CONSOLIDATED
FINANCIAL STATEMENTS

Statutory auditor's report on the consolidated financial statements

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

Opinion

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

In my opinion, the accompanying consolidated financial statements, faithfully taken from the consolidation records, 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 consolidated 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.

Key audit matters

Key audit matters are those that, in my professional judgment, have been the most significant throughout my audit of the period's financial statements. Such matters have been addressed in the context of my audit of the financial statements as a whole, and in the preparation of my opinion on such financial statements; as such, I do not express a separate opinion on these matters

TO THE SHAREHOLDERS OF GRUPO NUTRESA

Key audit matter	Treatment of the key matter throughout the audit
Goodwill	
Goodwill generated as a result of the various business combinations that the Group has completed in the countries in which it operates are an important part of the total assets of Grupo Nutresa S. A. At December 31, 2019, as detailed in Note 20, goodwill amounts up to $2,309,739 million. To determine whether impairment exists, management of Grupo Nutresa S. A. performs an annual assessment, or they perform the assessment whenever there are changes in circumstances or events that would indicate the accounting value might not be fully recoverable. As described in Notes 3.3.1 and 3.3.11, the determination of the recoverable value is achieved by calculating fair value less disposal costs for cash generating units associated to goodwill, based on the strategic plans approved by the Group's Board of Directors. Said determination is a key audit matter, because it corresponds to a complex calculation that requires the use of a high degree of judgment to estimate the key hypothesis, such as revenue growth, expenses, costs, the evolution of the operating margin, capex investment, discount rate, among others. Such hypotheses may be affected significantly by the future evolution of the macroeconomic, competitive and regulatory environments in each of the countries where Grupo Nutresa S. A. operates.	I have performed audit procedures in cooperation with valuation experts on the process carried out by management of Grupo Nutresa S. A. to determine the recoverable value of cash generating units associated to goodwill. The performed procedures include: • Understanding meetings concerning the financial model used by management of Grupo Nutresa S. A. to determine the recoverable value of the cash generating units. • Verification of consistency of the data used to calculate fair value less disposal costs based on the strategic plans approved by the Board of Directors of Grupo Nutresa S. A. • Analysis of compliance with the strategic plans approved for the previous period. • Evaluation of the key hypotheses used to determine the recoverable value, questioning their reasonability and coherence by carrying out tests to verify those hypotheses against market information. • Review of the mathematical integrity of the calculation and sensitivity tests on the relevant variables.

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TO THE SHAREHOLDERS OF GRUPO NUTRESA

Key audit matter	Treatment of the key matter throughout the audit
IFRS 16 implementation	
Starting January 1, 2019, Grupo Nutresa S. A. implemented IFRS 16. The recognition of the right-of-use asset and the lease liability plays an important role in the total assets and liabilities of Grupo Nutresa S. A. At December 31, 2019, as detailed in Notes 18 and 24, right-of-use assets and the lease liabilities amount up to $878,552 million and $892,555 million, respectively. As indicated in Notes 3.3.8 and 4, the implementation of IFRS 16 requires the determination of a discount rate, lease terms, and a dismantling provision associated to real estate. Such determinations are key audit matters because they involve the use of significant judgments by management of Grupo Nutresa S. A. to determine the discount rate; the time in which Grupo Nutresa S. A., acting as a lessee, expects to hold leases of goods, and the dismantling provision associated to real estate. Such judgments may change in the future due to the economic environment and the strategies of the Group.	• I have performed audit procedures on the process carried out by management of Grupo Nutresa S. A. to determine the discount rate and the terms over which they expect to hold leased goods. The performed procedures include: • Understanding of the corresponding controls implemented by the Group's Management in association with IFRS 16. • Meetings to understand the implementation process carried out by management of Grupo Nutresa S. A. • Integral review of lease contracts signed by Grupo Nutresa S. A. • Detailed review of a sample of lease contracts. • Review of the current value of a sample of lease liabilities. • Review of the depreciation of a sample of right-of-use assets. • Understanding of the determination of lease terms established for leased goods. • Understanding of the method used to determine the discount rate and review of the rate itself. • Review of the dismantling provision associated to real estate.

TO THE SHAREHOLDERS OF GRUPO NUTRESA

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated 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 the governance in the Entity are responsible for overseeing its financial reporting process.

Statutory auditor's responsibility for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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.

TO THE SHAREHOLDERS OF GRUPO NUTRESA

- 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.

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.

Among the matters that have been communicated to those charged with the governance in the Entity, I have established the most significant during my audit of the consolidated financial statements for the current period as key audit matters. Such matters are described in my audit opinion, except for those that are legally or regulatorily non-disclosable or, in very rare instances, those that I determine should not be disclosed in my opinion, because it is reasonably expectable that the negative effects of doing so would outweigh the public interest benefits resulting from disclosure.

Other matters

The Group's consolidated 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
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

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 31st, 2019 and 2018, according to, the regulations, and the that same 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 accounting norms and the financial information accepted 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.

CIGP.

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

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 21nd day of the month of February of 2020.

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Consolidated Statement of Financial Position

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

	Notes	December 2019	December 2018
ASSETS			
Current assets			
Cash and cash equivalents	9	$ 497.947	$ 347.520
Trade and other receivables, net	10	1.166.248	1.020.579
Inventories	11	1.248.128	1.109.878
Biological assets	12	96.632	94.569
Other assets	13	251.397	241.726
Non-current assets held for sale	14	2.610	6.777
Total current assets		**$ 3.262.962**	**$ 2.821.049**
Non-current assets			
Trade and other receivables, net	10	25.409	28.065
Investments in associated and joint ventures	15	193.360	192.795
Other financial non-current assets	16	3.511.768	3.322.694
Property, plant and equipment, net	17	3.400.057	3.376.364
Right-of-use assets	18	878.552	-
Investment properties	19	79.489	77.062
Goodwill	20	2.309.739	2.085.908
Other intangible assets	21	1.248.973	1.167.536
Deferred tax assets	22.4	654.496	379.753
Other assets	13	80.436	72.471
Total non-current assets		**$ 12.382.279**	**$ 10.702.648**
TOTAL ASSETS		**$ 15.645.241**	**$ 13.523.697**
LIABILITIES			
Current liabilities			
Financial obligations	23	527.196	522.302
Right-of-use liabilities	24	147.242	-
Trade and other payables	25	1.235.133	1.094.960
Tax charges	22.2	214.542	228.841
Employee benefits liabilities	26	191.864	165.833
Provisions	27	1.948	4.118
Other liabilities	28	29.912	26.676
Total current liabilities		**$ 2.347.837**	**$ 2.042.730**
Non-current liabilities			
Financial obligations	23	2.680.014	2.265.743
Right-of-use liabilities	24	745.313	-
Trade and other payables	25	158	158
Employee benefits liabilities	26	189.295	175.036
Deferred tax liabilities	22.4	984.035	704.763
Provisions	27	13.238	-
Other liabilities	28	487	536
Total non-current liabilities		**$ 4.612.540**	**$ 3.146.236**
TOTAL LIABILITIES		**$ 6.960.377**	**$ 5.188.966**
SHAREHOLDER EQUITY			
Share capital issued	30.1	2.301	2.301
Paid-in-capital	30.1	546.832	546.832
Reserves and retained earnings	30.2	3.802.402	3.552.827
Other comprehensive income, accumulated	31	3.770.027	3.683.175
Earnings for the period		506.388	505.308
Equity attributable to the controlling interest		**$ 8.627.950**	**$ 8.290.443**
Non-controlling interest	30.4	56.914	44.288
TOTAL SHAREHOLDER EQUITY		**$ 8.684.864**	**$ 8.334.731**
TOTAL LIABILITIES AND EQUITY		**$ 15.645.241**	**$ 13.523.697**

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

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

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

Consolidated Comprehensive Income Statement

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

	Notes	2019	2018
Continuing operations			
Operating revenue	**7.1**	**$ 9.958.851**	**$ 9.016.066**
Cost of goods sold	32	**(5.565.300)**	(4.969.218)
Gross profit		**$ 4.393.551**	**$ 4.046.848**
Administrative expenses	32	**(467.302)**	(406.057)
Sales expenses	32	**(2.829.943)**	(2.651.071)
Production expenses	32	**(162.851)**	(146.966)
Exchange differences on operating assets and liabilities	34	**23.661**	(4.260)
Other operating incomes, net	33.1	**2.505**	10.802
Operating profit		**$ 959.621**	**$ 849.296**
Financial income	35.1	**22.294**	15.457
Financial expenses	35.2	**(302.303)**	(247.304)
Dividends	16	**61.516**	58.851
Exchange differences on non-operating assets and liabilities	34	**(4.460)**	23.113
Share of profit of associates and joint ventures	15	**(2.268)**	(400)
Other income, net		**714**	5.202
Income before tax and non-controlling interest		**$ 735.114**	**$ 704.215**
Current income tax	22.3	**(207.877)**	(164.423)
Deferred income tax	22.3	**2.656**	(24.901)
Profit after taxes from continuous operations		**$ 529.893**	**$ 514.891**
Discontinued operations, after income tax	36	**(16.452)**	(6.135)
Net profit for the period		**$ 513.441**	**$ 508.756**
Profit for the period attributable to:			
Controlling interest		**506.388**	505.308
Non-controlling interest		**7.053**	3.448
Net profit for the period		**$ 513.441**	**$ 508.756**
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos)		**1.100,55**	1.098,20
*(*) 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 and loss:			
Actuarial losses on defined benefit plans	26-31	**(19.195)**	(1.487)
Equity instruments, measured at fair value	16-31	**186.697**	(871.316)
Income tax from items that will not be reclassified	31	**6.576**	(1.863)
Total items that are not subsequently reclassified to profit and loss		**$ 174.078**	**$ (874.666)**
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures	15-31	**746**	1.301
Exchange differences on translation of foreign operations	31	**(56.199)**	8.781
Cash flow hedges		**(9.096)**	7.960
Income tax from items that will be reclassified	31	**1.651**	(3.009)
Total items that are or may be subsequently reclassified to profit and loss:		**$ (62.898)**	**$ 15.033**
Other comprehensive income, net taxes		**$ 111.180**	**$ (859.633)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ 624.621**	**$ (350.877)**
Total comprehensive income attributable to:			
Controlling interest		**619.993**	(353.371)
Non-controlling interest		**4.628**	2.494
TOTAL COMPREHENSIVE INCOME		**$ 624.621**	**$ (350.877)**

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

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Juber Ernesto Carrión
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(See attached opinion)

Consolidated Exchange in Equity Statement

From January 1st December 31st of 2019 and 2018 (values expressed in millions of Colombian Pesos)

	Share capital issued	Paid-in-capital	Reserves and retained earnings	Earnings for the period	Other comprehensive income, accumulated	Total equity attributable to the controlling interest	Non-controlling interest	Total
Equity at December 31st of 2018	**2.301**	**546.832**	**3.552.827**	**505.308**	**3.683.175**	**8.290.443**	**44.288**	**8.334.731**
Profit for the period				506.388		**506.388**	7.053	**513.441**
Other comprehensive income for the period					113.605	**113.605**	(2.425)	**111.180**
Comprehensive income for the period	**-**	**-**	**-**	**506.388**	**113.605**	**619.993**	**4.628**	**624.621**
Transfer to accumulated results			505.308	(505.308)		**-**		**-**
Cash dividends (Note 30.3-30.4)			(281.596)			**(281.596)**	(4.031)	**(285.627)**
Acquisition of subsidiaries						**-**	12.061	**12.061**
Reclassifications			26.748		(26.748)			
Other equity movements			(885)		(5)	**(890)**	(32)	**(922)**
Equity at December 31st of 2019	**2.301**	**546.832**	**3.802.402**	**506.388**	**3.770.027**	**8.627.950**	**56.914**	**8.684.864**
Equity at December 31st of 2017	**2.301**	**546.832**	**3.396.462**	**420.207**	**4.541.854**	**8.907.656**	**42.525**	**8.950.181**
Remeasurement of impairment provision			(5.277)			**(5.277)**		**(5.277)**
Balance at January 1st, 2018	**2.301**	**546.832**	**3.391.185**	**420.207**	**4.541.854**	**8.902.379**	**42.525**	**8.944.904**
Profit for the period				505.308		**505.308**	3.448	**508.756**
Other comprehensive income for the period					(858.679)	**(858.679)**	(954)	**(859.633)**
Comprehensive income for the period	**-**	**-**	**-**	**505.308**	**(858.679)**	**(353.371)**	**2.494**	**(350.877)**
Transfer to accumulated results			420.207	(420.207)		**-**		**-**
Cash dividends (Note 30.3-30.4)			(260.614)			**(260.614)**	(2.025)	**(262.639)**
Acquisition of subsidiaries							1.315	**1.315**
Other equity movements			2.049		-	**2.049**	(21)	**2.028**
Equity at December 31st of 2018	**2.301**	**546.832**	**3.552.827**	**505.308**	**3.683.175**	**8.290.443**	**44.288**	**8.334.731**

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

CJGP.

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

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

Consolidated Cash-flow Statement

From January 1st December 31st of 2019 and 2018 (values expressed in millions of Colombian Pesos)

	2019	2018
Cash flow from operating activities		
Collection from sales of goods and services	9.807.576	8.935.188
Payments to suppliers for goods and services	(6.868.916)	(6.342.582)
Payments to and on behalf of employees	(1.660.668)	(1.599.418)
Income taxes and tax on wealth, paid	(199.044)	(112.855)
Other cash outflows	(46.565)	(37.311)
Net cash flow from operating activities	**$ 1.032.383**	**$ 843.022**
Cash flow from investment activities		
Cash and cash equivalents received from acquisitions	839	2.649
Purchase/sale of other equity instruments	(2.425)	(63.950)
Purchases of equity of associates and joint ventures (Note 15)	(2.730)	(12.094)
Purchases of property, plant and equipment (Note 17)	(254.495)	(234.780)
Amounts from the sale of productive assets	11.576	28.640
Purchase of Intangibles and other productive assets	(37.918)	(18.181)
Investment / divestment in assets held for sale, net	-	54
Dividends received (Note 16)	61.284	50.538
Interest received	11.270	11.101
Payments to third parties, to obtain control of subsidiaries	(423.507)	(3.221)
Other cash (outflows) inflows	(117)	30
Net cash flow used in investment activities	**$ (636.223)**	**$ (239.214)**
Cash flow from financing activities		
Proceeds from (used in) loans	407.278	(223.643)
Dividends paid (Note 30.3)	(279.660)	(247.668)
Interest paid	(179.349)	(198.915)
Paid leases	(151.099)	-
Fees and other financial expenses	(37.590)	(34.377)
Other cash inflows	5.752	9.165
Net cash flow used in financing activities	**$ (234.668)**	**$ (695.438)**
Increase (decrease) in cash and cash equivalent from activities	**$ 161.492**	**$ (91.630)**
Cash flow from discontinued operations	(8.776)	(1.087)
Net foreign exchange differences	(2.289)	4.594
Net increase (decrease) in cash and cash equivalents	**$ 150.427**	**$ (88.123)**
Cash and cash equivalents at the beginning of the period	347.520	435.643
Cash and cash equivalents at the end of the period	**$ 497.947**	**$ 347.520**

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

CIGP.

