not entirely under the control Grupo Nutresa, are not recognized in the Statement of Financial Position, and are however, disclosed as contingent assets when it is a probable occurrence. When the said contingent is certain, the asset and the associated income, are recognized for that period.}

3.9 Right-of-use assets and liabilities

Policies applicable as of January 1, 2019

A lease is an agreement whereby a lessor assigns to a lessee, in return for a payment or series of payments, the right to use an asset for a specified period of time.

The Group is the lessor and lessee of various properties, equipment and vehicles. Leases are generally for fixed periods of 1 to 15 years, but may have options to extend. The lease terms are negotiated individually and contain a wide range of different terms and conditions.

The extension and termination options included in the Group's leases are used to maximize operational flexibility in terms of contract management. Most extension and termination options held are exercisable simultaneously by the Group and the respective counterparty.

Tenant accounting

Leases are recognized as a right of use asset and a corresponding liability on the date on which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the income statement over the lease period to produce a constant periodic interest rate on the remaining balance of the liability for each period. The right-to-use asset is depreciated over the shorter of the asset's useful life and the straight-line lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Variable lease payment based on an index or rate,
- The exercise price of a call option if the lessee is reasonably sure of exercising that option, and
- Penalty payments for terminating the lease, if the condition of the lease reflects that the tenant exercised that option.

Lease payments are discounted using a discount rate, which is calculated using the interest rate of each country, taking into account the duration of the contract and the type of asset.

Rights-of-use assets are measured at cost and comprise the following:

- The amount of the initial measurement of the lease liability,
- Any lease payment made on or before the start date,
- Any direct initial costs, and

Payments associated with short-term leases and low-value asset leases are recognized on a straight-line basis as an expense in the statement of income. Short-term leases have a term of 12 months or less. Low value assets include computer equipment and small office furniture items.

The average periods of amortization for right-of-use assets, transportation equipment are between 5 and 10 years:

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Policies applicable until December 31, 2018

Leases

Tenant accounting

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

Property, plant and equipment leases in which the Group has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalized at the commencement of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each payment under a finance lease is allocated between the liability and finance costs. The obligations of a finance lease, net of the finance charge, are presented as current or non-current liabilities (financial obligations) depending on whether or not the royalty payments are due within 12 months. Finance costs are charged to income over the lease period so as to provide a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment acquired under a financial lease is depreciated over the shorter of the asset's useful life and the lease term.

3.10 Revenue

a) Dividend income

This is recognized when Grupo Nutresa's right to receive payment is established, which is generally when the Shareholders approve the dividend, except when the dividend represents a recovery of investment costs. Dividend income is not recognized, when payment is made to all Shareholders, in the same proportion in shares of the issuer.

b) The Equity Method

Under this method, the investment is initially recorded at cost, and is adjusted for changes in Grupo Nutresa's shares of the net assets in subsidiaries and associates, after the acquisition date, and minus any impairment loss on the investment.

c) Interest

For all financial instruments measured at amortized cost, interest income, or expense, is recognized with the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments, or those received through the expected life of the financial instrument, or in a shorter period, in the net book value of the financial asset or financial liability.

3.11 Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date. The fair value of all financial assets and liabilities is determined at the date of presentation of the Financial Statements, for recognition or disclosure in the Notes to the Financial Statements.

Grupo Nutresa uses valuation techniques which are appropriate, under circumstances for which sufficient information is available to measure the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value is determined:

- Based on quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date (Level 1).
- Based on valuation techniques commonly used by market participants using variables other than the quoted prices that are observable for the asset or liability, either directly or indirectly (Level 2).
- Based on internal discount cash flow techniques or other valuation models, using estimated variables by Grupo Nutresa for the unobservable asset or liability, in the absence of variables observed in the market (Level 3).

Judgments include data such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.12 Earnings per share

Basic earnings per share are calculated by dividing profit and loss attributable to ordinary equity holders, by the weighted average number of ordinary shares outstanding during the period.

The average number of shares outstanding, for the periods ended December 31, 2019 and 2018, is 460,123,458.

Diluted earnings per share are calculated by adjusting, profit and loss attributable to ordinary equity holders, and the weighted average number of shares of dilutive potential ordinary shares.

3.13 Relative importance or materiality

Information is material or has relative importance, if it can, individually, or collectively, influence the economic decisions taken by users, based on the Financial Statements. Materiality depends on the size and nature of error or inaccuracy and is prosecuted depending on the particular circumstances in which they are produced. The size or nature of the item, or a combination of both, could be the determining factor.

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3.14 Changes in accounting policies

Leases

The Group applied IFRS 16 on Leases from 2019. In accordance with the transition provisions of IFRS 16, the new standard was adopted retrospectively with the cumulative effect of the initial application of the new standard recognized on 1 January 2019. Comparative figures for 2018 have not been restated.

Until 2018, property, plant and equipment leases where the Group, as lessee, did not have substantially all the risks and rewards of ownership were classified as operating leases and those where they were classified as finance leases.

On adoption of IFRS 16, the Group recognized lease liabilities relating to leases that were previously classified as "operating leases" under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using each entity's incremental borrowing rate from 1 January 2019. The weighted average of the lessee's incremental borrowing rate applied to the lease liabilities at January 1 was 5,3%.

Assets related to rights of use were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid lease payments recognized in the statement of financial position at December 31, 2018.

In applying IFRS 16 for the first time, the Group used the following practical options permitted by the standard:

- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- Accounting for operating leases with a remaining lease term of less than 12 months at 1 January 2019 as short-term leases
- The exclusion of initial direct costs for the measurement of rights of use assets at the date of initial application, and
- The use of hindsight in determining the term of the lease where the lease contract contains options to extend or terminate the lease.

Quantitative impacts:

- On January 1, 2019, the Group recognized assets and liabilities for rights of use for a total value of \$201, which represents 0.0024% of total assets and 0.23% of total liabilities.
- As of December 31, 2019, operating income showed an increase of \$5. Depreciation charges on right-of-use assets were \$94 and the interest expense on right-of-use liabilities was \$9.
- The cash flow does not present any impact due to the application of this standard.

Presentation impacts:

As a result of the application of this standard, changes were made to the structure of the following financial statements:

- Statement of financial position
- Comprehensive income statement
- Cash flow

The Group's activities as a lessor are not relevant and, therefore, do not have a significant impact on the financial statements.

3.15 New accounting pronouncements on International Financial Reporting Standards: New standards, modifications and interpretations incorporated into the accounting framework accepted in Colombia, whose application must be January 1, 2020.

IFRIC 23 Uncertainty regarding the Treatment of Income Taxes

IFRIC 23 was issued in May 2017. This interpretation clarifies how to apply the recognition and measurement requirements of IAS 12, when there is uncertainty regarding the treatment of income tax. In this circumstance, an entity recognizes and measures its asset or liability, for deferred or current taxes, by applying the requirements of IAS 12, on the basis of taxable profit (tax loss), tax bases, unused fiscal losses, unused tax credits, and tax rates determined by applying this interpretation.