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
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(See attached opinion)

A message from the management at Grupo Nutresa

Management of monitoring indicators

Grupo Nutresa assesses the management of sustainability on economic, social, and environmental dimensions; to measure the management in the economic dimension, indicators, such as, total sales, international sales, sales in Colombia, and EBITDA, are used.

For Grupo Nutresa, EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization), is calculated by eliminating depreciation charges, amortization, and unrealized gains or losses from exchange differences in operating assets and liabilities, from the operating income. It is considered that EBITDA is most significant for investors, because it provides an analysis of operating results, as well as, segment profitability, using the same measurement, that is used by management. Likewise, EBITDA allows a comparison of the results, or benchmarks with other companies in the same industry and market. EBITDA is used to track the evolvement of the business and establish operating and strategic objectives. EBITDA is commonly reported and widely used amongst analysts, investors, as well as, other stakeholders, interested in the industry. EBITDA is not a measurement, explicitly defined as such, in IFRS, and may therefore, not be comparable with similar indicators used by other companies. EBITDA should not be considered an alternative to operating income, as an indicator of operating results, nor as an alternative to cash flows from operating activities, such as the measurement of liquidity.

The following table is a breakdown of details the reconciliation between the EBITDA and the operating income of Grupo Nutresa, for the period covered by these Financial Statements:

	2019	2018
Operating earnings	**959.621**	**849.296**
Depreciation and amortization (Note 32)	274.951	276.472
Right-of-use assets, depreciation and amortization (Note 32)	118.523	-
Unrealized exchange differences from operating assets and liabilities (Note 34)	(5.866)	654
EBITDA (See details by segment in Note 7.2)	**1.347.229**	**1.126.422**

Table 1

Management of Capital

The generation of value growth is a fundamental part of the strategic objectives, set by the Group. This translates into the active management of the capital structure, and the return on investment, which balances the sustained growth of current operations, the development of business plans for investments, and growth through business acquisitions, underway.

In every one of the investments, the goal is to seek a return that exceeds the cost of the capital (WACC). The administration periodically evaluates the return on the invested capital of its businesses, and projects this, to verify that they are in line with the value generation strategy.

Similarly, for each investment, the various sources of funding, both internal and external, are analyzed, to secure a suitable profile, for the duration of that specific investment, as well as, cost optimization. In accordance with a moderate financial risk profile, the capital structure, of the Group, aims towards obtaining the highest credit ratings.

Notes for the Consolidated 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 OF THE PARENT COMPANY AND SUBSIDIARIES

Grupo Nutresa S.A. and its subsidiaries, (hereinafter referred to as: Grupo Nutresa, the Company, the Group, or Nutresa), constitute an integrated and diversified food industry group, that operates mainly in Colombia and Latin America.

The Parent Company is Grupo Nutresa S.A., an anonymous corporation of Colombian nationality, incorporated on April 12, 1920, with its headquarters in the City of Medellin, Colombia, and whose 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.

Below is information of subsidiaries: Name, Main Activity, Principle Domicile, Functional Currency, and Percentage of Shares held by Grupo Nutresa:

Entity	Main Activity	Functional Currency [1]	% Participation 2019	% Participation 2018
Colombia				
Industria Colombiana de Café S. A. S.	Production of coffee and coffee related products	COP	100,00%	100,00%
Compañía Nacional de Chocolates S. A. S.	Production of chocolates, its derivatives, and related products	COP	100,00%	100,00%
Compañía de Galletas Noel S. A. S.	Production of biscuits, cereals, et al,	COP	100,00%	100,00%
Industria de Alimentos Zenú S. A. S.	Production and sales of meats and its derivatives	COP	100,00%	100,00%
Productos Alimenticios Doria S. A. S.	Production of pasta, flour, and cereals	COP	100,00%	100,00%
Molinos Santa Marta S. A. S.	Milling of grains	COP	100,00%	100,00%
Alimentos Cárnicos S. A. S.	Production of meats and its derivatives	COP	100,00%	100,00%
Tropical Coffee Company S. A. S.	Assembly and production of coffee products	COP	100,00%	100,00%
Inverlogy S. A. S. (before Litoempaques S. A. S.) [2]	Production or manufacturing of packaging material	COP	100,00%	100,00%
Pastas Comarrico S. A. S.	Production of pasta, flour, and cereals	COP	100,00%	100,00%
Novaventa S. A. S.	Sales of foods and other items, via direct sales channels	COP	100,00%	100,00%
La Recetta Soluciones Gastronómicas Integradas S. A. S.	Distribution of foods, via institutional channels	COP	70,00%	70,00%
Meals Mercadeo de Alimentos de Colombia S. A. S.	Production and sales of ice cream, dairy beverages, et al,	COP	100,00%	100,00%
Servicios Nutresa S. A. S.	Provision of specialized business services	COP	100,00%	100,00%
Setas Colombianas S. A.	Production, processing and sales of mushrooms	COP	99,50%	99,50%
Gestión Cargo Zona Franca S. A. S.	Provision of logistics services	COP	100,00%	100,00%
Comercial Nutresa S. A. S.	Sales of food products	COP	100,00%	100,00%
Industrias Aliadas S. A. S.	Provision of services related to coffee	COP	100,00%	100,00%
Opperar Colombia S. A. S.	Provision of transportation services	COP	100,00%	100,00%
Fideicomiso Grupo Nutresa	Management of financial resources	COP	100,00%	100,00%
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	Investment in cocoa production	COP	83,41%	83,41%
IRCC S. A. S. - Industria de Restaurantes Casuales S. A. S. [3]	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
LYC S. A. S.	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
PJ COL S. A. S.	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
New Brands S. A.	Production of dairy and ice cream	COP	100,00%	100,00%
Schadel Ltda. Schalin Del Vecchio Ltda.	Production of foods and operation of food establishments providing to the consumer	COP	99,88%	99,88%
Tabelco S. A. S.	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
Productos Naturela S. A. S.	Production and marketing of healthy and functional foods	COP	60.00%	60,00%
Atlantic Food Service S. A. S.	Sales of food products	COP	51.00%	-
Procesos VA S. A. S.	Processing of meat products	COP	100.00%	-

Chile				
Tresmontes Lucchetti S. A.	Provision of specialized business services	CLP	100,00%	100,00%
Nutresa Chile S. A.	Management of financial and investment services	CLP	100,00%	100,00%
Tresmontes Lucchetti Agroindustrial S. A.	Agricultural and industrial production	CLP	100,00%	100,00%
Tresmontes Lucchetti Servicios S. A.	Management of financial and investment services	CLP	100,00%	100,00%
Tresmontes S. A.	Production and sales of foods	CLP	100,00%	100,00%
Lucchetti Chile S. A.	Production of pasta, flour, and cereals	CLP	100,00%	100,00%
Novaceites S. A.	Production and sales of vegetable oils	CLP	50,00%	50,00%
Inmobiliaria y Rentas Tresmontes Lucchetti S. A.	Management of financial and investment services	CLP	-	100,00%
Tresmontes Lucchetti Inversiones S. A.	Management of financial and investment services	USD	100,00%	100,00%
Costa Rica				
Compañía Nacional de Chocolates DCR, S. A.	Production of chocolates and its derivatives	CRC	100,00%	100,00%
Compañía de Galletas Pozuelo DCR S. A.	Production of biscuits, et al,	CRC	100,00%	100,00%
Compañía Americana de Helados S. A.	Production and sales of ice cream	CRC	100,00%	100,00%
Servicios Nutresa CR S. A.	Specialized business services provider	CRC	100,00%	100,00%
Guatemala				
Comercial Pozuelo Guatemala S. A.	Distribution and sales of food products	QTZ	100,00%	100,00%
Distribuidora POPS S. A.	Sales of ice cream	QTZ	100,00%	100,00%
Mexico				
Nutresa S. A. de C.V.	Production and sales of food products	MXN	100,00%	100,00%
Serer S. A. de C.V.	Personnel services	MXN	100,00%	100,00%
Comercializadora Tresmontes Lucchetti S. A. de C. V.	Sales of food products	MXN	-	100,00%
Servicios Tresmontes Lucchetti S. A. de C. V.	Specialized business services provider	MXN	100,00%	100,00%
Tresmontes Lucchetti México S. A. de C. V.	Production and sales of foods	MXN	100,00%	100,00%
TMLUC Servicios Industriales, S. A. de C. V.	Specialized business services provider	MXN	100,00%	100,00%
Panama				
Promociones y Publicidad Las Américas S. A.	Management of financial and investment services	PAB	100,00%	100,00%
Alimentos Cárnicos de Panamá S. A.	Production of meats and its derivatives	PAB	100,00%	100,00%
Comercial Pozuelo Panamá S. A	Production of biscuits, et al,	PAB	100,00%	100,00%
American Franchising Corp. (AFC)	Management of financial and investment services	USD	100,00%	100,00%
Aldage, Inc.	Management of financial and investment services	USD	100,00%	100,00%
LYC Bay Enterprise Inc.	Management of financial and investment services	USD	100,00%	100,00%
Sun Bay Enterprise Inc.	Management of financial and investment services	USD	100,00%	100,00%
El Corral Capital Inc. [(4)]	Management of financial resources and franchises	USD	100,00%	100,00%
The United States of America				
Abimar Foods Inc.	Production and sales of food products	USD	100,00%	100,00%
Cordialsa USA, Inc.	Sales of food products	USD	100,00%	100,00%
Kibo Foods LLC	Production and sales of food products	USD	100,00%	-
Cameron's Coffee & Distribution Company	Production of coffee and coffee related products	USD	100,00%	-
CCDC OPCO Holding Corporation	Management of financial and investment services	USD	100,00%	-
Other Countries				

Entity	Main Activity	Country	Functional Currency	% Participation 2019	% Participation 2018
TMLUC Argentina S. A.	Production and sales of food products	Argentina	ARS	100,00%	100,00%
Corporación Distribuidora de Alimentos S. A. (Cordialsa)	Sales of food products	Ecuador	USD	100,00%	100,00%
Comercial Pozuelo El Salvador S. A. de C. V.	Distribution and sales of food products	El Salvador	USD	100,00%	100,00%
Americana de Alimentos S. A. de C. V.	Sales of food products	El Salvador	USD	100,00%	100,00%
Comercial Pozuelo Nicaragua S. A.	Sales of food products	Nicaragua	NIO	100,00%	100,00%
Industrias Lácteas Nicaragua S. A.	Sales and logistics management	Nicaragua	NIO	100,00%	100,00%
Compañía Nacional de Chocolates del Perú S. A.	Production of foods and beverages	Peru	PEN	100,00%	100,00%
Helados Bon S. A.	Production and sales of ice cream, beverages, and dairy, et al,	Dominican Republic	DOP	81,18%	81,18%
Compañía de Galletas Pozuelo de República Dominicana S. R. L.	Management of financial and investment services	Dominican Republic	DOP	100,00%	100,00%
Gabon Capital Ltd.	Management of financial and investment services	BVI	USD	100,00%	100,00%
Perlita Investments Ltd.	Management of financial and investment services	BVI	USD	100,00%	100,00%

Table 2

(1) See Note 31.4, the descriptions of abbreviations, for each currency, and the primary impact on Grupo Nutresa's Financial Statements.

(2) 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..

Changes in the scope of consolidation

The following are the changes in consolidation parameters, during the period:

2019: In December, the liquidation of the company, Comercializadora Tresmontes Lucchetti S. A. de C.V. was realized, and in February, the liquidation, of Sociedad Colectiva Civil Inmobiliaria y Rentas Tresmontes Luchetti. In August, through Abimar Foods, Inc, was constituted the company Kibo Foods LLC, which will have the purpose to produce products by request of third parties and to market products of the Group in the United States. In September, was acquired 100% of sharing, via acquisition of shares, in the amount of USD $113 million (of which USD 4 million correspond to working capital) of CCDC OPCO Holding Corporation, owner of the 100% of Cameron's Coffee incorporating in the consolidated of Grupo Nutresa the assets and liabilities of the acquired companies on August 31st of 2019 and the results from September 1st of 2019. In October, was acquired 51% of sharing, via acquisition of shares, in the amount of $47.124, owner of the 100% of Procesos VA S.A.S. incorporating in the consolidated of Grupo Nutresa the assets and liabilities of the acquired companies on October 31st and the results from November 1st of 2019.

2018: 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. In November 2018, the company TMLUC Perú S. A. was liquidated. In December, the company Tremontes Lucchetti Inversiones S. A. was incorporated in Chile, and the merger between Inmobiliaria Tresmontes Lucchetti S. A. and Tresmontes S. A., was presented, leaving the latter in force.

NOTE 2. BASIS OF PREPARATION

The Consolidated 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 Consolidated 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 Consolidated 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 INCURRENT 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

3.1. BASIS OF CONSOLIDATION

3.1.1. INVESTMENTS IN SUBSIDIARIES

The Consolidated Financial Statements, include Grupo Nutresa financial information, as well as, its subsidiaries, at December 31, 2018, as well as its corresponding comparative financial information. 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 and financing activities, to obtain benefits from them, and is exposed, or has rights, to those variable yields.

The accounting policies and practices are applied homogeneously, by the Parent Company, and its subsidiary companies. In cases of subsidiaries, located abroad, the practices do not differ significantly from the accounting practices used in the countries of origin, and/or have been homologized to those that have a significant impact on the Consolidated Financial Statements.

All balances and transactions between subsidiaries, as well as, the unrealized profits or losses, were eliminated in the consolidation process.

The Financial Statements of the subsidiaries are included in the Consolidated Financial Statements, from the date of acquisition, until the date that Grupo Nutresa loses its control. Any residual interest that is retained is measured at fair value. The gains or losses arising from this measurement are recognized in the other comprehensive income.

The Annual Separate Financial Statements are the basis for the distribution of dividends and other appropriations by the Shareholders. The Consolidated Financial Statements at year, are presented at the Shareholders' Meeting, for informational purposes only.

Consolidation of companies in which Grupo Nutresa owns less than the majority of voting rights:

The Group considers exercising control of the relevant activities of Novaceites S.A., despite that their actual controlling shares are 50%, which does not give the majority of the voting rights. This conclusion is based on the composition of the Directive of Novaceites S.A., the Administration of TMLUC, as well as, the General Management of the Company, and the level of involvement of TMLUC, in its accounting and commercial processes.

Companies in which Grupo Nutresa holds the majority of the voting rights, but does not have the control:

The Group considers that it does not exercise control over the relevant activities of Industrias Alimenticias Hermo de Venezuela S.A. and Cordialsa Noel Venezuela S.A., despite having a 100% interest. The changing conditions of the Venezuelan market, including regulation of the foreign exchange market and limited access to the purchase of foreign exchange, through official systems, combined with other governmental controls, such as price controls and profitability, importation, and labor laws, among others, limits the ability to maintain a normal level of production, reduces the ability of the Administration to make and execute operational decisions, restricts the possibility of access to the liquidity, resulting from these operations, and the realization of these benefits to its investors, in other Countries, through dividend payments. The Management, of Grupo Nutresa, considers that this situation will be maintained, in the foreseeable future, and therefore, a loss of control is established on said investment, according to the postulates established in IFRS 10, reasons that served to support, that as of October 1, 2016, these investments were classified as financial instruments measured at fair value with changes in other comprehensive income.

This accounting classification does not compromise the productive and commercial operation of Grupo Nutresa, in Venezuela, its team of collaborators, nor its relationships, with customers and suppliers.

3.1.2. NON-CONTROLLING INTEREST

Non-controlling interest, in net assets of the consolidated subsidiaries, are presented separately, within Grupo Nutresa's equity. Profit and loss, and "other comprehensive income", is also attributed to non-controlling and controlling interest.

Subsidiaries' purchases or sales, involving non-controlling ownership, that do not involve a loss of control, are recognized directly in equity.

Grupo Nutresa considers non-controlling interest transactions, as transactions with Shareholders of the Company. When realizing acquisitions of minority interest transactions, the difference between the consideration paid, and the interest acquired, over the book value of the subsidiary´s net assets, is recognized as an equity transaction, and therefore, goodwill for those acquisitions is not recognized.

3.2. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which Grupo Nutresa has significant influence, over its 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.

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.

The results, assets, and liabilities of the associate, or joint venture, are incorporated in the Consolidated 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, less 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 corresponds to Grupo Nutresa, of gains and losses, obtained from the measurement at fair value, at the date of acquisition, is incorporated into the Financial Statements, and unrealized gains and losses from transactions between Grupo Nutresa and the associate or joint venture are eliminated, 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 participation of profit and loss, of an associate or joint venture, is presented in the Comprehensive Income Statement, for the period, net of taxes, and non-controlling interest, of the subsidiaries of the associate or joint venture. The participation 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 consolidated comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized, by reducing the book value of the investment.

Grupo Nutresa analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses of the associate or joint venture investment, in the profit and loss.

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 value 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, in that period.

3.3. SIGNIFICANT ACCOUNTING POLICIE

Grupo Nutresa, and its subsidiaries, apply the accounting policies and procedures of the Parent Company. An overview of the significant accounting policies, that Grupo Nutresa applies in the preparation of its Consolidated Financial Statements, is as follows:

3.3.1. BUSINESS COMBINATIONS AND GOODWILL

Operations, whereby the joining of two or more entities or economic units into one single entity, or group of entities, occurs, are considered business combinations.

Business combinations are accounted for using *the Acquisition Method*. Identifiable assets acquired, liabilities, and contingent liabilities, assumed from the acquired, are recognized at fair value, at the date of acquisition. Acquisition expenses are recognized in profit and loss and goodwill, as an asset, in the Consolidated Statement of Financial Position.

The consideration, transferred in the acquisition, is measured as the fair value of assets transferred, liabilities incurred or assumed, and equity instruments, issued by Grupo Nutresa, including any contingent consideration, to obtain control of the acquired.

Goodwill is measured as the excess of the sum of the consideration transferred, the value of any non-controlling interest, and when applicable, the fair value of any previously held equity interest, over the net value of the assets acquired, liabilities, and contingent liabilities assumed at the date of acquisition. The resulting gain or loss, from the measurement of previously held interest, can be recognized in profit and loss or "other comprehensive income", accordingly. In the previous periods for which it is reported, the acquirer may have recognized, in "other comprehensive income", changes in the value of its equity interest in the acquired. If so, the amount, that was recognized, in "other comprehensive income", shall be recognized, on the same basis as it would be required if the acquirer had disposed directly of the previously held equity interest. When the consideration transferred is less than the fair value of the net assets acquired, the corresponding gain is recognized in profit and loss, on the date of acquisition.

For each business combination, at the date of acquisition, Grupo Nutresa chooses to measure non-controlling interest at the proportionate share of the identifiable assets acquired, liabilities, and contingent liabilities assumed from the acquired, or at fair value.

Any contingent consideration, in a business combination, is classified as liability or equity, and is recognized at fair value, at the date of acquisition. Subsequent changes in fair value of a contingent consideration, classified as financial liability, are recognized in profit and losses, in that period, or in "other comprehensive income". When it is classified as equity, it is not re-measured, and its subsequent settlement is recognized in equity. If the consideration is not classified as a financial liability, it is measured in accordance with applicable IFRS.

Goodwill acquired in a business combination is allocated at the date of acquisition, to cash-generating units of Grupo Nutresa, that are expected to be benefitted by the combination, irrespective of whether other assets or liabilities of the acquired are assigned to these units.

When goodwill is part of a cash-generating unit, and part of the operation within that unit is sold, the goodwill associated with the operation disposed is included in the book value of the operation, when the gain or loss of the disposal of the operation is determined. Goodwill written-off is determined, based upon the percentage of the operation sold, which is the difference between the book value of the operation sold and the book value of the cash-generating unit.

3.3.2 TRANSLATION OF BALANCES AND TRANSACTIONS, IN FOREIGN CURRENCIE

Transactions made in a currency other than the functional currency of the Group 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 entity 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 official exchange rates, from the date of the original transaction.

All exchange differences, arising from operating assets and liabilities, are recognized in the Income Statement, as part of operating income or expenses; exchange differences, in other assets and liabilities, are recognized as financial 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 the disposal of the net investment, at which time they are recognized in profit and loss.

Foreign subsidiaries

For the presentation of Grupo Nutresa's Consolidated Financial Statements, the financial situation, and results of the subsidiaries, whose functional currency is different from the presentation currency of the Group, and whose economy is not classified as hyperinflationary, are translated, as follows:

- Assets and liabilities, including goodwill, and any adjustment to the fair value of assets and liabilities, arising from the acquisition, are translated, at end of period exchange rates.
- Income and expenses are translated at the monthly average exchange rate.

Exchange differences, arising from translation of foreign subsidiaries, are recognized in "other comprehensive income", on a separate account ledger named "Exchange differences on translation of foreign operations", as well as, exchange differences, in long-term receivable or payable accounts, which are part of the net investment abroad. In the disposal of foreign operations, the amount of "Other comprehensive income", that relates to the foreign subsidiaries, is recognized in the results of the period.

Main currencies and exchange rates

Below, is the evolution of the closing exchange rates to Colombian Pesos, of the foreign currencies, that correspond to the functional currency of the subsidiaries, of Grupo Nutresa, and that have a significant impact on the Consolidated Financial Statements:

		December 2019	December 2018
Panamanian Balboa	PAB	3.277,14	3.249,75
Costa Rican Colon	CRC	5,68	5,31
Nicaraguan Cordoba	NIO	96,85	100,52
Peruvian Sol	PEN	987,39	964,32
U,S, Dollar	USD	3.277,14	3.249,75
Mexican Peso	MXN	173,64	165,33
Guatemalan Quetzal	GTQ	425,67	420,03
Dominican Peso	DOP	61,88	64,64
Chilean Peso	CLP	4,38	4,68
Argentine Peso	ARS	54,71	85,95

Table 3

3.3.3. 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 easily convertible to a determined 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 be recognized at its fair value, at the date of each annual accounting period.

3.3.4. 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 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.

(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 Consolidated, 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.

(ix) Derivative instruments and hedge accounts
A financial derivative is a financial instrument, whose value changes, in response to changes in an observable market variable, (such as an interest rate, foreign exchange, the price of a financial instrument, or a market index, including credit ratings), and whose initial investment is very small compared to other financial instruments with similar changes, in response to market conditions, and are generally settled at a future date.

In the normal course of business, companies engage in transactions with derivative financial instruments, with the sole purpose of reducing its exposure to fluctuations in exchange rates, and interest rates on foreign currency obligations. These instruments include, among others, swaps, forwards, options, and futures over commodities traded for own-use.

Derivatives are classified, under the category of financial assets or liabilities, according to, the nature of the derivative, and are measured at fair value on the Income Statement, except those that are designated as hedging instruments.

Commodities contracts, with the purpose of receipt or delivery a non-financial item, in accordance with the purchase, sale, or usage requirements, expected by the entity, are considered "derivatives for own-use", and the impact is recognized as part of cost of the inventory.

Grupo Nutresa designates and documents certain derivatives as hedging instruments, to cover:

- Changes in the fair value of recognized assets and liabilities or in firm commitments (fair value hedges)
- Exposure to variations in cash flows of highly probable forecast transactions (cash flow hedges); and
- Hedges of net investments in foreign operations.

The Group expects that the hedges are highly effective in offsetting the changes in fair value or variations of cash flows. The Group continuously evaluates the coverage, at least quarterly, to determine that they have actually been highly effective throughout the periods for which they were designated.

3.3.5. INVENTORIES
Assets, held for sale in the ordinary course of business, or in the process of production for such a sale, or in the form of materials or supplies to be consumed in the production process, or services provided, are classified as inventory.

Inventories are valued at the lesser of, acquisition or manufacturing cost, or the net realizable value. Cost is determined using *the Average Cost Method*. The net realizable value is the estimated selling price of inventory. In the ordinary course of operations, less the applicable variable sales expenses. When the net realizable value is below the book value, the value of the impairment is recognized, as an adjustment in the Income Statement, decreasing the value of the inventory.

Inventories are valued using *the weighted average method* and the cost includes the costs directly related to the acquisition and those incurred to give them their current condition and location. The cost of finished goods and work in progress is comprised of: raw materials, direct labor, other direct costs, and indirect manufacturing expenses.

Trade discounts, rebates, and other similar items, are deducted from the acquisition cost of inventory.

In the case of commodities, the cost of the inventory includes any gain or loss, on the hedging of raw material procurement.

3.3.6. BIOLOGICAL ASSETS

Biological assets held by Grupo Nutresa are measured from initial recognition at the fair value, less expenses to realize the sale. The changes are recognized in the Income Statement, for the period. Agricultural products, coming from biological assets, are measured at fair value less costs to sell at the time of collection or harvest when they are transferred to inventory.

When fair value cannot be reliably measured, it is measured at cost, and the existence of impairment indicators permanently assessed.

3.3.7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment includes the value of land, buildings, furniture, vehicles, machinery and equipment, computer hardware, and other facilities owned by the consolidated entities, which are used in the normal operation of the segment's Group.

Property, plant and equipment are measured at cost, net of accumulated depreciation, and accumulated impairment losses, if any. The cost includes: the acquisition price, costs directly related to the location of assets in place, and the necessary conditions to operate in the manner intended by Grupo Nutresa, the cost, from loans, for construction projects, that take a period of a year or more to be completed, if the conditions for approval are met, and the present value of the expected cost for the decommissioning of the asset after its use, if the recognition criteria for a provision, are met.

Trade discounts, rebates, and other similar items are deducted from the acquisition cost of the asset.

For significant components of property, plant and equipment, that must be replaced periodically, the Group derecognizes the replaced component and recognizes the new component as an asset, with a corresponding specific useful life, and depreciates it, accordingly. Likewise, when major maintenance is performed, its cost is recognized as a replacement of the book value of the asset, to the extent that the requirements for recognition are met. All other routine repair and maintenance expenses are recognized in results, as they are incurred.

Substantial improvements on properties of third parties are recognized as part of Grupo Nutresa's fixed assets, and are depreciated for the shortest period, between the useful life of the improvements made or the lease term.

Depreciation begins when the asset is available for use, and is calculated on a straight-line basis over the estimated asset life, as follows:

Buildings	20 - 60 years
Machinery (*)	10 - 40 years
Minor equipment – operating	2 - 10 years
Transport equipment	3 - 10 years
Communication and computer equipment	3 - 10 years
Furniture, fixtures, and office equipment	5 - 10 years

Table 4

(*) Some of the machinery, related to production, is depreciated using the Hours Produced Method, according to the most appropriate manner, in which the consumption of the economic benefits of the asset, is reflected.

The residual values, useful lives, and depreciation methods, are reviewed at each year-end, and are adjusted prospectively, if required. The factors that can influence the adjustment are: changes in the use of the asset, unexpected significant wear, technological advances, changes in market prices, et al.

A component of property, plant and equipment, or any substantial part of it, initially recognized, is derecognized upon sale or when no future economic benefit from its use or its sale is expected. Any gain or loss, at the time of derecognizing the asset, (calculated as the difference between the net income from the sale and the book value of the asset), is included in the Income Statement, for the period.

At each accounting close, Grupo Nutresa evaluates its assets, to identify indicators, both external and internal, of reductions of its recoverable values. If there is evidence of impairment, property, plant and equipment is tested, to assess whether their book values are fully recoverable. In accordance with IAS 36 "Impairment of Assets", losses due to a reduction in the recoverable value are recognized for the amount at which the book value of the asset, (or group of assets), exceeds its recoverable value (the greater between its fair value minus the disposal costs and their value in use), and is recognized in the Income Statement for the period, as impairment of other assets.

When the book value exceeds the recoverable value, the book value is adjusted to its recoverable value, modifying the future depreciation, in accordance with its new remaining useful life.

Plantations in development: are live Plants that: are used in the elaboration or supply of agricultural products, are expected to produce for more than one period, and have a remote probability of being sold as agricultural products, except for incidental sales of thinning and pruning.

3.3.8. 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:

- Fixed payments (including substantial fixed payments), less any incentive to lease receivables,
- Variable lease payment based on an index or rate,
- Amounts expected to be paid by the tenant under residual value guarantees,
- 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
- Dismantling and restoration costs.

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 are, as follows:

Buildings	7 - 17 years
Machinery	3 - 4 years
Transportation equipment	5 - 10 years

Table 5

The effects of the implementation of the standard should be seen in notes 18, 24 and 27.

Lessor's Accounting

When assets are leased under a finance lease, the present value of future lease payments is recognized as an account receivable. The difference between the gross amount receivable and the present value of the account receivable is recognized as finance income.

The account receivable is amortized by allocating each royalty between finance income and capital amortization in each accounting period so that the recognition of finance income reflects a constant rate of return on the lessor's net investment in the finance lease in each period.

When assets are leased out under operating leases, the asset is included in the statement of financial position according to the nature of the asset. Income from operating leases is recognized over the term of the lease on a straight-line basis.

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.

Lessor's accounting

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

When assets are leased under a finance lease, the present value of future lease payments is recognized as an account receivable. The difference between the gross amount receivable and the present value of the account receivable is recognized as finance income.

The account receivable is amortized by allocating each royalty between finance income and capital amortization in each accounting period so that the recognition of finance income reflects a constant rate of return on the lessor's net investment in the finance lease in each period.

When assets are leased out under operating leases, the asset is included in the statement of financial position according to the nature of the asset. Income from operating leases is recognized over the term of the lease on a straight-line basis.

3.3.9. INVESTMENT PROPERTIES

Land and buildings, owned by Grupo Nutresa, are recognized as investment properties, in order to obtain an income or goodwill, rather being maintained for use or sale, in the ordinary course of operations.

Investment properties are initially measured at cost. The acquisition cost of an investment property includes its purchase price and any directly attributable expenditure. The cost of a self-constructed investment property is its cost at the date when the construction or development is complete.

Subsequent to initial recognition, investment properties are measured at net cost of accumulated depreciation and loss accumulated impairment losses, if any.

Depreciation is calculated linearly over the asset's useful lives, estimated between 20 and 60 years. Residual values and useful lives are reviewed and adjusted prospectively, at year-end, or when required.

Investment properties are written-off, either at the time of disposal, or when it is removed permanently from use and no future economic benefit is expected. The difference between the net disposal and the book value of the assets is recognized in income for the period in which it was derecognized.

Transfers to or from investment properties are made only when there is a change in use. In the case of a transfer from investment property, to property, plant and equipment, the cost, taken into account in subsequent accounting, is the book value at the date of change of use.