The Company will evaluate the potential impacts of this interpretation, in its Financial Statements, without having identified situations that may require changes in the Financial Statements.

Note 4. JUDGMENTS, ESTIMATES AND SIGNIFICANT ACCOUNTING ASSUMPTIONS

The preparation of Grupo Nutresa's Financial Statements requires that management must make judgments, accounting estimates, and assumptions that impact the amount of revenue and expenses, assets and liabilities, and related disclosures, as well as, the disclosure of contingent liabilities, at the close of the reporting period. In this regard, the uncertainty of assumptions and estimates could impact future results that could require significant adjustments to the carrying amounts recorded in books of the assets or liabilities impacted.

In applying Grupo Nutresa's accounting policies, Management has made the following judgments and estimates, which have significant impact on the amounts recognized in these Separate Financial Statements:

- Assessment of the existence of impairment indicators for assets
- Assumptions used in the actuarial calculation of post-employment and long-term obligations with employees

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- Assumptions used to calculate the fair value of financial instruments
- Recoverability of deferred tax assets
- Determination of control, significant influence, or joint control of an investment
- Determination of the existence of financial or operating leases, based on the transfer of risks and benefits of the leased assets
- Determination of lease terms.

Judgments and estimates made by the Administration of Nutresa Group, in the preparation of the Separated Financial Statements, at December 31, 2019, do not differ significantly from those realized at the year-end close, of the previous period, that is, December 31, 2018.

In the process of applying IFRS 16, the Group considered the following relevant judgements:

The Company's leasing activities and how they are accounted: The Company leases vehicles. Leases are normally for periods of between 1 and 5 years. The lease conditions are negotiated individually and contain a wide range of different terms and conditions. The leases do not impose any covenants, but the leased assets cannot be used as collateral for loan purposes.

Lease extension and termination options: Extension and termination options are included in the Group's lease contracts. These conditions are used to maximize operational flexibility in terms of contract management. Most extension and termination options held are exercised by the Group and the lessor.

Lease terms: In determining the term of the lease, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. The assessment is reviewed if a significant event or significant change in circumstances occurs that affects this assessment.

Note 5. TRADE AND OTHER ACCOUNTS RECEIVABLES

The balance of trade receivables and other accounts receivable comprised the following items:

	2019	2018
Accounts receivable from employees	17	18
Dividends receivable from third parties (Note 9)	15.374	14.498
Related dividends receivable	8.383	-
Other accounts receivable, related parties	2.478	600
Other accounts receivable from third parties	45	59
Total debtors and accounts receivable	26.298	15.175
Current portion	25.733	14.608
Non-current portion	565	567

Table 1

Note 6. OTHER ASSETS

Other assets are comprised of the following:

	2019	2018
Other current assets		
Taxes (Note 10.2)	92	566
Prepaid expenses ⁽¹⁾	58	565
Total other current assets	150	1.131
Other non-current assets		
Prepaid expenses ⁽¹⁾	6	9
Total other assets	156	1.140

Table 2

(1) The prepaid expenses relate mainly to services and insurance.

Note 7. INVESTMENTS IN SUBSIDIARIES

The following represents the book values of the subsidiaries, of Grupo Nutresa, to the date of the period, over which is reported:

	% participation	Book Value	
		2019	2018
Compañía de Galletas Noel S. A. S.	100%	1.403.658	1.302.208
Compañía Nacional de Chocolates S. A. S.	100%	1.136.705	1.157.439
Tropical Coffee Company S. A. S.	100%	18.174	20.089
Industria Colombiana de Café S. A. S.	100%	581.541	568.716
Industria de Alimentos Zenú S. A. S.	100%	207.012	203.266
Inverlogy S. A. S. (before Litoempaques S. A. S.) ⁽³⁾	100%	27.184	26.566
Meals Mercadeo de Alimentos de Colombia S. A. S.	100%	192.316	184.911
Molino Santa Marta S. A. S.	100%	78.144	73.157
Novaventa S. A. S.	93%	177.942	135.662
Pastas Comarrico S. A. S.	100%	32.052	29.280
Productos Alimenticios Doria S. A. S.	100%	112.671	101.848
Alimentos Cárnicos S. A. S.	100%	905.267	969.119
Setas Colombianas S. A.	94%	47.078	51.102
Compañía Nacional de Chocolates Perú S. A.	0,0%	11	10
La Recetta Soluciones Gastronómicas Integradas S. A. S.	70%	789	962
Gestión Cargo Zona Franca S. A. S.	100%	95.896	73.850
Comercial Nutresa S. A. S.	100%	26.037	28.252
Industrias Aliadas S. A. S.	83%	70.087	60.229
Oppear Colombia S. A. S.	100%	1.561	1.342
Servicios Nutresa S. A. S.	100%	514	-
Fideicomiso Grupo Nutresa	100%	288	243
Productos Naturela S. A. S. ⁽¹⁾	60%	3.444	3.213
Atlantic FS S. A. S.	51%	48.662	-
Sub total		5.167.033	4.991.464
Servicios Nutresa S. A. S. ⁽²⁾	100%	-	(301)
Total		5.167.033	4.991.163

Table 3

A detailed breakdown of the dividends received, and the result of the application of the Equity Method, on investments in subsidiaries, during the reporting periods, is as follows:

	2019			2018		
	Dividends received	Share of Income for the Period	Share of Other Comprehensive Income	Dividends received	Share of Income for The Period	Share of Other Comprehensive Income
Compañía de Galletas Noel S. A. S.	(32.725)	132.745	1.430	(45.815)	119.271	(27.906)
Compañía Nacional de Chocolates S. A. S.	(129.811)	106.148	2.929	(96.458)	143.183	178
Tropical Coffee Company S. A. S.	-	(1.844)	(71)	-	1.853	(119)
Industria Colombiana de Café S. A. S.	-	25.122	(12.297)	-	14.494	(5.243)
Industria de Alimentos Zenú S. A. S.	-	5.463	(1.717)	(23.463)	20.199	(36)
Inverlogy S. A. S. (before Litoempaques S. A. S.) ⁽¹⁾	-	618	-	-	4.476	43
Meals Mercadeo de Alimentos de Colombia S. A. S.	-	8.308	(903)	-	(31.463)	1.088
Molino Santa Marta S. A. S.	(4.207)	9.201	(7)	(20.130)	8.555	(5)
Novaventa S. A. S.	-	42.456	(176)	(30.334)	36.274	(3.877)
Pastas Comarrico S. A. S.	-	2.772	-	-	2.565	-
Productos Alimenticios Doria S. A. S.	(7.550)	19.000	(627)	(50.309)	15.063	885
Alimentos Cárnicos S. A. S.	(77.409)	70.528	(56.971)	-	97.753	(23.994)
Setas Colombianas S. A.	(10.658)	6.634	-	(2.948)	6.365	(4)
Compañía Nacional de Chocolates Perú S. A.	(1)	2	-	(2)	1	-
La Recetta Soluciones Gastronómicas Integradas S. A. S.	-	(173)	-	-	(177)	(126)
Gestión Cargo Zona Franca S. A. S. ⁽⁴⁾	-	17.839	-	-	11.831	-
Comercial Nutresa S. A. S.	-	(2.016)	199	-	5.263	(706)
Industrias Aliadas S. A. S.	-	9.861	(3)	(14.201)	5.332	5
Oppear Colombia S. A. S.	-	219	-	-	268	-
Servicios Nutresa S. A. S. ⁽³⁾	-	1.479	(664)	-	(1.974)	116
Fideicomiso Grupo Nutresa	-	45	-	-	(9)	-
Productos Naturela S. A. S.	-	274	(43)	-	(8)	-
Atlantic FS S. A. S. ⁽⁵⁾	-	1.538	-	-	-	-
Total	(262.361)	456.219	(69.319)	(283.660)	459.115	(59.701)