3.3.10. INTANGIBLE ASSETS

An intangible asset is an identifiable asset, non-monetary, and without physical substance. Intangible assets acquired separately are initially measured at cost. The cost of intangible assets, acquired in business combinations, is its fair value, at the date of acquisition. After initial recognition, intangible assets are accounted for at cost less any accumulated amortization and any accumulated impairment losses in value.

The useful lives of intangible assets are determined as finite or indefinite. Intangible assets with finite useful lives are amortized over their useful life, linearly, and are assessed to determine whether they had any impairment, whenever there are indications that the intangible asset might have suffered such impairment. The amortization period and the Amortization Method, for an intangible asset with a finite useful life, is reviewed at least at the close of each period. Changes in the expected useful life or the expected pattern of consumption of the future economic benefits of the asset, are accounted for at the change of the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization expenses of intangible assets, with finite useful lives, are recognized in the Comprehensive Income Statement for the period. The useful life of an intangible asset with a finite life is between 3 and 100 years.

Intangible assets, with indefinite useful lives, are not amortized, but are tested annually to determine if they have suffered impairment, either individually, or at the level of the cash-generating unit. The assessment of indefinite life is reviewed annually, to determine whether the assessment remains valid. If not, the change in useful life from indefinite to finite is made prospectively against the results for the period.

Gains or losses, that arise when an intangible asset is written-off, are measured as the difference between the value obtained in the disposal, and the book value of the asset, and is recognized in profit and loss.

Research and development costs

Research costs are expensed as they are incurred. The expenditures, directly related to the development, in an individual project, are recognized as intangible assets, when the Grupo Nutresa can demonstrate:

- The technical feasibility of completing the intangible asset so that it is available for use or sale;
- Its intention to complete the asset and its capacity to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to reliably measure the expenditure during development.

In the Statement of Financial Position, assets, arising from development expenditures, are stated at cost less accumulated amortization and accumulated impairment losses.

Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future economic benefit. During the development period, the asset is subject to annual impairment tests, to determine if loss of value exists.

Research costs and development costs, not eligible for capitalization, are accounted as expenses, in profit and loss, for the period.

3.3.11. IMPAIRMENT OF NON-FINANCIAL ASSETS, CASH-GENERATING UNITS, AND GOODWILL

Grupo Nutresa assesses if there is any indication that an asset, or cash-generating unit may be impaired in value, and estimates the recoverable amount of the asset or cash-generating unit, at the moment that an indication of impairment is detected, or annually (at December 31st), for goodwill, intangible assets with indefinite useful lives, and those not yet in use.

Grupo Nutresa uses its judgment, in the determination of the Cash-Generating Units (CGUs), for the purposes of impairment testing, and has defined as CGUs, those legally constituted entities, dedicated to production, assigning each one of those net assets of the legally constituted entities, dedicated to the provision of services to the producing units (in a transversal or individual way). The assessment of the impairment is realized, at the level of the CGU, or Group of CGUs, that contains the asset to be assessed.

The recoverable value of an asset is the greater of the fair value, less costs to sell, either an asset or a cash-generating unit, and its value in use, and is determined for an individual asset, unless the asset does not generate cash flows that are substantially independent of other assets or groups of assets. In this case, the asset must be grouped to a cash-generating unit. When the book value of an asset or cash-generating unit, exceeds its recoverable amount, the asset is considered impaired and is reduced to its recoverable amount.

In calculating the value in use, or the fair value, the estimated future cash flows, whether of an asset or a cash-generating unit, are discounted to their present value, using a discount rate, which reflects market considerations of the value of money over time, as well as, the specific risks of the asset. For the application of fair value, disposal costs will be discounted.

The impairment losses of continuing operations are recognized in the Comprehensive Income Statement, for the period, in those expense categories that correspond to the function of the impaired asset. Impairment losses attributable to a cash-generating unit are initially allocated to goodwill and, once exhausted, the impairment losses are proportionally attributed to other non-current assets of the cash-generating unit, based upon the book value of each asset.

The impairment for goodwill is determined by assessing the recoverable amount of each CGU (or group of cash-generating units) related to the goodwill. The impairment losses related to goodwill cannot be reversed in future periods.

For assets in general, excluding goodwill, at each reporting date (at the close of each period), an assessment of whether there is any indication that impairment losses previously recognized value no longer exists or have decreased, is performed. If any such indication exists, Grupo Nutresa estimates the recoverable amount of the asset or cash-generating unit. An impairment loss, previously recognized, is reversed only if there was a change in the assumptions used to determine the recoverable value of an asset, since the last time that the last impairment loss was recognized. The reversal is limited, so that the book value of the asset does not exceed its recoverable amount, nor does it exceed the book value that would have been determined, net of depreciation, if it had not recognized impairment loss, for the asset in previous years. Such a reversal is recognized in the Comprehensive Income Statement, for the period.

3.3.12. TAXES

This 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 each of the countries where Grupo Nutresa's subsidiaries operate.

a. Income tax

(i) Current

Assets and liabilities for income tax, for the period, are measured by the values expected to be recovered or paid to the taxation authorities. The expense for income tax is recognized under current tax, in accordance with the tax clearance, between taxable income and accounting profit and loss, and is impacted by the rate of income tax in the current year, in accordance with the provisions of the tax rules of each country. Taxes and tax norms or laws used to compute these values are those that are approved at the end of the reporting period, in the countries where Grupo Nutresa operates and generates taxable income. The current assets and liabilities, for income tax, are also offset, if related to the same taxation authority, and are intended to be settled at net value, or the asset realized, and liability settled, 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, and the 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.

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 such 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.

3.3.13. EMPLOYEE BENEFITS

a. Short-terms benefits

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

(i) Defined contribution plans

Contributions to defined contribution plans are recognized as expenses, in the Comprehensive Income Statement, for the period, on an accrual basis.

(ii) 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. Subsidiary companies domiciled in Colombia, Ecuador, Mexico, and Peru, have actuarial liabilities, as required by law.

The cost of this benefit is determined by the projected unit credit method. The liability is measured annually, for 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.

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.

Payments made to retirees are deducted from the amounts provisioned for this benefit.

d. Termination benefits

Termination benefits are provided for the period of employment termination, as a result of the Company's decision to terminate a contract of employment, before the normal retirement date; or the employee's decision to accept an offer of benefits in exchange for termination of an employment contract. Termination benefits are measured, in accordance with the provisions of the laws and the agreements, between Grupo Nutresa and the employee, at the time the decision to terminate the employment relationship with the employee, is officially released.

3.3.14. PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

a. Provisions

Provisions are recognized when, as a result of, a past event, Grupo Nutresa has a present legal or implicit obligation to a settlement, and requires an outflow of resources, that 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 Comprehensive Income Statement, for the period, net of all reimbursement. The increase in the provision, due to the passage of time, is recognized as financial 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 or more uncertain future events, not wholly within the control of Grupo Nutresa, or present obligations arising from past events, that are not likely, but there exists a possibility 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.

3.3.15. REVENUE

Contract assets

A contract asset is the Group's right to receive a payment in exchange for goods or services that the Group has transferred to a customer, when that right is contingent upon something other than the passage of time (for example, billing or delivery of other elements, part of the contract). The Group perceives the contract assets, as current assets, since they are expected to be realized within the normal operating cycle.

The costs of contracts eligible for capitalization, as incremental costs, when obtaining a contract, are recognized as a contract asset. Contract subscription costs are capitalized when incurred, if the Group expects to recover said costs. The costs of signing contracts constitute non-current assets, to the extent that it is expected to receive the economic benefits of said assets, in a period greater than twelve months. The contracts are amortized systematically and consistently, with the transfer to the customer of the services, once the corresponding income has been recognized. The contract subscription costs capitalized are impaired, if the client withdraws, or if the book value of the asset exceeds the projection of the discounted cash flows that are related to the contract.

Contract liabilities

Contract liabilities constitute the Group's obligation to transfer goods or services to a customer, for which the Group has received a payment, from the end customer, or if the amount is past due.

Grupo Nutresa recognizes income from contracts with customers, based on the provisions established in IFRS 15:

- **Identification of contracts with customers:** a contract is defined as an agreement between two or more parties, which creates rights, and obligations, required, and establishes criteria that must be met for each contract.
- **Identification of performance obligations in the contract:** a performance obligation is a promise in a contract with a customer, for the transfer of a good or service.

- **Determination of the price of the transaction:** the transaction price is the amount of the consideration to which the Group expects to be entitled, in exchange for the transfer of the goods or services promised to a client, excluding amounts received, on behalf of third parties.
- **Distribute the transaction price between the performance obligations of the contract:** in a contract that has more than one performance obligation, Grupo Nutresa distributes the price of the transaction between the performance obligations in amounts that represent the amount of consideration that the Group expects to have the right to change to meet each performance obligation.
- Recognition of income, when (or as) Grupo Nutresa fulfills a performance obligation.

Grupo Nutresa meets its performance obligations at a specific point in time.

The income is measured based on the consideration specified in the contract, with the customer, and excludes the amounts received on behalf of third parties. The Group recognizes income when it transfers control over an asset. The income is presented net of value added tax (VAT), reimbursements, discounts, and after eliminating sales, within the Group.

The Group evaluates its income plans, based on specific criteria, in order to determine whether it acts as principal or agent.

Income is recognized, to the extent that the economic benefits are likely to flow to the Group, and if it is possible to reliably measure revenues and costs, if any.

The specific recognition criteria, listed below, must also be met for revenue to be recognized.

a. Sale of goods

Revenue, from the sale of goods, is recognized when the control over the products has been transferred.

b. Services rendered

Revenue from providing services is recognized when these services are rendered, or according to the degree of completion (or percentage of completion) of contracts.

c. Customer loyalty

The Group awards points to its customers for purchases, under the loyalty plan program, which can be redeemed in the future, for prizes such as household products, travel, snacks, home decoration, and discounts, among others. The points are measured, at their fair value, which corresponds to the value of the point perceived by the client, considering the different redemption strategies. The fair value of the point is calculated at the end of each accounting period. The obligation to provide these points is recorded in liabilities, as a deferred income, and corresponds to the portion of benefits pending redemption, valued at their fair value.

3.3.16 PRODUCTION EXPENSES

Indirect production costs that do not contribute to move inventories to their present location and condition, and that are not necessary for the production process, are recorded as production expenses.

3.3.17. GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that they will be received and all conditions linked to them will be safely met. When the grant relates to an expense item, it is recognized as income on a systematic basis, over the periods in which related costs that are intended for compensation, are recognized as expense. When the grant relates to an asset, it is recorded as deferred income and is recognized as profit or loss, on a systematic basis, over the estimated useful life of the corresponding asset.

3.3.18. FAIR VALUE

Fair value is the price that would be received in selling an asset, or paid to transfer a liability, in an orderly transaction, between independent market participants, at the measurement date.

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 Group 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 impact the reported fair value of financial instruments.

3.3.19. OPERATING SEGMENTS

An operating segment is a component of Grupo Nutresa that: engages in business activities from which it may earn income from ordinary activities and incur costs and expenses, from which it has financial information, and whose operating results are regularly reviewed by the maximum authority in making operating decisions for Grupo Nutresa, The Board of Grupo Nutresa, to decide about the allocation of resources to segments, as well as, assess performance.

The financial information of the operating segments is prepared under the same accounting policies used in the preparation of the Consolidated Financial Statements of Grupo Nutresa.

For those operational segments that overreach the quantitative threshold of 10% of income, EBITDA, and operational income, as well as, the informational segments that are considered relevant for decision making by the Board of Directors. The other segments are grouped in categories called “other segments”.

3.3.20. BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit or loss, for the period that is attributable to holders of ordinary shares, by the weighted average number of ordinary shares, outstanding.

The average number of shares outstanding, for the periods ended December 31st of 2019 and 2018, is 460.123.458.

To calculate diluted earnings per share, profit for the period, attributable to holders of ordinary shares, and the weighted average number of shares outstanding, for all the inherent dilutive potential ordinary shares, is adjusted.

3.3.21. 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 magnitude or nature of the item, or a combination of both, could be the determining factor.

3.4. CHANGES IN ACCOUNTING POLICIES

3.4.1. INCOME FROM ORDINARY ACTIVITIES FROM CONTRACTS WITH CLIENTS

Since 2018, The Group has adopted IFRS 15, which leads to changes in accounting policies and adjustments, in the amounts recognized in the Financial Statements. The main changes are as follows:

(i) Accounting of customer loyalty program

The Group awards points to its customers for purchases, under the loyalty plan program, which can be exchanged in the future, for prizes such as household products, travel, snacks, home decoration, discounts, among others. The points are measured at fair value, which corresponds to the value of the point, perceived by the client, taking into account the different redemption strategies. The fair value of the point is calculated at the end of each accounting period. The obligation, to provide these points, is recorded in liabilities, as deferred income, and corresponds to the portion of benefits pending redemption, valued at fair value.

In previous periods, the points were measured at fair value and were recorded as expenses, for the period. Under IFRS 15, the points are measured at fair value and are accounted for as lower-income, and do not generate an impact on the liabilities of the contract.

(ii) Presentation of contract liabilities

The Group has changed the presentation of the liabilities, related to the loyalty program, registering it as contract liabilities. Previously it was recognized, directly, as an expense.

The Group performed an analysis of the existence of incremental costs, or costs to comply with a contract, concluding that these are not incurred.

The Group does not currently incur significant costs, to comply with a contract.

3.4.2. FINANCIAL INSTRUMENTS

The Group has adopted IFRS 9, issued by the IASB in July 2014, considering the transition date as January 1, 2018, which resulted in changes in the accounting policies and adjustments to the amounts, previously recognized in the Financial Statements, primarily in the determination of the expected loss.

As permitted by the transitional provisions of IFRS 9, the Group decided not to restate the comparative figures. Any adjustments to the book values of financial assets and liabilities, at the transition date, were recognized in the accumulated earnings, at the opening of the current period. The Group also chose to continue to apply the hedge designation requirements of IAS 39, in the adoption of IFRS 9.

Consequently, for the disclosures of Notes, the amendments generated from the disclosures of IFRS 7, have only been applied to the current period. The period of comparative information discloses the revelations realized in the previous year.

The adoption of IFRS 9 in 2018 has resulted in changes in our accounting policies for the recognition and measurement of the impairment of financial assets, and generated an impact on equity, at January 1, 2018, in the amount of $5.277, composed of a re-measurement impact of impairment provisions in the amount of ($7.514) (See Note 10), an impact on deferred taxes in the amount of $2.190, and a difference in exchange of $47.

3.4.3. 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 January 1st, 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 January 1st, 2019. The weighted average of the lessee's incremental borrowing rate applied to the lease liabilities at January 1 was 6.89%.

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 $941,138, which represents 7.0% of total assets and 18.1% of total liabilities.
- As of December 31, 2019, operating income showed an increase of $32,744. Depreciation charges on

right-of-use assets were $118,523, interest expense on right-of-use liabilities was $61,511 and net income showed a decrease of $27,422.
- 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.