Table 4

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- (1) As of March 2018, Litoempaques S.A.S., changed its corporate name to Servicios Logypack S.A.S., and in November of 2018, the latter changed its corporate name to Inverlogy S. A. S.
- (2) In September 2018, a 60% stake, was obtained, via the acquisition of shares (capitalization), in the amount of \$3.221, of Productos Naturela S. A. S., a company dedicated to the production and commercialization of healthy and functional foods. This acquisition is aligned with the purpose of expansion towards innovative products, that benefit the health and nutrition of its consumers.
- (3) Corresponds to the investment with negative equity which is provisioned, and is presented in the Statement of Financial Position in other provisions.
- (4) In July 2019 Grupo Nutresa capitalized Gestión Cargo Zona Franca S. A. S. in the amount of \$4,207.
- (5) In November 2019, Grupo Nutresa acquired 51% of the shares of Atlantic FS S. A. S., a company dedicated to food distribution in the institutional channel, for \$47,124. Atlantic FS S. A. S. is a leading company in the institutional or food service channel in Colombia, providing superior service to its customers through a diversified product portfolio focused on the "center of the plate". At the end of the year there is a balance payable of \$8,379 for the purchase of this investment.

There are no variations in the participation of Shareholders between December 2018 and December 2019. The dividends received in subsidiaries, are recognizes as the lessor value of the investment, as part of the application of the equity method. As of December 31, 2019, dividend receivables were \$8,384. (2018: \$0).

Dividends received, from subsidiaries, generate an impact on cash flow in the amount of \$253.977 (2018: \$283.660).

Note 8. INVESTMENTS IN ASSOCIATES

The following is a breakdown of the investments over which Grupo Nutresa has significant influence, and which are classified as associates:

			Book Value		2019		2018	
	Country	% participation	2019	2018	Share of Income for the Period	Share of Other Comprehensive Income	Share of Income for the Period	Share of Other Comprehensive Income
Associates								
Bimbo de Colombia S. A.	Colombia	40%	139.121	139.918	(692)	(105)	509	(458)
Estrella Andina S. A. S.	Colombia	30%	10.924	10.688	(1.864)	-	(1.886)	-
Wellness Food Company S. A. S.	Colombia	20%	613	-	(17)	-	-	-
Total associates			150.658	150.606	(2.573)	(105)	(1.377)	(458)

Table 5

Bimbo de Colombia S.A.

Bimbo de Colombia S.A. is a company domiciled in Tenjo, Colombia, and is dedicated primarily, to the manufacturing of baked goods.

Estrella Andina S.A.S.

Estrella Andina S.A.S. is a simplified joint stock company, engaged in the marketing of ready-made meals in the cafeterias, in which Nutresa has a 30% stake, having as its majority Shareholder, Grupo Alsea, with an interest of 70%.

Wellness Food Company S. A. S.

It is a simplified joint-stock company dedicated to the production of dairy products and other types of prepared foods n.c.p. in which Nutresa has a 20% participation.

The movements of investments in associates, are as follows:

	2019	2018
Opening balance	150.606	149.441
Increased of contributions (*)	2.730	3.000
Participation in profit and loss	(2.573)	(1.377)
Participation comprehensive income	(105)	(458)
Ending balance	150.658	150.606

Table 6

Increase in contributions in associates and joint ventures

(*) In February 2019, a capitalization was realized, in Estrella Andina S.A.S., in which Grupo Nutresa invested \$2,100, without generating changes in the percentage of participation. In June 2019, Grupo Nutresa invested \$630 in the Wellness Food Company S.A.S. In September 2018, a capitalization was realized, in Estrella Andina S.A.S., in which Grupo Nutresa invested \$3,000, without generating changes in the percentage of participation.

During the period covered by these Financial Statements, no dividends were received from these investments.

None of the associates and joint ventures, held by the Group are listed on a stock market, and consequently, there are no quoted market prices for the investment.

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Below, is the summarized financial information regarding the associated entities:

	2019					2018				
	Assets	Liabilities	Equity	Profit for the Period	Comprehensive Income for the Period	Assets	Liabilities	Equity	Profit for the Period	Comprehensive Income for the Period
Bimbo de Colombia S.A.	686.195	338.393	347.802	(1.732)	(262)	643.271	293.475	349.796	2.725	459
Estrella Andina S.A.S.	41.694	5.110	36.584	(1.864)	-	43.913	8.116	35.797	(5.588)	-
Wellness Food Company S. A. S.	889	269	620	(83)	-	-	-	-	-	-

Table 7

Note 9. OTHER NON-CURRENT FINANCIAL ASSETS

Grupo Nutresa classifies portfolio investments that are not held for trading, as financial instruments, measured at fair value through "Other comprehensive income".

The results for the period include income from dividends on these instruments, and which are recognized, by Nutresa, on the date that the right to receive future payments is established, which is the date of declaration of dividends by the issuing company. "Other comprehensive income" includes changes in the fair value of these financial instruments.

The breakdown of financial instruments, is as follows:

Book Value	Number of shares held	Participation as % in Total Ordinary Shares	2019	2018
Grupo de Inversiones Suramericana S. A.	61.021.436	13,01%(2018:13,09%)	2.074.729	1.971.736
Grupo Argos S. A.	79.804.628	12,36%	1.420.522	1.348.698
Other companies			2.036	2.036
			3.497.287	3.322.470

Table 8

	2019		2018	
	Dividend income	Losses of Fair Value Measurement	Dividend income	Profit of Fair Value Measurement
Grupo de Inversiones Suramericana S. A.	33.562	114.873	31.026	(485.543)
Grupo Argos S. A.	27.931	71.824	26.176	(317.622)
Other companies	-	-	447	-
	61.493	186.697	57.649	(803.165)

Table 9

The value of the dividend per share, declared for 2019, by Grupo de Inversiones Suramericana S. A. was \$550 (pesos), yearly per share. These will be paid quarterly, in the amount of \$137,50. For its part, Grupo Argos S. A. declared, in the month of April, dividends, in the amount of \$350 (pesos), yearly, per share, to be paid quarterly, in the amount of \$87,50.