3.5. 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 and compiled in Decree 2270 of December 2019. 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 Group is evaluating 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 Consolidated Financial Statements requires that management must make judgments, accounting estimates, and assumptions that impact the amount of income and expenses, assets, and liabilities, and related disclosures, as well as, the disclosure of contingent liabilities, at the close of the reporting period. The Group bases its assumptions and estimates, considering all parameters available, at the time of preparation of these Consolidated Financial Statements. In this regard, the uncertainty of assumptions and estimates could impact future results that could require significant adjustments to the book amounts 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 Consolidated Financial Statements:

- Choose, appropriately, the models, and assumptions, for the measurement of the expected credit loss.
- Establish groups of similar financial assets, in order to measure the expected credit loss.
- Determination of the compliance time of performance obligations.
- Assessment of the existence of impairment indicators, for assets, goodwill, and asset valuation, to determine the existence of impairment losses (financial and non-financial assets).
- Assumptions used in the actuarial calculation of post-employment and long-term obligations with employees.
- Useful life and residual values of property, plant and equipment and intangibles.
- Suppositions used to calculate the fair value of financial instruments.
- Determination of the existence of financial or operating leases, based on the transfer of risks and benefits of the leased assets.
- Recoverability of deferred tax assets
- Determination of control, significant influence, or joint control over an investment.

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

The Group's leasing activities and how they are accounted: for The Group leases various properties, equipment and vehicles. Leases are normally for periods of between 1 and 15 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.

Variable lease payments: Some asset leases contain variable payment terms related to the income generated by the premises. Variable lease payments that depend on revenue are recognized in the income statement in the period in which the condition that triggers such payments occurs.

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.

Discount rate: The Group determined the discount rate based on the rate of its incremental indebtedness. The determination process considered the duration of the leases, the nature and quality of the collateral and the economic environments in which the Group operates. This rate is reviewed annually and adjusted when there are significant changes.

Dismantling provision: The provision is established taking into account the interventions that the Group must make on the real estate to leave it in the condition in which it was delivered and the contractual obligations with the lessor. The provision is reviewed and adjusted annually.

NOTE 5.
BUSINESS COMBINATION

CCDC OPCO Holding Corporation

On September 18, 2019, a share purchase agreement was formalized for $384,762 in which Grupo Nutresa acquires 100% of the outstanding shares of CCDC OPCO Holding Corporation, which owns 100% of Cameron's Coffee & Distribution Company, located in the United States. The operation was financed with international bank loans for USD 105 million and USD 12 million with its own resources.

Cameron's Coffee & Distribution Company is a company dedicated to the production and distribution of value-added roasted and ground coffee, based in Shakopee, Minnesota. Sales in the last twelve months, with a cut-off date of July 31, 2019, amounted to USD 72 million. The company has nearly 40 years of experience in the production and marketing of roasted and ground coffee in different presentations in bags and capsules. Through the Cameron's brand, the company offers its consumers an innovative value proposal, which integrates a high quality product with convenience attributes and sustainability vision. Cameron's stands out for its relevant presence and growth in the American Midwest market where it has a distribution that has allowed it to position itself as one of the fastest growing brands in the channels it serves in that region. Likewise, it has begun its expansion to other regions of the United States with excellent results.

With this acquisition, the Group expects to capture important synergies in the United States, where Cameron's has arrived at modern retail through various commercial relationships in Premium coffee, which will be promoted and deepened, and which complement the distribution network and the portfolio that Grupo Nutresa currently has in that country. The transaction is expected to generate new opportunities for profitable growth for the Group, by connecting the commercial network, production capacities and the Cameron's brand with the scale, support and platform of Grupo Nutresa in the United States.

The recognized capital gain of $249,333 is assigned to the Coffee segment and will not be deductible from income tax in accordance with the tax regulations in force in Colombia.

Atlantic Food Service S. A. S.

On October 25, 2019, the Superintendence of Industry and Commerce authorized Grupo Nutresa to acquire 51% of the shares of Atlantic FS S. A. S., owner of 100% of the shares of Procesos V.A. S. located in Colombia. The negotiation was for a value of $47,124, which was paid with own resources.

The company is a leader in the food service sector and has positioned itself in Colombia in the commercialization of food, with presence in the main cities of the country.

The recognized capital gain of $34,830 is assigned to the "others" segment and will not be deductible from income tax in accordance with the tax regulations in force in Colombia.

Productos Naturela S. A. S.

On 30 August 2018, the Nutresa Group acquired 60% of the shares of the company Productos Naturela S. A. S. The negotiation was for a value of $3,221, used to leverage its growth.

The company is a Colombian company dedicated to the production and commercialization of healthy and functional foods. Naturela is a venture that originated in Colombia in 2005 from the deep knowledge of three women leaders and pioneers around the cultivation and application of microalgae of high nutritional value.

Currently the company has several lines of healthy foods, among which Spirulina stands out, added to infusions, snacks and supplements containing other natural ingredients such as chlorophyll, turmeric, chia and flaxseed. Its most recent addition to the portfolio is the handmade rice doughnuts with Spirulina, quinoa, maca and amaranth, a healthy snack of great acceptance in the market.

With this investment Grupo Nutresa incorporates new capacities, like the knowledge of the company in a functional ingredient of high potential and great nutritional value - the Spirulina - and at the same time it makes available to Nature the capacities in supplying, production, distribution, marketing and administration to accelerate its business plan. This investment strengthens the presence of Nutresa Group in the fast growing category of healthy snacks and is aligned with the purpose of expanding into innovative products that benefit the health and nutrition of its consumers.

The detail of the book value of the net assets initially incorporated as part of the business combination and the capital gain is, as follows:

	2019			2018
	CCDC OPCO Holding Corporation	Atlantic Food Service S. A. S.	Total	Productos Naturela S. A. S.
Current assets	52.622	55.592	108.214	3.140
Non-current assets	122.580	13.368	135.948	328
Identifiable assets	**175.202**	**68.960**	**244.162**	**3.468**
Current liabilities	5.880	30.333	36.213	180
Non-current liabilities	33.893	14.521	48.414	-
Liabilities assumed	**39.773**	**44.854**	**84.627**	**180**
Net assets incorporated	**135.429**	**24.106**	**159.535**	**3.288**
% Participation	100%	51%		60%
Share in net assets incorporated	**135.429**	**12.294**	**147.723**	**1.973**
Goodwill (Note 20)	249.333	34.830	284.163	1.248
Compensation	**384.762**	**38.745**	**423.507**	**3.221**
Balance payable (Note 25)	-	8.379	8.379	-
Trading value	**384.762**	**47.124**	**431.886**	**3.221**

Table 6

The income from ordinary activities and results included in the financial statements of Grupo Nutresa during 2019 is, as follows:

	2019	
	CCDC OPCO Holding Corporation	Atlantic Food Service S. A. S.
	Sep-Dec	Nov-Dec
Income from ordinary activities	87.972	43.833
Net income	9.673	1.554

Table 7

These figures shall be modified by measurements taken before 12 months after the business combination in accordance with IFRS 3.

NOTE 6.
INCOME STATEMENT FOR THE FOURTH QUARTER

The following is the Income Statement and an analysis of its line items for the period between October 1 and December 31st, 2019.

	NOTE	October-December 2019	October-December 2018
Continuing operations			
Operating revenue	a	$ 2.758.815	$ 2.406.768
Cost of goods sold	e	(1.555.543)	(1.328.192)
Gross profit		$ 1.203.272	$ 1.078.576
Administrative expenses	e	(142.476)	(106.615)
Sales expenses	e	(785.444)	(718.109)
Production expenses	e	(49.240)	(41.393)
Exchange differences on operating assets and liabilities		20.358	(3.782)
Other operating income, net	f	4.077	6.793
Operating profit		$ 250.547	$ 215.470
Financial income		6.443	4.398
Financial expenses	d	(78.525)	(55.864)
Portfolio dividends		-	292
Exchange differences on non-operating assets and liabilities		(11.203)	8.023
Share of profit of associates and joint ventures		(598)	(335)
Other income, net		625	(836)
Income before tax and non-controlling interest		$ 167.289	$ 171.148
Current income tax	c	(64.408)	(30.048)
Deferred income tax	c	(3.766)	(15.606)
Profit after taxes from continuous operations		$ 99.115	$ 125.494
Discontinued operations, after income tax		(1.902)	(4.869)
Net profit for the period		$ 97.213	$ 120.625
Profit for the period attributable to:			
Controlling interest		94.015	119.439
Non-controlling interest		3.198	1.186
Net profit for the period		$ 97.213	$ 120.625
EBITDA	b	$ 354.777	$ 285.580

Table 8

a. Income from ordinary activities

- Income from ordinary activities, by segments

	Fourth Quarter					
	External clients		Inter-segments		Total	
	2019	2018	2019	2018	2019	2018
Cold Cuts	552.052	511.381	12.197	10.229	**564.249**	**521.610**
Biscuits	546.970	496.348	2.532	2.493	**549.502**	**498.841**
Chocolate	461.758	428.851	8.225	6.723	**469.983**	**435.574**
TMLUC	246.989	243.882	367	386	**247.356**	**244.268**
Coffee	356.193	249.598	2.213	9.265	**358.406**	**258.863**
Retail Food	222.669	198.481	196	23	**222.865**	**198.504**
Ice Cream	126.593	113.942	623	718	**127.216**	**114.660**
Pasta	89.941	78.855	141	53	**90.082**	**78.908**
Others	155.650	85.430	-	-	**155.650**	**85.430**
Total segments	**2.758.815**	**2.406.768**	**26.494**	**29.890**	**2.785.309**	**2.436.658**
Adjustments and eliminations					**(26.494)**	**(29.890)**
Consolidated					**2.758.815**	**2.406.768**

Table 9

- **Income from ordinary activities, by geographical locations**

	Fourth Quarter	
	2019	2018
Colombia	1.722.297	1.523.510
Central America	270.714	239.808
United States	280.593	165.977
Chile	191.806	192.290
Mexico	75.416	78.808
Peru	75.703	70.282
Dominican Republic and the Caribbean	48.232	46.266
Ecuador	39.284	39.203
Others	54.770	50.624
Total	**2.758.815**	**2.406.768**

Table 10

- **Income from ordinary activities, by type of product**

	Fourth Quarter	
	2019	2018
Foods	1.457.584	1.337.656
Beverages	555.833	504.886
Candy and Snacks	452.350	418.446
Others	293.048	145.780
Total	**2.758.815**	**2.406.768**

Table 11

b. EBITDA

	Fourth Quarter	
	2019	2018
Operating earnings	**250.547**	**215.470**
Depreciation and amortization	77.470	68.008
Right-of-use assets, depreciation and amortization	31.365	-
Unrealized exchange differences from operating assets and liabilities	(4.605)	2.102
EBITDA	**354.777**	**285.580**

Table 12

- **Ebitda, by operation segments**

	Fourth Quarter							
	Operating earnings		Depreciation and amortization		Unrealized exchange differences from operating assets and liabilities		EBITDA	
	2019	2018	2019	2018	2019	2018	2019	2018
Cold Cuts	66.469	62.186	16.183	10.191	(2.090)	407	**80.562**	**72.784**
Biscuits	48.860	52.037	15.336	11.135	(1.244)	341	**62.952**	**63.513**
Chocolate	37.020	46.704	13.785	9.293	(1.155)	(94)	**49.650**	**55.903**
TMLUC	16.974	17.568	12.368	10.096	(483)	641	**28.859**	**28.305**
Coffee	22.905	11.895	11.265	6.043	1.658	(26)	**35.828**	**17.912**
Retail Food	33.287	16.344	22.560	9.421	(93)	22	**55.754**	**25.787**
Ice Cream	9.502	6.151	9.233	7.795	(218)	147	**18.517**	**14.093**
Pasta	11.061	5.560	3.066	1.876	(423)	55	**13.704**	**7.491**
Others	4.469	(2.975)	5.039	2.158	(557)	609	**8.951**	**(208)**
Total segments	**250.547**	**215.470**	**108.835**	**68.008**	**(4.605)**	**2.102**	**354.777**	**285.580**

Table 13

c. Income tax expenses

	Fourth Quarter	
	2019	2018
Income tax	64.408	28.141
Income tax surcharges	-	1.907
Total	**64.408**	**30.048**
Deferred taxes	3.766	15.606
Total tax expenses	**68.174**	**45.654**

Table 14

The current tax increases due to the good behavior of the fiscal profits in the fourth quarter of 2019, generated by non-deductible costs and expenses; the most representative concepts are 50% of the movement tax, the expense for donations and the industry and commerce tax taken as a tax discount, the fiscal limitations to foreign payments.

The variation in deferred tax is mainly due to tax losses from amortization and the decrease in the income tax rate in Colombia established in Law 1943 of 2018.

d. Financial expenses

	Fourth Quarter	
	2019	2018
Loans interest	44.812	37.632
Bonds interest	3.224	5.823
Interest from financial leases	28	151
Total interest expenses	**48.064**	**43.606**
Employee benefits	5.631	3.195
Right-of-use financial expenses	15.166	-
Other financial expenses	9.664	9.063
Total financial expenses	**78.525**	**55.864**

Table 15

e. Expenditure by nature

	Fourth Quarter	
	2019	2018
Inventory consumption and other costs	1.153.366	949.558
Employee benefits	444.451	387.103
Other services (1)	264.953	219.991
Other expenses (2)	148.349	141.104
Transport services	109.489	92.136
Depreciation and amortization	77.470	68.008
Manufacturing services	57.238	57.825
Seasonal services	50.082	55.714
Energy and gas	44.474	39.275
Fees	38.341	25.422
Advertising material	35.260	33.996
Maintenance	33.120	33.365
Right-of-use depreciations	31.365	-
Leases	17.389	56.310
Insurance	12.383	9.640
Taxes other than income tax	10.075	21.410
Impairment of assets	4.898	3.452
Total	**2.532.703**	**2.194.309**

Table 16

(1) Other services include: marketing, cleaning and surveillance, shelving and displays, food, public services, commercial plan of action, software, and storage.
(2) The other expenses include spare parts, travel expenses, containers and packaging, fuels and lubricants, contributions and affiliations, commissions, taxis and buses, supplies and buildings, stationery and office supplies, cleaning and laboratory supplies, legal expenses and licenses and prizes.

f. Other operating income (expenses), net

	Fourth Quarter	
	2019	2018
Indemnities and recuperations	3.944	3.435
Other income and expenses	3.343	1.196
Government grants	1.015	964
Disposal and removal of right-of-use assets	577	-
Disposal and removal of property, plant and equipment and intangibles	481	6.412
Fines, penalties, litigation, and legal processes, net	(612)	(177)
Donations	(4.671)	(5.037)
Total	**4.077**	**6.793**

Table 17

NOTE 7.
OPERATING SEGMENTS

Grupo Nutresa's operating segments reflect its structure and how Management, in particular, the Board of Directors, evaluates the financial information for decision-making in operational matters. For the administration, businesses are assessed by combining geographic areas and types of products. The segments for which financial information are presented, as follows:

- **Cold Cuts**: Production and sale of processed meats (sausage, pepperoni, ham, bologna and burgers), matured meat (Serrano ham, Spanish chorizo, and salami), ready to eat meals, canned foods, and mushrooms.
- **Biscuits**: the production and commercialization of sweet flavored cookies lines, with crème and wafers, salty crackers, and snacks, and healthy and functional foods.
- **Chocolate**: Production and sale of chocolate bars, chocolate (bars and milk modifiers), chocolate candies, snacks, cereal bars, and nuts.
- **TMLUC**: Stands for Tresmontes Lucchetti, a business unit that produces and sells: instant cold drinks, pasta, coffee, snacks, edible oil, juices, soups, desserts, and teas.
- **Coffee**: Production and marketing of roasted and ground coffee, instant coffee (powdered, granulated, and freeze-dried), and coffee extracts.
- **Retail Foods**: Formats established for direct sale to consumers, like restaurants and ice cream parlors, hamburger products, prepared meats, pizza, ice cream, and yogurt are offered.
- **Ice Cream**: This segment includes desserts, water and milk-based ice cream pops, cones, Ice cream by the liter, as well as, ice cream cups and biscuits with ice cream.
- **Pasta**: Produced and sold in Colombia, as short, long, egg, with vegetables, with butter, and instant pasta.