For 2018, the annual value, per share, was \$328 Pesos, (\$82 Pesos per quarter), for Grupo Argos S. A., and \$518 Pesos, (received in \$129,50 preference shares) for Grupo de Inversiones Suramericana S. A.

Income from dividends, recognized for the first half of 2018, for portfolio investments, corresponds mainly to the total annual dividend, declared by the issuers, and no similar income for the remainder of the year is expected. In addition, in October 2018, dividend shares were received, from part of Grupo de Inversiones Suramericana S. A., in the amount of \$263, equivalent to the investment realized in financial equity instruments in the amount of \$63.950.

In January of 2019, 365,114 shares of equity instruments, of Grupo de Inversiones Suramericana S.A., were sold for \$11,880.

The dividends received generated an impact in cashflows of \$60.617 (2018: 49.336), which corresponds to those actually received in cash as of December 2019.

At December 31, 2019, accounts receivable, from dividends of financial instruments, are \$15.374 (2018: \$14.498).

9.1 Fair value measurement of financial instruments

The fair value of shares traded and that are classified as high trading volume is determined based on the price quoted on the Colombian Stock Exchange; this measurement is in the Hierarchy 1, established by IFRS 13 for measuring fair value. This category includes investments held by Grupo Nutresa in Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. This measurement is realized monthly and generated losses of \$186.697 (2018: loss \$803.165), recognized in the other comprehensive income.

The following is the value per share, used in the valuation of investments listed on the Colombian Stock Exchange:

Price per share (in Colombian Pesos)	2019	2018
Grupo de Inversiones Suramericana S.A.	34.000	32.120
Grupo Argos S.A.	17.800	16.900

Table 10

Investments in other companies classified in this category are measured at fair value on a non-recurrent basis, only when a market value is available. The Company considers omission of recurrent measurement of these investments is immaterial for the presentation of Grupo Nutresa's Financial Statements.

There have been no changes in the fair value hierarchy for the measurement of these investments, nor have there been changes in the valuation techniques used.

9.2 Liens

At December 31, 2019, there were pledges of 26.686.846 (2018: 22.103.000) shares of Grupo de Inversiones Suramericana S. A., in favor of financial entities in Colombia, as collateral for obligations, contracted by Grupo Nutresa and its subsidiaries.

Note 10. INCOME TAXES AND TAXES PAYABLE

10.1 Applicable Norms

The current tax provisions applicable to the Company establish a nominal income tax rate of 33% (2018-33% and 4% surcharge).

The basis for the tax treatment is the recognition of income and expenses accrued for accounting purposes, except for those expressly provided for in the regulations, such as: the time of realization for certain income, non-deductibility of the difference not realized, limitation of the deduction for employee, customer and supplier services, ceilings on annual depreciation rates, changes in realization for tax recognition of the customer loyalty plan and the option to take the value paid for industry and commerce tax as a 100% deduction or as a 50% tax discount.

On the other hand, donations made to entities belonging to the special tax regime are not deductible, but a tax discount of 25% on the value donated is allowed, which cannot exceed 25% of the income tax payable in the respective taxable year.

The presumptive income applicable to the year 2019 is 1.5% (2018: 3.5%).

The firmness of the tax returns is 3 years, however, for companies' subject to the transfer pricing regime, the firmness is 6 years and the returns that originate or compensate tax losses will become firm in 12 years.

10.2 Tax assets and liabilities

Tax assets are presented in the Statement of Financial Position, under "other current assets" and "other non-current assets". The balance, includes:

	2019	2018
VAT	5	-
ICA	87	-
Income tax and complementaries ⁽¹⁾	-	360
Other taxes	-	206
Total current tax assets	92	566

Table 11

(1) Income tax assets and complementaries, corresponds to credit balances of \$0 (2018: \$360).

The current taxes payable balances include:

	2019	2018
Income tax and complementaries	194	-
Sales tax payable	-	61
Withholding taxes, payable	291	112
Other taxes	392	322
Total	877	495

Table 12

The Company applies the laws with professional judgment, to determine and recognize the provision for current tax and deferred income, on its Separate Financial Statements. The final tax determination depends on the new regulatory requirements, the existence of sufficient taxable profit for the use of fiscal benefits, as the treatment of untaxed income, and special deductions, according to the current regulations and applicable, and the analysis of favorability probability of expert opinions. The Company recognizes liabilities, for anticipated tax audits, observed based on estimates, if correspondent to payment of additional taxes. When the final tax outcome of these situations is different, from the

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amounts that were initially recorded, the differences are charged to tax on current and deferred assets and liabilities, in the period in which this is determined.

10.3 Income tax expenses

Current income tax expenses and deferred tax are as follows:

	2019	2018
Income tax	561	181
Total	561	181
Deferred taxes (*)	(297)	2.217
Total income tax expenses	264	2.398

Table 13

(*) The composition of the deferred income tax arises primarily from the recognition of labor and investment obligations.

10.4 Deferred income tax

	2019	2018
Deferred tax assets		
Employee benefits	1.797	437
Debtors	2	718
Right-of-use assets	32	-
Other assets	16	46
Tax losses	-	17
Tax credits	-	194
Total deferred tax assets	1.847	1.412
Deferred tax liabilities		
Investments	6.395	7.212
Right-of-use liabilities	31	-
Other liabilities	156	1.027
Total income tax liabilities	6.582	8.239
Net deferred tax liabilities	4.735	6.827

Table 14

Temporary differences, related to investments in subsidiaries, associates, and interest in joint ventures, for which deferred tax liabilities have not been recognized, are \$8.734.230 (2018: \$5.615.529), whose deferred tax liability would be \$2.620.269 (2018: \$1.684.658).

The movement of deferred tax, during the period, was as follows:

	2019	2018
Opening balance, net liabilities	6.827	4.222
Deferred income tax expenses recognized in profit and loss	(297)	2.217
Income tax relating to components of other comprehensive income	(1.795)	388
Ending balance, deferred tax net liabilities	4.735	6.827

Table 15

The income tax, relating to components of other comprehensive income, is determined by new measurements of benefit plans to employees of \$-1.764 (2018: \$523), the participation in associates and joint ventures, accounted for by using *the Equity Method*, in the amount of \$-31 (2018: \$137).

10.5 Effective tax rates

In 2019 and 2018, the effective rate is significantly below the theoretical rate, due mainly to untaxed income. Income received by Grupo Nutresa, corresponds primarily to dividends of non-taxed portfolios and the recognition of the profits obtained by the subsidiary companies, and are recognized, in the Company's Separate Financial Statements, through the equity method. Additionally, the Company has the limitation of some deductions, which increase the effective rate, such as: financial movement tax, permanent provisions, costs and expenses of previous years, fines and penalties, among others.

Below is reconciliation, of both the applicable tax rate and the effective tax rates:

	2019		2018	
	Value	%	Value	%
Accounting profit	514.162		512.559	
Tax expenses at applicable tax rates	169.674	33.00%	169.145	33.00%
Non-taxed portfolio dividends	(20.293)	(3.95%)	(19.024)	(3.71%)
Untaxed income from the Equity Method	(149.703)	(29.12%)	(151.054)	(29.47%)
Other tax effects	586	0,11%	3.331	0.65%
Total tax expenses, net (Note 10.3)	264	0.05%	2.398	0.47%

Table 16

10.6 Information on current legal proceedings

The Company files a lawsuit for the lack of knowledge of deductions and compensation for tax losses, in tax returns for the taxable years 2008 and 2009. Due to lack of knowledge, the Administration rejected the rebates, in favor of those taxable years, which made the necessary lawsuit against the resolutions that decided the rejection.

Tax rules applicable from the year 2020

Colombia

In Colombia, the 2010 Economic Growth Law of December 27, 2019, ratified many of the changes established in Law 1943 of 2018, among which are, as follows:

- Reduction in the rental rate to 32% by 2020, 31% by 2021 and 30% by 2022 and beyond
- Gradual limitation to the origin of discountable taxes and deduction of costs and expenses, in transactions not supported by electronic invoicing (year 2020 maximum 30%).
- Deduction of 100% of taxes, rates and contributions paid in the year and 50% of the tax on financial movement.
- Tax discount of 50% of the industry and commerce paid (100% from year 2022).
- Exempt income established in Law 1943 of 2018 is maintained, which includes orange economy and development of the Colombian countryside.
- The regime applicable to the indirect transfer of companies or assets located in Colombia through the sale of shares is maintained.
- Conditions for limiting interest on debts with related parties (under-capitalization) are maintained.
- The audit benefit for the taxable year 2020 continues and includes benefit for the year 2021, due to an increase in the net tax of 30% (6 months) or 20% (12 months).
- A tax discount of 100% of VAT is maintained on the acquisition, construction or formation and import of real productive fixed assets.
- The general rate of retention of foreign payments of 20% is maintained. Additionally, the withholding at source for payments for administrative services or management treated in Article 124 of the Tax Statute is 33%.
- The Colombian Holding Company (CHC) regime is included, which is a special tax regime for national companies that have as one of their main activities the holding of securities, investment or holding of shares or participations in Colombian and/or foreign companies or entities.
- Among the considerations that the CHC Regime brings are, as follows:
 - Dividends distributed by non-resident entities to CHC, will be exempt from the payment of income tax, as will the income, derived from the sale, or transmission, of their participation in non-resident entities.
 - When the holding company distributes the dividends, these will be considered taxed, and taxes paid abroad cannot be discounted. When they are distributed to non-residents, they are understood to be foreign-source income.

Additionally, Law 2010 of 2019, modified and/or added the following:

- Presumptive rent rate at 0.5% for year 2020 (previously 1.5%) and 0% for year 2021 and following.
- Deduction of 120% of the payments they make for salary, for employees under 28 years of age, as long as it is their first job, limited to 115 UVT per month and only for the year in which they are hired.
- Change in the term of finality of the declarations of the companies' subject to transfer pricing from 6 to 5 years.
- Exemption from VAT for 3 days in the year, for items sold in the national territory and under the conditions established by law.

Note 11. TRADE AND OTHER ACCOUNT PAYABLES

The balances of trade and other accounts payable, are as follows:

	2019	2018
Suppliers	44	-
Cost and expenses payable	945	549
Dividends payable (See note 13.3)	79.473	73.415
Payroll deductions and contributions	251	500
Loans and accounts payable to related parties (Note 17)	80	16
Total	89.172	74.480
Current	89.014	74.322
Non-current	158	158

Table 17

Note 12. EMPLOYEE BENEFITS

Employee benefits, correspond to all considerations, arising from formal plans or agreements, legal requirements, granted by the Company, in exchange for services rendered by employees, or for severance indemnities. Benefits include all remuneration, realized directly to employees, or their beneficiaries or dependents of employees, (spouse, children and others), and/or third parties, whose settlement can be made through cash payments, and/or supply of goods and services (non-monetary profit).

The balance of liabilities for employee benefits at December 31, 2019 and December 2018, is as follows:

	2019	2018
Short-term benefits	923	774
Post-employment benefits - Defined benefit plans (12.1)	-	-
Other long-term benefits (12.2)	2.694	1.474
Total liabilities for employee benefits	3.617	2.248
Current portion	1.880	745
Non-current portion	1.737	1.503

Table 18

12.1 Post-employment benefits - Defined benefits plans

The liability for post-employment benefits is estimated using the current technique of the projected credit unit, which requires the use of financial and demographic assumptions, including but not limited to: discount rate, inflation index, wage increase expectation, life expectancy, and employee turnover rate. The estimation of the liability, as well as the determination of the values of the assumptions, used in the valuation, is performed by an independent external actuary. Given the long-term horizon of these benefit plans, the estimates are subject to a significant degree of uncertainty, any change in actuarial assumptions directly impacts the value of the pension obligation, and other post-employment benefits.

A reconciliation of the movements, of the defined benefit plans, is as follows:

	2019			2018
	Plan Liability	Plan Asset	Net benefit	Plan Liability
Present value of obligations at January 1st	-	-	-	13.492
(+) Cost of service	804	-	804	536
(+) Interest expenses	1.019	-	1.019	919
(-) Plan performances	-	2.594	(2.594)	-
(-) Actuarial gains or losses	5.879	-	5.879	(1.102)
(-) Contributions to the fund of the plan	-	5.108	(5.108)	-
(-) Payments	-	-	-	(5.949)
(+/-) Others	6.166	6.166	-	(7.896)
Present value of obligations at December 31st (*)	13.868	13.868	-	-

Table 19

Actuarial gains and losses are recognized in the Income Statement, under other comprehensive income.

The Company estimates that the time for the termination of the benefit is 17 years (2018: 20 years).

(*) During 2018, a fund was established to administer this benefit.

12.2 Long-term benefits

The long-term benefits include mainly seniority premiums and variable remuneration systems.

Seniority premiums is paid to the employee for every five years of service. The liability is recognized gradually, as the employee renders the services, that will make it creditor. Its measurement is realized annually, through the use of actuarial techniques. Current gains and losses, arising from experience, and changes in actuarial assumptions, are charged or credited to income for the period in which they arise.

The Company does not have specific assets to support the long-term benefits. The liability from long-term benefits, is determined separately for each plan, using the actuarial valuation method of the projected credit unit, using actuarial assumptions, as of the date of the reporting period. The current service cost, past service cost, interest cost, actuarial gains and losses, as well as, any liquidation or reduction of the plan is recognized in the profit and loss.