The Board of Directors monitors the operating results of the Business Units separately, for the purposes, of making decisions about allocating resources and assessing financial performance. The financial performance of the segments is evaluated, on the basis of operating revenues and EBITDA generated, which are measured uniformly with the Consolidated Financial Statements. Financing operations, investment, and tax management are managed centrally, and are therefore, not allocated to operating segments.

The Management Reports, and the ones generated by accountancy of the Group, use the same policies, as described in the note of accounting criteria, and there are no differences, in totality, between the total measurements of results, with respect to the accounting policies applied.

Transactions between segments correspond mainly to sales of finished products, raw materials, and services. The sales price between segments corresponds to the cost of the product, plus a profit margin. These transactions are eliminated in the Consolidated Financial Statements.

Assets and liabilities are managed by the administration of each of the subsidiaries of Grupo Nutresa; no segment allocation is assigned.

There are no individual customers whose transactions represent more than 10% of Grupo Nutresa's income.

7.1. OPERATING INCOME FROM CONTRACTS WITH CLIENTS

Revenues are recognized once control has been transferred to the customer. Some goods are sold with discounts that are recognized at the moment when the income is invoiced, and others with the fulfillment of goals by the client. Revenue is recognized, net of these discounts. The Group's experience is used, to estimate and provide discounts, using the expected value method, and revenues are only recognized to the extent that it is very likely that a significant reversal will not occur. A reimbursement liability (included in commercial accounts and other accounts payable) is recognized for the expected volume discounts, payable to customers in relationship to the sales realized, to the end of the reporting period. No element of financing is considered present, since sales are realized with a credit term that in some cases, can reach up to 90 days, which is consistent with the practice of the market. Grupo Nutresa does not recognize any guarantee, on the products it sells. During 2019 and 2018, the Group did not incur incremental costs, to obtain contracts with its customers, nor other costs associated with the execution of the contract.

a. Income from ordinary activities, by segments

	External clients		Inter-segments		Total	
	2019	2018	2019	2018	2019	2018
Cold Cuts	1.912.022	1.849.752	43.062	36.699	**1.955.084**	**1.886.451**
Biscuits	2.029.125	1.823.381	11.002	10.689	**2.040.127**	**1.834.070**
Chocolate	1.676.711	1.552.792	34.529	30.186	**1.711.240**	**1.582.978**
TMLUC	1.041.956	994.596	2.584	1.472	**1.044.540**	**996.068**
Coffee	1.210.085	985.657	11.168	10.427	**1.221.253**	**996.084**
Retail Food	814.636	737.717	196	911	**814.832**	**738.628**
Ice Cream	475.583	444.361	1.224	1.596	**476.807**	**445.957**
Pastas	343.012	301.991	1.630	364	**344.642**	**302.355**
Others	455.721	325.819	-	-	**455.721**	**325.819**
Total segments	**9.958.851**	**9.016.066**	**105.395**	**92.344**	**10.064.246**	**9.108.410**
Adjustments and eliminations					**(105.395)**	**(92.344)**
Consolidated					**9.958.851**	**9.016.066**

Table 18

b. Information by geographical locations

The breakdown of sales to external customers is herewith detailed, by primary geographical locations, where the Group operates, and is as follows:

	2019	2018
Colombia	6.203.824	5.737.388
Central America	978.337	863.619
United States	918.285	662.545
Chile	750.211	727.186
Mexico	343.573	320.752
Peru	227.141	205.686
Dominican Republic and the Caribbean	186.563	166.827
Ecuador	144.295	134.613
Others	206.622	197.450
Total	**9.958.851**	**9.016.066**

Table 19

Sales information is realized with consideration of the geographical location of the end-user customer.

c. Information by type of product

Given that some segments are also categorized by geographical location, sales to external customers are presented by product category, as follows:

	2019	2018
Foods	5.212.575	4.869.364
Beverages	2.244.602	2.048.641
Candy and Snacks	1.721.324	1.557.762
Others	780.350	540.299
Total	**9.958.851**	**9.016.066**

Table 20

d. Calendar of recognition of revenue from ordinary activities:

Grupo Nutresa transfers the goods it sells, at a specific moment in time. It does not have performance obligations that are satisfied over time. The contracts that the Group has with its customers are short-term.

7.2. EBITDA

	Operating Profit		Depreciation and Amortization (Note 32)		Unrealized Exchange Differences from Operating Assets and Liabilities (Note 34)		EBITDA	
	2019	2018	2019	2018	2019	2018	2019	2018
Cold Cuts	181.925	189.335	58.732	38.464	(3.075)	131	**237.582**	**227.930**
Biscuits	222.800	199.239	55.093	44.207	(1.311)	194	**276.582**	**243.640**
Chocolate	182.872	215.079	50.000	35.396	(884)	(970)	**231.988**	**249.505**
TMLUC	92.994	90.732	49.555	37.757	(946)	624	**141.603**	**129.113**
Coffee	105.937	74.854	34.561	24.063	879	(423)	**141.377**	**98.494**
Retail Foods	100.534	33.798	83.510	51.530	(47)	(35)	**183.997**	**85.293**
Ice Cream	34.222	24.210	33.727	29.911	(247)	41	**67.702**	**54.162**
Pasta	32.046	25.165	11.530	7.455	(300)	1	**43.276**	**32.621**
Others	6.291	(3.116)	16.766	7.689	65	1.091	**23.122**	**5.664**
Total segments	**959.621**	**849.296**	**393.474**	**276.472**	**(5.866)**	**654**	**1.347.229**	**1.126.422**

Table 21

NOTE 8.
INVESTMENTS IN SUBSIDIARIES

The following details financial information of the major subsidiaries that represent 94% of the gross equity of Grupo Nutresa. This information was taken from the Individual Financial Statements of the subsidiaries at December 31st, certified and audited, subject to prescribed legal norms, in each country, where they operate, which are homologized, in order to, apply, in a uniform manner, the accounting policies and practices of the Parent and translated to the Colombian peso for the purposes of consolidation.

	2019					2018				
	Assets	Liabilities	Equity	Profit for the Period	Other Comprehensive Income for The Period	Assets	Liabilities	Equity	Profit for the Period	Other Comprehensive Income for The Period
Subsidiaries directly or indirectly 100% owned by Grupo Nutresa										
Grupo Nutresa S. A.	8.843.438	100.357	8.743.081	513.898	-	8.483.352	85.763	8.397.589	510.161	(862.609)
Compañía de Galletas Noel S. A. S.	2.196.980	819.679	1.377.301	106.129	-	2.090.131	784.557	1.305.574	119.499	(27.909)
Alimentos Cárnicos S. A. S.	2.170.520	1.265.276	905.244	70.714	-	2.011.820	1.042.911	968.909	97.519	(23.984)
Compañía Nacional de Chocolates S. A. S.	1.797.136	634.166	1.162.970	104.592	-	1.675.073	489.813	1.185.260	145.819	197
Nutresa Chile S. A.	1.476.445	222	1.476.223	93.003	(5.097)	1.540.281	56.624	1.483.657	26.802	795
Industria Colombiana de Café S. A. S.	1.342.560	756.455	586.105	25.790	-	1.327.054	754.442	572.612	15.155	(5.241)
Tresmontes S. A.	1.285.528	317.429	968.099	(7.955)	96	1.473.950	432.093	1.041.857	23.997	63.106
American Franchising Corp. (AFC)	1.104.157	-	1.104.157	(9)	(633)	1.081.109	-	1.081.109	43	5
Compañía de Galletas Pozuelo DCR S. A.	850.712	120.976	729.736	32.702	111	768.408	117.145	651.263	44.812	(60.480)
Servicios Nutresa S. A. S.	771.637	771.395	242	1.207	-	628.944	629.245	(301)	(1.974)	116
Meals Mercadeo de Alimentos de Colombia S. A. S.	749.855	528.465	221.390	37.313	-	658.445	473.466	184.979	(31.403)	1.093
Abimar Foods Inc.	722.826	411.057	311.769	4.787	(1.990)	321.976	56.783	265.193	11.407	1.028
IRCC S. A. S. - Industria de Restaurantes Casuales S. A. S.	589.541	560.822	28.719	7.980	-	197.966	176.774	21.192	(5.627)	30
Lucchetti Chile S. A. (Newco)	586.833	67.247	519.586	10.396	(568)	601.426	56.780	544.646	6.509	2.558
Comercial Nutresa S. A. S.	457.773	432.036	25.737	(2.316)	-	249.035	220.783	28.252	5.263	62
Compañía Nacional de Chocolates del Perú S. A.	443.734	80.698	363.036	15.377	460	436.638	75.955	360.683	19.778	(3.982)
Novaventa S. A. S.	371.652	179.663	191.989	45.567	-	265.189	118.577	146.612	39.201	143
Tresmontes Lucchetti S. A.	355.599	195.655	159.944	16.722	(1.038)	497.189	343.652	153.537	(16.445)	1.295
Industria de Alimentos Zenú S. A. S.	335.908	127.480	208.428	7.887	-	328.561	126.304	202.257	20.323	(35)
Productos Alimenticios Doria S. A. S.	296.941	184.087	112.854	19.084	-	291.416	189.470	101.946	14.985	885
Other subsidiaries (*)	2.759.754	1.143.247	1.616.507	129.945	(270)	2.282.621	902.792	1.379.829	85.562	(110.406)
Subsidiaries with non-controlling interest										
La Recetta Soluciones Gastronómicas Integradas S. A. S.	84.843	83.605	1.238	(174)	-	61.660	60.248	1.412	(222)	-
Helados Bon	83.775	43.774	40.001	17.463	(464)	55.691	18.506	37.185	11.796	(665)
Atlantic FS S.A. S	70.876	43.245	27.631	3.016	-	-	-	-	-	-
Setas Colombianas S. A.	70.740	20.416	50.324	7.017	-	71.060	16.415	54.645	6.745	-
Fondo de Capital Privado "Cacao para el Futuro"	62.211	32.144	30.067	610	-	54.072	24.615	29.457	606	-
Novaceites S. A.	62.162	4.443	57.719	4.014	14	66.157	5.247	60.910	3.272	42
Schadel Ltda. Schalin del Vecchio Ltda.	18.307	10.253	8.054	526	-	11.696	3.681	8.015	1.082	-
Productos Naturela S. A. S.	4.165	506	3.659	456	-	3.395	120	3.275	(13)	-

Table 22

(*) Other subsidiaries include equity of $1.616.507 (2018: $1.379.829) for the following companies: Alimentos Cárnicos de Panamá S. A., Compañía Nacional de Chocolates DCR. S. A., Nutresa S. A. de C. V., Serer S. A. de C. V., Pastas Comarrico S. A. S., Industrias Aliadas S. A. S., Tropical Coffee Company S. A. S., Molinos Santa Marta S. A. S., Comercial Pozuelo Nicaragua S. A., Comercial Pozuelo Panamá S. A., Cía. Americana de Helados S. A., Distribuidora POPS S. A., Corp. Distrib. de Alimentos S. A (Cordialsa), Comercial Pozuelo Guatemala S. A., Industrias Lácteas Nicaragua S. A., Comercial Pozuelo El Salvador S. A. de C. V., Cordialsa Usa, Inc., TMLUC Argentina S. A., Comercializadora Tresmontes Lucchetti S. A. de C. V., Tresmontes Lucchetti México S. A. De C. V., Tresmontes Lucchetti Inversiones S.A., Tresmontes Lucchetti Servicios S. A., Fideicomiso Grupo Nutresa, Gestión Cargo Zona Franca S. A. S., Opperar Colombia S. A. S., Promociones y Publicidad Las Américas S. A., TMLUC Servicios Industriales, S. A. de C. V., Servicios Tresmontes Lucchetti S. A. de C. V., Aldage Inc., Inverlogy S. A. S. (antes Logypack S. A. S.), Servicios Nutresa Costa Rica S. A., Tresmontes Lucchetti Agroindustrial S. A., PJ COL S. A. S., LYC S. A. S., New Brands S. A., Tabelco S. A. S., LYC Bay Enterprise INC., Sun Bay Enterprise INC., Gabon Capital LTD., Perlita Investments LTD., El Corral Capital INC (before El Corral Investments INC.), Cameron's Coffee & Distribution Company, CCDC OpCo Holding Corporation, KIBO FOODS LLC , Procesos VA S. A. S.

NOTE 9.
CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31st includes the following:

	2019	2018
Cash and banks	362.940	263.588
Short-term investments	135.007	83.932
Total	**497.947**	**347.520**

Table 23

Short-term collocations are realized for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and accrue interest at market rates of the respective short-term collocations. Balances with banks accrue interest at variable rates based on the return daily bank deposit rates. The average returns on cash and cash equivalents, in all currencies, is 2,9% (2018: 2,6%).

At the close of December, $9.780 (2018: $24.206) was allocated as deposits, to support derivative contracts, as collateral or adjustments for margin call. On all other values, there are no restrictions for availability.

At December 31st, 2019, the Group had $3.095.475 (2018: $3.371.974) available in committed unused credit lines.

NOTE 10.
TRADE AND OTHER ACCOUNTS RECEIVABLES, NET

Trade and other accounts receivables, are as follows:

	2019	2018
Customers	1.134.929	985.105
Accounts receivable from employees	35.219	39.619
Accounts receivable from related parties	16.548	15.395
Loans to third-parties	573	770
Dividends receivable (Note 16)	15.373	14.498
Other accounts receivable	10.868	12.051
Impairment	(21.853)	(18.794)
Total trade and accounts receivable	**1.191.657**	**1.048.644**
Current portion	1.166.248	**1.020.579**
Non-current portion	25.409	**28.065**

Table 24

At December 31st, accounts receivable from customers have the following stratifications:

	2019	2018
Not overdue	749.947	668.763
Up to 90 days	336.281	284.339
Between 91 and 180 days	25.841	16.341
Between 181 and 365 days	18.624	11.670
More than 365 days	4.236	3.992
Total	**1.134.929**	**985.105**

Table 25

To ensure recovery of trade debts and other accounts receivable, "blank promissory notes" are constituted with letters of instruction, advances are solicited, bank guarantees, and, in some cases, collateral is requested. For loans to employees, mortgages, and pledges are constituted, and promissory notes are signed.

According to the Company's assessment of historical information and the portfolio el analysis at December 31st of 2019, there is no objective evidence that overdue balances receivable, present material risks of impairment, that imply adjustments to the impairment recorded in the Financial Statements on those dates.