The following is the reconciliation of movements of other long-term employee benefits:

	2019	2018
Present value of obligations at January 1st	1.474	2.190
(+) Cost of services	1.432	889
(+) Interest expenses	123	122
(+/-) Actuarial losses and/or gains	80	(334)
(-) Payments	(415)	(1.393)
Present value of obligations at December 31st	2.694	1.474

Table 20

12.3 Expenses for employee benefits

Amounts recognized as expenses for employee benefits, are as follows:

	2019	2018
Short-term benefits	6.153	6.002
Post-Employment benefits	952	678
Other long-term benefits	1.452	572
Sub Total	8.557	7.252
Reimbursement for contracts of mandate (*)	(7.187)	(6.565)
Total	1.370	687

Table 21

(*) By virtue of the mandated agreement, Grupo Nutresa S.A. transfers to the subsidiary companies, the cost for employee benefits, corresponding to the corporate services provided to each of them.

12.4 Actuarial Assumptions

The main actuarial assumptions used in the actuarial measurement of the defined and long-term plans are:

	2019	2018
Discount rates	6,55%	7,45%
Salary increase rates	4,20%	4,20%
Employee turn-over rates	1,00%	1,00%

Table 22

According to the guidelines prescribed by the current regulation, for discount purposes, the rate of high quality corporate bonds, whose maturity is in accordance with the established benefits, is used. However, the Colombian market does not have sufficient liquidity and depth in these types of bonds. Grupo Nutresa establishes its hypothesis of the discount rate, based on the assumptions of the performance of the sovereign debt bonds, of the committed country, denominated in percentages, according to the terms of the obligation. The rates of the real yield curve are obtained from the information published daily, by the market.

The table used is mortality rate, by sex. This table is issued by the Financial Superintendence, through Resolution 1555 of 2010 for Colombia.

The salary increase rates were determined based on historical performance, the projections of the inflation, and consumer price indexes.

The turnover rate of employees is estimated, based on historical data of the Company.

12.5 Sensitivity analysis

A quantitative analysis of sensitivity to a change in a significant key assumption, as of December 31, 2019, would generate the following impact on the obligation for other long-term benefits, as well as, senior premium:

	Others defined benefits	Seniority Premium
Discount rate +1%	(50)	(1.449)
Discount rate -1%	55	1.605
Rate of salary increases +1%	55	1.898
Rate of salary increases -1%	(52)	(1.749)

Table 23

The methods and assumptions used to prepare sensitivity analyzes of the present value of the obligations were the same method, as for the actuarial calculation, at December 31, 2018: Projected Credit Unit. Sensitivity has no limitations, nor changes in the methods and assumptions used to prepare the analysis of the current period.

Note 13. EQUITY

13.1 Issued share capital

As of December 31st of 2019 and 2018, the balance of capital of the Parent Company was \$2.301, representing a total of 460.123.458 fully paid and subscribed shares. There were no changes to the make-up of the capital during neither to the period nor the comparative period.

There is a paid-in capital of shares for \$ 546.832, from the issuance of shares made in previous periods.

The Company's shares are listed on the Colombian Stock Exchange as of December 31, 2018, and its market value was \$25.400 per share (\$23.500 as of December 31, 2018).

The corporate structure of the company, as of December 31, is as follows:

Investor Group	2019		2018	
	Number of Shares	% Participation	Number of Shares	% Participation
Grupo de Inversiones Suramericana S. A.	162.246.520	35,3%	162.358.829	35,3%
Grupo Argos S. A.	45.243.781	9,8%	45.243.781	9,8%
Colombian Funds	90.797.456	19,7%	78.111.104	17,0%
International Funds	37.045.213	8,1%	37.788.090	8,2%
Other Investors	124.790.488	27,1%	136.621.654	29,7%
Total outstanding shares	460.123.458	100%	460.123.458	100%

Table 24

According to the register of shareholders, at December 31, 2019, there are 11.037 shareholders (2018: 11.288).

13.2 Reserves and retained earnings

Of the accounts that make up the equity, reserves at December 31st of 2019 and 2018 are as follows:

	2019	2018
Legal reserves	3.787	3.787
Occasional non-distributed reserves	1.558.597	1.558.597
Other reserves	2.581.866	2.353.301
Total Reserves	4.144.250	3.915.685
Retained earnings	3	3
Total	4.144.253	3.915.688

Table 25

Legal reserves: In accordance with Colombian Commercial Law, 10% of the net income each year should be appropriated as a legal reserve, until the balance is equivalent to at least 50% of the subscribed capital. The reserve is not distributable before the liquidation of the Company, but must be used to absorb losses. The excess over the minimum required by law is freely available to the Shareholders.

Occasional non-distributed reserves: corresponds to the voluntary reserve, approved by the Shareholder's Assembly at a Meeting on March 18, 2016, in reference to accumulated profits, generated in the process of First-time Adoption of IFRS.

Other reserves: includes the value caused by tax on wealth, payment of dividends, and other reserves substantially unrestricted by Shareholders.

Retained earnings: corresponds mainly to the realization of financial instruments of liquidation of the Livestock Fund of Antioquia, in the amount of \$3.

13.3 Distribution of dividends

The Ordinary Shareholders Meeting, held on March 26, 2019, decreed ordinary share dividends of \$51 (*) per-share and per-month, equivalent to \$612 (*) annually per share (2018: \$566,40 (*) per share) over 460.123.458 outstanding shares, during the months between April 2019 and March 2020, inclusive, for a total of \$281.596 (2018: \$260.614).

This dividend was declared by taking untaxed earnings, before 2018, in the amount of \$281.596. In, 2018 the dividend was declared by taking the untaxed profits generated before the year 2017, in the amount of \$64,218 and from the profits of the year 2017 in the amount of \$196,396.

At December 31, 2019, dividends have been paid in the amount of \$275.537 (2018: \$256.194), and \$73.415, are payable for this concept (2017: \$68.995).

Accounts payable at December 31, 2019 of \$89,172 (December 2018: \$74,480) include mainly dividends payable of \$79,473 (December 2018: \$73,415) for this concept.

Appropriations authorized by the General Meeting of Shareholders, are recorded as reserves, charged to profit and loss, of the year, for compliance with legal provisions or to cover expansion plans, or financing needs. The Company carries the profits of the year to accumulated profits, and these to reserves. The value of appropriations is \$228.566 (2018: \$233.883).

(*) In Colombian Pesos.

Note 14. OTHER COMPREHENSIVE INCOME, ACCUMULATED

Below is a breakdown of each of the components of accumulated other comprehensive results, in the Separate Financial Statements:

	Actuarial Losses (14.1)	Financial Instruments (14.2)	Investments in Associates (14.3)	Subsidiaries (14.4)	Total Other Comprehensive Income, Accumulated
Balance at January 1, 2019	(3.716)	3.082.123	(352)	344.553	3.422.608
Losses/Gains for new measurements	(5.879)	186.697	(105)	(69.319)	111.394
Associated income tax	1.764		31		1.795
Balance at December 31, 2019	(7.831)	3.268.820	(426)	275.234	3.535.797

	Actuarial Losses (14.1)	Financial Instruments (14.2)	Investments in Associates (14.3)	Subsidiaries (14.4)	Total Other Comprehensive Income, Accumulated
Balance at January 1, 2018	(4.295)	3.885.288	(31)	404.254	4.285.216
Losses/Gains for new measurements	1.102	(803.165)	(458)	(59.701)	(862.222)
Associated income tax	(523)	-	137	-	(386)
Balance at December 31, 2018	(3.716)	3.082.123	(352)	344.553	3.422.608

Table 26

During the period, no reclassification of gains/losses previously recognized in other comprehensive income to profit and loss, was realized.

14.1 (Losses) gains on re-measurement of defined benefit plans

The component of new measurements of defined benefit plans represents the accumulative value of the actuarial gains and losses, primarily from "Other defined employee benefits". The net value of the new measurements is transferred to retained earnings and not reclassified to the Income Statement:

See Note 12, for detailed information about defined benefits plans.

14.2 Valuation of financial instruments - Equity investments measured at fair value through equity

The component of other comprehensive income from equity investments measured at fair value through profit and loss represents the accumulated value of the gains or losses valuation to fair value minus the values transferred to retained earnings when these investments are sold. Changes of fair value are not reclassified to the Income Statement.

See Note 9, for detailed information on these investments.

14.3 Investments in associates - Interest in other comprehensive income, accumulated

The component of other comprehensive income from investments in associates and joint ventures, represents the accumulated value of gains or losses, from the participation in other comprehensive income of the investee. These accumulated profits may be transferred to profit or loss for the period in the cases provided by accounting standards.

See Note 8, for detailed information on investments in associates.

14.4 Subsidiaries – Interest in other comprehensive income, accumulated

The component of other comprehensive income of investments of subsidiaries measured to the Equity Method, through profit or loss, represents the accumulated value of gains or losses of valuation from the Equity Method, minus the values transferred to retained earnings, when these investments have been sold. Changes in fair value can be reclassified to profit and loss for the period.

See Note 7, for more detailed information, regarding investments in subsidiaries and the application of the Equity Method of the other comprehensive income.

Note 15. EXPENDITURE BY NATURE

Below is a detailed breakdown of expenditures by nature, for the period:

	2019	2018
Taxes other than income tax	1.778	1.686
Employee benefits (Note 12.3)	1.370	687
Fees	1.290	1.071
Other expenses	374	200
Other services	159	67
Insurance	56	51
Contributions and memberships	53	-
Travel expenses	5	9
Total	5.085	3.771

Table 27

Grupo Nutresa S.A. operates under the modality of commercial offer of services of mandate without representation, offering shared services to the other companies of the Group, for integral management. Under this contract, the expenses, associated with the services provided to each of them, are transferred to the subsidiary companies.

Note 16. EARNINGS PER SHARE

The amount of basic earnings per share is calculated by dividing net profit for the year attributable to holders of ordinary equity of the Parent, by the weighted average number of ordinary outstanding shares during the year.

Below is the information about earnings and number of shares used in the computations of basic earnings per share:

	2019	2018
Net income attributable to holders of ordinary equity of the Parent	513.898	510.161
Outstanding shares	460.123.458	460.123.458
Earnings per share attributable to controlling interest	1.116,87	1.108,75

Table 28

There are no equity instruments with potential dilutive impact on earnings per share.

In accordance with current corporate regulations in Colombia, the distribution and payment of dividends to the Shareholders of the Parent Company is not realized on Separate Financial Statements, but on the Separate Financial Statements of Grupo Nutresa S.A.

Note 17. DISCLOSURE OF RELATED PARTIES

The following table represents the values of transactions between related parties at year-end:

2019								
Company	Purchases of Goods and Services	Sales of Goods and Services	Receivables Balance	Payables Balance	Dividend Income	Dividends Paid	Interest incomes	Interest expenses
Subsidiaries								
Alimentos Cárnicos S.A.S.	-	673	-	-	77.409	-	-	-
Compañía de Galletas Noel S.A.S.	-	700	-	-	32.725	-	-	-
Compañía Nacional de Chocolates S.A.S.	-	680	8.894	-	129.811	-	-	-
Compañía Nacional de Chocolates del Perú S.A.	-	-	-	-	21	-	-	-
Industria Colombiana de Café S.A.S.	-	343	-	-	-	-	-	-
Molinos Santa Marta S.A.S.	-	-	-	-	4.207	-	-	-
IRCC S.A.S. Industria de Restaurantes Casuales S.A.S.	-	84	29	15	-	-	-	-
Meals Mercadeo de Alimentos de Colombia S.A.S.	-	165	-	-	-	-	-	-
Productos Alimenticios Doria S.A.S.	-	105	-	-	7.550	-	-	-
Servicios Nutresa S.A.S.	12	-	1.939	65	-	-	-	-
Setas Colombianas S.A.	-	-	-	-	10.658	-	-	-
Gestión Cargo Zona Franca S.A.S.	4.207	-	-	-	-	-	-	-
Atlantic FS S.A.S.	47.124	-	-	-	-	-	-	-
Entities with joint control or significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	189	-	8.390	60	33.562	97.181	-	-
Other related parties								
Grupo Bancolombia	172	-	-	28	-	-	1	-
Grupo Argos S.A.	-	-	6.983	-	27.932	27.173	-	-
Members, Board of Directors	1.029	-	-	89	-	-	-	-

2018								
Company	Purchases of Goods and Services	Sales of Goods and Services	Receivables Balance	Payables Balance	Dividend Income	Dividends Paid	Interest incomes	Interest expenses
Subsidiaries								
Alimentos Cárnicos S.A.S.	-	534	-	-	-	-	-	-
Compañía de Galletas Noel S.A.S.	-	525	-	-	45.815	-	-	-
Compañía de Galletas Pozuelo DCR, S.A.	-	-	-	-	-	-	-	-
Compañía Nacional de Chocolates S.A.S.	-	486	510	-	96.458	-	-	-
Compañía Nacional de Chocolates del Perú S.A.	-	-	-	-	2	-	-	-
Industria Colombiana de Café S.A.S.	-	285	-	-	-	-	-	-
Industria de Alimentos Zenú S.A.S.	-	-	-	-	23.463	-	-	-
Industrias Aliadas S.A.S.	-	-	-	-	14.201	-	-	-
IRCC S.A.S. Industria de Restaurantes Casuales S.A.S.	-	48	90	16	-	-	-	-
Meals Mercadeo de Alimentos de Colombia S.A.S.	-	119	-	-	20.130	-	-	-
Productos Alimenticios Doria S.A.S.	-	76	-	-	50.309	-	-	-
Novaventa S.A.S.	-	-	-	-	30.334	-	-	-
Servicios Nutresa S.A.S.	12	-	-	-	-	-	-	46
Setas Colombianas S.A.	-	-	-	-	2.948	-	-	-
Productos Naturela S.A.S.	3.221	-	-	-	-	-	-	-
Entities with joint control or significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	65	-	7.954	62	31.026	90.337	-	-
Other related parties								
Grupo Bancolombia	177	-	2	28	-	-	-	-
Grupo Argos S.A.	-	-	6.544	-	26.176	25.260	-	-
Members, Board of Directors	909	-	-	13	-	-	-	-

Table 29

Purchases and sales were executed in equivalent conditions than those of the market. Outstanding balances are expected to be settled under normal conditions; these balances have not been granted, nor received guarantees. No expense has been recognized in the current or prior periods, regarding uncollectable debts or doubtful accounts related amounts owed by related parties.