The reconciliation of recognized impairment on accounts receivable, is as follows:

	2019	2018
Book value at December 31st 2018/2017	**18.794**	**9.239**
Remeasurement of impairment provision	-	7.514
Book value at January 1st	**18.794**	**16.753**
Impairment losses recognized during the period	18.604	15.778
Use during the period	(15.828)	(13.590)
Reversal of impairment losses for the period	(235)	(366)
Exchange differences	14	299
Increase due to acquisition of subsidiaries	392	-
Other changes	112	(80)
Book value at December 31st	**21.853**	**18.794**

Table 26

The book amount of accounts receivable from customers, is denominated in the following currencies:

	2019	2018
Colombian Pesos	564.692	429.424
US Dollars	236.826	205.255
Other currencies	333.411	350.426
Total	**1.134.929**	**985.105**

Table 27

NOTE 11.
INVENTORIES

The balance of inventories, at December 31st, includes the following:

	2019	2018
Raw materials	367.079	309.495
Works-in-progress	78.878	64.576
Finished products	454.612	398.119
Packing materials	112.270	108.516
Consumable materials and spare parts	91.465	89.767
Inventories in transit	146.158	141.686
Adjustments to the net realizable values	(2.334)	(2.281)
Total	**1.248.128**	**1.109.878**

Table 28

The cost of the inventories, recognized as cost of the merchandise sold, during the period with respect to the continuous operations of the Consolidated Income Statement, corresponds to $5.287.158 (2018: $4.727.162).

Write-off inventories are recognized as expenses, in the amount of $57.814, during the period 2019 (2018: $63.952); these penalties are within the normal range expected by the Group, according to, the production process, and associated with factors of the type of product, such as expiration dates, rotation, and handling of food.

The impairment of inventories is determined based on an analysis of the conditions and the rotation of inventories. The estimate is recorded, against the results of the year 2018, in the amount of $416 (2018: $75).

As of December 31st of 2019 and 2018, there are no inventories committed as collateral for liabilities. The Group expects to realize its inventories, in less than 12 months.

NOTE 12.
BIOLOGICAL ASSETS

The following is a breakdown of biological assets:

	2019	2018
Biological assets – Cattle	44.554	50.033
Biological assets – Pig	48.378	41.226
Crops	3.700	3.310
Total	**96.632**	**94.569**

Table 29

The following are the amounts and principal locations of the biological assets:

	Quantities		
	2019	2018	Location
Biological assets – Cattle [(1)]	27.971 Units.	32.166 Units.	Antioquia, Cordoba, Cesar, Santander, Sucre and Caldas - Colombia
Biological assets – Pig [(1)]	95.319 Units.	97.325 Units.	Antioquia and Caldas - Colombia
	11.008 Units.	10.288 Units.	Provincia de Oeste - Panama
Crops			
Mushroom crops [(2)]	41.080 m^2	41.080 m^2	Yarumal – Colombia

Table 30

(1) Pork livestock farming, in Colombia, is realized through owned-farms, farms in participation, and leased farms; its production is used as raw material for the development of business products of the Cold Cuts Business.
Pigs and cattle, in Colombia, are measured at fair value, using as a reference, the market values, published by the National Association of Pig Farmers and livestock auctions at fairs, in each location; this measurement is at the Level 2 of the fair value hierarchy, of IFRS 13. At December 31st, 2019, the price per average kilo of the pig livestock used in the valuation was $5.894(*) (2018: $5.248(*)); for cattle a price per average kilo of $4.243(*) (2018: $4.098(*)) was used. The value of pigs that are produced in Panama, increased in December 2019, is $5.386(*) (2018: $4.399(*)), are measured upon initial recognition under the cost model, taking into account that there is no active market, in said country.
(*) In Colombian Pesos.

(2) Mushroom crops are used by Setas Colombianas S.A., in its production processes, located in Yarumal, Colombia. It is measured under the cost model, taking into account that there is no active market for these crops, and that the productive cycle is short-term, close to 90 days.

Profit for the period, due to changes in fair value, minus the costs to sell of biological assets at December 31st, 2019 were $4.834 (2018: $3.882), and is included in the profit and loss, in operating income.

At the end of the reporting period, and the comparative period, there are no restrictions on the ownership of the Group's biological assets, nor significant contractual commitments, for its development or acquisition, and have not been pledged, as collateral for debt compliance.

NOTE 13.
OTHER ASSETS

Other assets are comprised of the following:

	2019	2018
Current taxes (Note 22.2)	202.585	192.759
Prepaid expenses (1)	32.174	32.713
Financial derivative instruments (Note 23.6)	16.638	16.254
Total other current assets	**251.397**	**241.726**
Non-current taxes (Note 22.2)	11.054	11.768
Prepaid expenses	7.250	6.664
Other financial instruments measured at fair value(2)	62.132	54.039
Total other non-current assets	**80.436**	**72.471**
Total other assets	**331.833**	**314.197**

Table 31

(1) The expenses paid in advance, correspond mainly to insurance in the amount of $17.456 (2018: $13.039), leases in the amount of $192 (2018: $922) and contractors in the amount of $809 (2018: $452).

(2) Other financial instruments, measured at fair value, correspond to the rights held by the private equity "Cacao para el futuro" - Compartment A, in cocoa plantations.

NOTE 14.
NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale, are as follows:

	2019	2018
Buildings	2.530	2.531
Land	80	80
Machinery and Production Equipment	-	4.166
	2.610	**6.777**

Table 32

NOTE 15.
INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures, are as follows:

			Book Value		2019			2018	
	Country	% part.	2019	2018	Dividends received	Share of Profit and Loss for the Period	Share of Other Comprehensive Income	Share of Profit and Loss for the Period	Share of Other Comprehensive Income
Associates									
Bimbo de Colombia S.A.	Colombia	40%	139.121	139.918	-	(692)	(105)	509	(458)
Dan Kaffe Sdn. Bhd	Malasia	44%	31.291	30.068	(643)	1.226	640	1.339	1.742
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)	-	-	-
Joint ventures									
Oriental Coffee Alliance Sdn. Bhd	Malasia	50%	11.411	12.121	-	(921)	211	(362)	17
Total associates and joint ventures			**193.360**	**192.795**	**(643)**	**(2.268)**	**746**	**(400)**	**1.301**

Table 33

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

Dan Kaffe Sdn. Bhd. is a company domiciled in Johor Bahru, Malaysia, dedicated to the production of frozen coffee extract and dry instant coffee. It is a strategic partner for the coffee business, due to their high production standards, ideal location, and growth potential, as it allows for combination of the world-class Colcafé, soluble coffee experience, and with deep knowledge of the Japanese partner of the Asian market, the flavor, ingredients, and advanced technologies, provisioning capabilities of pending raw materials, and widespread commercial network, throughout the region.

Estrella Andina S.A.S. is a simplified joint stock company domiciled in Bogota, Colombia, engaged in the marketing of ready-made meals in coffee shops.

Oriental Coffee Alliance Sdn. Bhd. is a company domiciled in Kuala Lumpur, Malaysia, dedicated to the sale of Dan Kaffe Malaysia (DKM) products, as well as, some Colcafé products and also part of the Group, in Asia. This partnership with the Mitsubishi Corporation, allows Grupo Nutresa to advance their initially set objectives, with the acquisition of DKM, to expand its role in the global coffee industry, diversify production, and the origin of its soluble coffee, and break into the rapid growth market of coffee in Asia.

Wellness Food Company S.A.S. is a simplified joint stock company domiciled in Itagui, Colombia, dedicated mainly to the elaboration of dairy products and other types of prepared foods.

The movements of the book value of the investments in associates and joint ventures, are as follows:

	2019	2018
Opening balance at January 1st	**192.795**	180.451
Increase of contributions [1]	2.730	12.094
Reclassification of investments [3]	-	(651)
Dividends received [2]	(643)	-
Participation in profit and loss, for the period	(2.268)	(400)
Participation in other comprehensive income	746	1.301
Balance at December 31st	**193.360**	**192.795**

Table 34

(1) In June 2019, Grupo Nutresa invested $630 in Wellness Food Company S.A.S. In February 2019, an extension of capitalization was realized, in Estrella Andina S.A.S., in which, Grupo Nutresa invested $2,100, without generating changes in the percentage of participation, and which were paid in its totality. In October 2018, an increase was made in the capital of Oriental Coffee Alliance Sdn., where Grupo Nutresa invested $9.094, without generating changes in the percentage of participation, and which were paid in full. 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.

(2) In April 2019, Grupo Nutresa received $643 in dividends from Dan Kaffe Sdn. Bhd, associated company. During 2018, no dividends were received from these investments.

(3) In March 2018, a change was realized, in the classification of other investments, to joint operations.

The following is a summary of financial information of associates and joint ventures:

	2019					2018				
	Assets	Liabilities	Equity	Profit and Loss	Total Comprehensive Income for the Period	Assets	Liabilities	Equity	Profit and Loss	Total Comprehensive Income for the Period
Associates										
Bimbo de Colombia S.A.	686.195	338.393	347.802	(1.732)	(262)	643.271	293.475	349.796	2.725	459
Dan Kaffe Sdn. Bhd	90.984	18.958	72.026	2.777	-	87.321	18.078	69.243	2.154	5.682
Estrella Andina S.A.S.	41.694	5.110	36.584	(1.864)	-	43.913	8.115	35.798	(5.588)	-
Wellness Food Company S.A.S.	889	269	620	(83)	-	-	-	-	-	-
Joint Ventures										
Oriental Coffee Alliance Sdn. Bhd	21.648	825	20.823	(1.841)	-	22.543	300	22.243	(407)	-

Table 35

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.

NOTE 16. OTHER NON-CURRENT FINANCIAL ASSETS

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

The results for the period include income from dividends on said instruments, and 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. The "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 (2018: 61.386.550)	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 (*)			16.517	2.260
Total			**3.511.768**	**3.322.694**

Table 36

	2019		2018	
	Dividend Income	Loss on Fair Value Measurement	Dividend Income	Profit on 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 (*)	23		1.649	(68.151)
	61.516	**186.697**	**58.851**	**(871.316)**

Table 37

The value of the dividend per share, declared for 2019, by Grupo de Inversiones Suramericana S. A. was $550 (pesos), yearly per share. These paid quarterly, in the amount of $137,50. For its part, Grupo Argos S. A. declared, in the month of March 2019, 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 2019, for portfolio investments, corresponds mainly to the total annual dividend, declared by the issuers.

At December 31, 2019, accounts receivable, from dividends of financial instruments, are $15.373 (2018: $14.498).

The dividends received generated an impact in cash flows of $60.641 (2018: $50.538).

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

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.

(*) Investments in financial instruments, held by Grupo Nutresa, in Venezuela, were updated at the official rate of the Central Bank of Venezuela Bs$49,73, generating a decrease in the investment of these financial assets, in the amount of $66,007, which were recognized in other comprehensive income, as of March 31, 2018. In addition to the volatility, and uncertainty, linked to the evolution of Bolívar, the remaining value of the investment was provisioned at $720.

NOTE 17.
PROPERTY, PLANT AND EQUIPMENT, NET

The movement of property, plant and equipment occurring during the period, is as follows:

	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets in Progress	Plantations in development (*)	Total
Cost	786.484	929.129	2.630.897	26.697	43.347	61.115	145.627	134.808	11.943	**4.770.047**
Depreciation and/or impairment	(337)	(211.256)	(1.044.339)	(17.615)	(27.578)	(39.962)	(52.596)	-	-	**(1.393.683)**
Balance at January 1st, 2019	**786.147**	**717.873**	**1.586.558**	**9.082**	**15.769**	**21.153**	**93.031**	**134.808**	**11.943**	**3.376.364**
Acquisitions	-	1.865	22.779	3.486	3.943	694	16.681	204.118	-	**253.566**
Disposals	(3.370)	(2.959)	(9.288)	(163)	(34)	(40)	(1)	(10)	-	**(15.865)**
Depreciation	-	(33.535)	(190.903)	(3.955)	(5.249)	(5.986)	(17.586)	-	-	**(257.214)**
Transfers	(546)	1.833	164.471	1.276	(122)	2.905	1.897	(170.113)	-	**1.601**
Acquisition of subsidiaries	-	89	26.121	220	1.659	177	3.138	4.298	-	**35.702**
Currency translation impact	562	1.472	3.380	(4)	(176)	(268)	244	(236)	-	**4.974**
Capitalization and consumption	-	-	-	-	-	-	-	-	929	**929**
Cost	783.133	930.254	2.861.144	30.989	48.272	56.996	167.413	172.865	12.872	**5.063.938**
Depreciation and/or impairment	(340)	(243.616)	(1.258.026)	(21.047)	(32.482)	(38.361)	(70.009)	-	-	**(1.663.881)**
Balance at December 31st, 2019	**782.793**	**686.638**	**1.603.118**	**9.942**	**15.790**	**18.635**	**97.404**	**172.865**	**12.872**	**3.400.057**

	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets in Progress	Plantations in development (*)	Total
Cost	790.239	911.066	2.442.413	23.645	39.833	61.512	142.000	138.515	9.129	**4.558.352**
Depreciation and/or impairment	(310)	(175.877)	(860.467)	(15.620)	(24.804)	(36.081)	(49.522)	-	-	**(1.162.681)**
Balance at January 1st, 2018	**789.929**	**735.189**	**1.581.946**	**8.025**	**15.029**	**25.431**	**92.478**	**138.515**	**9.129**	**3.395.671**
Acquisitions	-	17	16.563	1.640	5.266	1.743	20.715	186.022	-	**231.966**
Disposals	(5.134)	(2.203)	(7.456)	(173)	(13)	(29)	-	361	-	**(14.647)**
Depreciation	-	(34.086)	(194.102)	(2.892)	(5.215)	(5.875)	(22.750)	-	-	**(264.920)**
Impairment	-	-	(474)		-	-	-	-	-	**(474)**
Transfers	(2.543)	11.152	172.042	2.275	700	(189)	2.282	(190.991)	-	**(5.272)**
Acquisition of subsidiaries	-	-	255	-	52	21	-	-	-	**328**
Currency translation impact	3.895	7.804	17.784	207	(50)	51	306	901	-	**30.898**
Capitalization and consumption	-	-	-	-	-	-	-	-	2.814	**2.814**
Cost	786.484	929.129	2.630.897	26.697	43.347	61.115	145.627	134.808	11.943	**4.770.047**
Depreciation and/or impairment	(337)	(211.256)	(1.044.339)	(17.615)	(27.578)	(39.962)	(52.596)	-	-	**(1.393.683)**
Balance at December 31st, 2018	**786.147**	**717.873**	**1.586.558**	**9.082**	**15.769**	**21.153**	**93.031**	**134.808**	**11.943**	**3.376.364**

Table 38

(*) Our own cocoa plantations are experimental and aim to promote the development of cocoa crops, through agroforestry systems (cocoa - timber), with the Country's farmers.
Currently, there is a sowed area about of 170 hectares, of a project that will reach approximately 200 cultivated hectares by 2022. The plant achieves its maximum production at approximately 7 years, with two crops per year, and an expected useful life of 25 years. The Group's Management established that the project has not reached its optimum level of operation and fine-tuning, with which, in December 2017, the Company applied the amendment to IAS 41 Agriculture and IAS 16 Property, plant and equipment, which gives the production plants the treatment of property, plant and equipment. As part of this change in accounting policies, the value of Property, Plant and Equipment, corresponding to the historical costs of the plantations, at the time of reclassification, was transferred.