During the period payments in the amount of \$6.719 (2018: \$5.702) for 2 key personnel (2018: 2 employees) were made.

Note 18. EVENTS AFTER THE REPORTING PERIOD

These Separate Financial Statements were prepared for purposes of supervision and were authorized for issue, by the Board of Grupo Nutresa S.A., on February 21, 2020. No significant events, after the close of the Financial Statements, and until the date of approval, that may significantly affect the financial position of Grupo Nutresa S.A., reflected in the Financial Statement.



Statutory auditor's report on the management's compliance with the bylaws, orders and instructions of the Shareholders' Meeting, and on the existence of proper measures for internal control, safekeeping and custody of the Company's assets or those of third parties in its possession
(Free translation from the original in Spanish)

To the Shareholders of Grupo Nutresa S. A.

February 21, 2020

Description of the main matter

In the development of my duties as the statutory auditor of Grupo Nutresa S. A., and in compliance with the provisions of items 1 and 3 of Article 209 of the Code of Commerce, I am required to report to the Shareholders' Meeting on whether during the year ended December 31, 2019, adequate measures for internal control, conservation and custody of the Company's assets or those of third parties in its possession were in place, and to report on proper compliance by the Company's management with certain regulatory requirements set forth in various legal and statutory regulations.

The criteria used for the assessment of the matters mentioned in the above paragraph include: a) the Company's bylaws, the minutes of the Shareholders' Meeting and the legal and regulatory provisions regarding my duties as Statutory Auditor, and b) the components of the internal control system that the management and those responsible for the Company's governance consider necessary for the appropriate and timely preparation of its financial information.

Management's responsibility

The Company's management is responsible for establishing and maintaining an adequate internal control system that enables the company to safeguard its assets or those of third parties in its possession, and to comply properly with the bylaws and decisions of the Shareholders' Meeting.

In order to comply with the above responsibilities, the management must apply judgments in order to assess the expected benefits and costs related to the control procedures that aim to provide the management with reasonable, but not absolute, assurance in regard to the safeguarding of assets against loss due to unauthorized use or disposal, as well as that the Company's transactions are appropriately performed and recorded to allow the preparation of financial statements that are free of material misstatement due to fraud or error, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia.

Statutory auditor's responsibility

My responsibility as statutory auditor is to perform assurance work to issue an opinion, based on the executed procedures and the obtained evidence, on whether the actions of the Company's management adjust to the bylaws, orders and instructions of the Shareholders' Meeting, and on whether there are proper internal control measures established by the Company's management to safeguard its assets or those of third parties in its possession.



To the Shareholders of Grupo Nutresa S. A.

February 21, 2020

I performed my duties in accordance with the standards for information assurance accepted in Colombia. Those standards require that I comply with the ethical and independence requirements established in Decree 2420 of 2015, which are based on principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and that I plan and perform procedures which I consider necessary in order to obtain assurance on compliance by the Company's management with the bylaws, and the orders or instructions of the Shareholders' Meeting, and on whether adequate measures of internal control, conservation and custody of the Company's assets and those of third parties in its possession were in place at Tuesday, December 31, 2019, and for the year then ended, in all material respects of assessment, and in conformity with the criteria described in the main matter section

The accountancy firm that I am a part of, and that appointed me as the statutory auditor of the Company, applies International Quality Control Standard 1, and, as a result, it maintains a comprehensive quality control system that includes documented policies and procedures on compliance with the applicable ethical requirements, professional standards and legal and regulatory requirements.

Performed assurance procedures

The above mentioned audit standards require that I plan and execute assurance procedures to obtain reasonable assurance that the internal controls implemented by the Company are properly designed and operate effectively. The assurance procedures selected depend on the statutory auditor's judgement, including assessment of the risk of material misstatement in the financial statements due to fraud or error, and that the Company fails to achieve an adequate level of efficiency and efficacy in its operations. The procedures performed included selective tests on the design and effective operation of controls that I considered necessary in the circumstances to provide a reasonable assurance that the control objectives determined by the Company's management are adequate.

The assurance procedures performed were as follows:

- Review of the Company's bylaws, the minutes of the Shareholders' Meeting and other supervision bodies, in order to verify proper compliance by the Company's management with those bylaws and with the decisions made the Shareholders' Meeting.
- Inquiries with the management on changes or projects for amendment of the Company's bylaws during the covered period, along with a validation of their implementation.
- Understanding and assessment of the internal control components on the Company's financial reporting, such as: control environment, risk assessment, information and communication, monitoring of controls and control activities



To the Shareholders of Grupo Nutresa S. A.

February 21, 2020

- Understanding of how the entity has responded to risks arising from the information systems.
- Understanding and assessment of the design of relevant control activities and their validation to establish that such activities were implemented by the Company and operate effectively.

I consider that the audit evidence that I obtained is sufficient and appropriate to provide a basis for the concept I express below.

Inherent limitations

Due to the limitations inherent to the internal control structure, including the possibility of collusion or management override of controls, material misstatement, whether due to fraud or error, may be not prevented or detected on a timely basis. Likewise, it is possible that the results of my procedures will differ or change their condition throughout the period under assessment, since my report is based on selective tests executed during the period. Additionally, projections of any internal control assessment to future periods are subject to the risk that controls become inadequate due to changes in the conditions, or that the degree of compliance with policies and procedures may be impaired.

Concept

Based on the evidence obtained from the work performed as described above, and subject to the inherent limitations expressed, it is my concept that, during the year 2019, the acts of the Company's management conformed to the bylaws and to the orders and instructions of the Shareholders' Meeting, and adequate measures of internal control, and of conservation and custody of the Company's assets and those of third parties in its possession are in place.

This report is issued for and addressed to the Shareholders of Grupo Nutresa S. A., in compliance with the requirements set forth in items 1 and 3 of Article 209 of the Colombian Code of Commerce, and shall not be used for any other purpose or distributed to other third parties

(Original in Spanish signed by:)

Juber Ernesto Carrión
Statutory Auditor
Professional Card No. 86122-T
Appointed by PwC Contadores y Auditores Ltda.