At December 31st, 2019, there was not collateral of property, plant and equipment. At December 31st, 2018, there was collateral of property, plant and equipment of $150.413, to cover financial obligations or credit quotas.

The main acquisitions, during 2019, correspond to the purchase of dispensing machines, store openings for the consumer food business, and the replacement of assets in all businesses. In 2018, correspond to the purchase of dispensing machines, store openings for the consumer food business, adjustments of wastewater treatment plants, in the biscuits, coffee, and ice cream businesses, and the replacement of assets in all businesses.

Grupo Nutresa, at the end of each year, evaluates the useful lives of its properties, plant and equipment. During the year, it was determined that there are no significant changes in the estimate of useful lives.

NOTE 18. RIGHT-OF-USE ASSESTS

The movement of right-of-use assets during 2019, is as follows (see accounting policy 3.3.8):

	Buildings	Machinery and Production Equipment	Transportation Equipment	Total
First-time Adoption	864.691	56.468	19.979	**941.138**
Balance at January 1st, 2019	**864.691**	**56.468**	**19.979**	**941.138**
New contracts	39.865	8.808	4.142	**52.815**
Acquisition of subsidiaries	25.533	163	696	**26.392**
Disposals	(22.030)	(1.030)	(917)	**(23.977)**
Depreciation	(93.578)	17.650	(7.295)	**(118.523)**
Exchange translation impact	472	(8)	243	**707**
Balance at December 31st, 2019	**814.953**	**46.557**	**17.042**	**878.552**

Table 39

*Includes updating of variable lease fees based on an index or rate.

NOTE 19. INVESTMENT PROPERTIES

The movement of investment properties during 2019 and 2018, is as follows:

	Land	Buildings	Total
Cost	72.283	6.591	**78.874**
Depreciation and impairment	-	(1.812)	**(1.812)**
Balance at January 1st, 2019	**72.283**	**4.779**	**77.062**
Depreciation	-	(351)	**(351)**
Transfers	2.044	734	**2.778**
Cost	74.327	6.593	**80.920**
Depreciation and impairment	-	(1.431)	**(1.431)**
Balance at December 31st, 2019	**74.327**	**5.162**	**79.489**
Cost	68.983	4.041	**73.024**
Depreciation and impairment	-	(718)	**(718)**
Balance at January 1st, 2018	**68.983**	**3.323**	**72.306**
Depreciation	-	(320)	**(320)**
Transfers	3.300	1.776	**5.076**
Cost	72.283	6.591	**78.874**
Depreciation and impairment	-	(1.812)	**(1.812)**
Balance at December 31st, 2018	**72.283**	**4.779**	**77.062**

Table 40

At December 31st of 2019 and 2018, there were no materials commitments for acquisition or construction of the investment properties.

Income included in the Income Statement, derived from income from investment properties, amounted to $3.179 (2018: $2.576).

The fair value, of the most significant investment properties, amounted to $87.520 (Note 39).

NOTE 20. GOODWILL

The movement of book values of goodwill, assigned to each one of the segments of the Group, is as follows:

Reportable Segment	CGU	Balance at January 1st, 2019	Additions	Exchange Differences	Balance at December 31st, 2019
Retail Foods	Grupo El Corral	534.811	-	-	534.811
	Grupo Pops	170.494	-	-	170.494
	Helados Bon	51.530	-	-	51.530
Coffee	CCDC OPCO Holding Corporation [1]	-	249.333	-	249.333
	Industrias Aliadas S.A.S.	4.313	-	-	4.313
Cold Cuts	Setas Colombianas S.A.	906	-	-	906
Chocolate	Nutresa de México	186.070	-	1.942	188.012
Biscuits	Abimar Foods Inc.	96.546	-	-	96.546
	Galletas Pozuelo	33.914	-	2.377	36.291
	Productos Naturela S.A.S.	1.248	-	-	1.248
Others	Atlantic FS S.A.S. [1]	-	34.830	-	34.830
TMLUC	Grupo TMLUC	1.006.076	-	(64.651)	941.425
		2.085.908	**284.163**	**(60.332)**	**2.309.739**

Reportable Segment	CGU	Balance at January 1st, 2018	Additions	Exchange Differences	Balance at December 31st, 2018
Retail Foods	Grupo Alimentos al Consumidor	534.811	-	-	534.811
	Grupo Pops	170.494	-	-	170.494
	Helados Bon	51.530	-	-	51.530
Coffee	Industrias Aliadas S. A. S.	4.313	-	-	4.313
Cold Cuts	Setas Colombianas S. A.	906	-	-	906
Chocolate	Nutresa de México	182.302	-	3.768	186.070
Biscuits	Abimar Foods Inc.	96.546	-	-	96.546
	Galletas Pozuelo	33.272	-	642	33.914
	Productos Naturela S.A.S. [2]	-	1.248	-	1.248
TMLUC	Grupo TMLUC	1.044.052	-	(37.976)	1.006.076
		2.118.226	**1.248**	**(33.566)**	**2.085.908**

Table 41

(1) In 2019, the additions correspond to the acquisition of 100% of shares, of CCDC OPCO Holding Corporation and the acquisition of 51% of shares, of Atlantic FS S.A.S. (Note 5).
(2) In 2018, the addition, correspond to the acquisition of 60% of shares, of Productos Naturela S.A S.

Evaluation of the impairment of the value of goodwill
Goodwill is not subject to amortization. The Group annually reviews the existence of impairment, by comparing the book value of the net assets, assigned to the Cash Generating Unit (CGU), to its recoverable value. During the current and prior period, no impairment losses were recognized from goodwill. For each CGU or group of CGUs subject to evaluation, the recoverable value is greater than its book value.

The recoverable amount for CGUs, associated to all segments, was estimated based on fair value less disposal cost (FVLCS), applying the discounted cash flow methodology, minus the disposal cost. To apply this methodology, we use the weighted average cost of capital (WACC), as the discounted rate, which weights the cost of the shareholders with the cost of the debt. The estimation of the variables, for both for the cost of capital and the debt, is based on market information available at the valuation date. All flows have been discounted, according to the specific rate, for the relevant region, and incorporating the determining variables of each CGU, in the WACC estimate. The average discount rate used, is in a range established, between 8,5% and 10,2% (2018: between 7,8% and 11,1%).

Cash flows have been projected for a period of 10 years, which includes 5 years of explicit plans and 5 additional years, where a stabilization period is projected, with a decreasing convergence equivalent to the expected nominal economic performance and long-term growth in perpetuity, giving more consistency to the normal evolution of business and its projections. These flows have been established based upon the Group's experience and using the best estimates by the Administration and adjusting them, based on historical results. These projections include those projects that are currently authorized.

The operating income included in the future flows corresponds to the revenues of the businesses that make up the CGU or Group of CGUs, and the projected comportment takes into account, the expected evolution of the market and the growth strategies approved by the Management, for the period of projection, and determined at the moment of defining the evolution of the gross margin, which includes a study of cost factors based on the projected efficiencies.

Grupo Nutresa uses a specific growth rate that is lower than the average long-term growth rate for the industry and is within a range between 0% and 1.5%, depending on the economic development of the country in which the CGU is located, and is indexed to the corresponding inflation.

Grupo Nutresa considers that there are no foreseeable situations that could impact the key assumptions used in the impairment assessment, in such a way that the book value of a CGU exceeds its recoverable value.

NOTE 21.
OTHER INTANGIBLE ASSETS

	Brands	Software and Licenses	Concessions and Franchises	Others	Total
Cost	1.162.138	43.469	53.641	23.811	**1.283.059**
Amortization and impairment	(66.333)	(29.053)	(18.058)	(2.079)	**(115.523)**
Balance at January 1st, 2019	**1.095.805**	**14.416**	**35.583**	**21.732**	**1.167.536**
Acquisitions	-	12.634	115	21.577	**34.326**
Amortization	(3.853)	(10.362)	(127)	(1.428)	**(15.770)**
Transfers	-	(347)	-	(335)	**(682)**
Impact of currency translation	(9.012)	(140)	14	(2)	**(9.140)**
Acquisition of subsidiaries	-	2.723	-	69.980	**72.703**
Cost	1.152.948	58.371	53.708	173.187	**1.438.214**
Amortization and impairment	(70.008)	(39.447)	(18.123)	(61.663)	**(189.241)**
Balance at December 31st, 2019	**1.082.940**	**18.924**	**35.585**	**111.524**	**1.248.973**
Cost	1.170.638	40.847	54.951	13.931	**1.280.367**
Amortization and impairment	(62.294)	(25.969)	(9.997)	(757)	**(99.017)**
Balance at January 1st, 2018	**1.108.344**	**14.878**	**44.954**	**13.174**	**1.181.350**
Acquisitions	-	3.284	107	10.489	**13.880**
Amortization	(3.851)	(4.360)	(9.610)	(1.305)	**(19.126)**
Transfers	-	708	(7)	(693)	**8**
Impact of currency translation	(8.688)	(94)	139	67	**(8.576)**
Cost	1.162.138	43.469	53.641	23.811	**1.283.059**
Amortization and impairment	(66.333)	(29.053)	(18.058)	(2.079)	**(115.523)**
Balance at December 31st, 2018	**1.095.805**	**14.416**	**35.583**	**21.732**	**1.167.536**

Table 42

Brands
This corresponds to the brands acquired through business combinations or transactions with third parties.

The following table shows the allocation of brands to each business segment and the classification by useful life at December 31, 2018:

Reportable Segment	2019		
	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Foods	-	266.498	**266.498**
Cold Cuts	990	-	**990**
Chocolate	-	18.629	**18.629**
Biscuits	-	195.076	**195.076**
Ice Cream	277.715	-	**277.715**
TMLUC	-	324.032	**324.032**
Total	**278.705**	**804.235**	**1.082.940**

Reportable Segment	2018		
	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Foods	-	267.177	**267.177**
Cold Cuts	982	-	**982**
Chocolate	-	18.190	**18.190**
Biscuits	-	182.296	**182.296**
Ice Cream	280.875	-	**280.875**
TMLUC	-	346.285	**346.285**
Total	**281.857**	**813.948**	**1.095.805**

Table 43

The brands with finite useful lives have useful life residuals of 89 years.

The brands are considered to have indefinite useful lives, due to the fact that a consistent basis it is not determined, in reference to the flows that are expected to generate each one of the brands; these assets are not amortized and are assessed for impairment, annually. These brands have a net book value of $804.235 (2018: $813.948).

Impairment of the value of brands with indefinite useful lives

The brands that have indefinite useful lives are subject, annually, to an assessment of impairment, using the projection of future cash flows, to determine its fair value; in this assessment, such variables, as: the discounted rate, the increased rate of long-term, among other variables, similar to those used in the impairment assessment of goodwill (See Note 20), are taken into account. During 2019 and 2018, no losses from impairment of brands were not recognized.

In relation to intangible assets with finite useful lives, Grupo Nutresa considers that there are no situations that can impact the projections of expected results, in the remainder of the useful life, and in whose opinion, to December 31st of 2019 and 2018, there exists no indications of impairment of intangible assets with a finite useful life.

NOTE 22. INCOME TAXES AND TAXES PAYABLE

22.1. APPLICABLE NORMS

The effective and applicable tax norms, state that nominal rates of income tax, for Grupo Nutresa, are as follows:

Income tax %	2018	2019	2020	2021	2022
Colombia (*)	37,0	33,0	32,0	31,0	30,0
Chile	27,0	27,0	27,0	27,0	27,0
Costa Rica	30,0	30,0	30,0	30,0	30,0
Ecuador	25,0	25,0	25,0	25,0	25,0
El Salvador	30,0	30,0	30,0	30,0	30,0
United States	21,0	21,0	21,0	21,0	21,0
Guatemala	25,0	25,0	25,0	25,0	25,0
Mexico	30,0	30,0	30,0	30,0	30,0
Nicaragua	30,0	30,0	30,0	30,0	30,0
Panama	25,0	25,0	25,0	25,0	25,0
Peru	29,5	29,5	29,5	29,5	29,5
Dominican Republic	27,0	27,0	27,0	27,0	27,0

Table 44

(*) For the 2019 taxable year, all of the Nutresa Group's Colombian companies are taxed at the 33% rate, including the companies that have signed legal stability contracts.

a. Colombia

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.

b. Chile

In Chile, income tax law includes separate "capital income" and "earned income" systems. The first are taxed with tax class act, which mainly impacts businesses. This tax has a fixed rate 27% on the tax base, which is calculated effecting aggregates or decreases mandated by law. The tax paid in this way, is imputable against the Global Complementary, which taxes the entire income of natural persons residing in the country; or additional, levies on income generated in Chile, to natural and legal persons, residing outside the country, according to, the case. The tax losses are carried forward to the next period as part of the deductions.

c. Mexico

Income tax (ISR) is levied on net income obtained by both resident and non-resident companies, with specific rules for each. The Mexican income tax rate is 30%, which is applied to the taxable income of the year, resulting from subtracting from the income earned in the period (including capital gains), the expenses incurred for their generation (which are justified through invoices or other legally accepted documents) and the tax loss carryforwards of the last 10 years.

d. Costa Rica

Income tax is calculated on the net income for the year, which is the result of gross income less costs and expenses useful and necessary to generate the profit. The provisions for taxes on income accounts includes, in addition, taxable income tax for the year, the tax effect applicable to temporary differences between accounting and tax items, used for calculation of income tax. The rate of income tax is 30%. Tax losses can be offset in the 3 years following their generation.

Payment of the tax is made in 3 quarterly installments, in March, June and September. The payment is made taking an average of the last 3 fiscal periods.

In July 2019, the changes incorporated by Law 9635 on the strengthening of public finances, which introduced reforms to the income tax law and incorporated value added tax, came into effect. The main changes to the law:

- It changed from a sales tax (applicable to the sale and import of goods and exceptionally to some services) to a value added tax (applicable to the sale of goods and the provision of services), with a general rate of 13%.
- Increased the rate of withholding of remittances abroad to 25% for fees, commissions and other independent personal services.
- Included a limitation on the deduction of non-bank interest, establishing a maximum deductibility limit of 20% of profit before interests, taxes, depreciations and amortizations (UAIIDA) for each taxable period.
- Defined that exchange rate gains and losses are subject to income tax on an accrual basis.
- An income and capital gains tax was created. The rate applicable to taxable income in this area is 15%.

e. Ecuador

Income tax is subject to a rate of 25% applicable to the taxable income, which includes all taxable income reduced by returns, discounts, costs, expenses and deductions attributable to such income and which have been taken for the purpose of obtaining, improving or maintaining income subject to income tax.

Tax losses may be offset against taxable profits within the following five years, not exceeding 25% of the profits obtained in each year.

f. United States

The current income tax is subject to a rate of 21% on the taxable income of the year. Additionally, the special tax on profits held abroad is 15% if held in cash and 8% if invested in assets.

g. Peru

Income tax is calculated at a rate of 29.5%, on the tax profits of the period, purified in accordance with current regulations.

The Tax Authority of the country has the power to control and, if applicable, correct the tax on the corresponding earnings calculated by the company, during the 4 years following the year in which the affidavit is presented.

Tax rules applicable from the year 2019

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.

Mexico

On October 31, 2019, Congress approved various reforms, including the Federal Revenue Law, the Income Tax Law (LISR) and the Value Added Tax Law, which are intended to implement international guidelines and trends issued by the OECD and to control the tax administration.

The changes include among others:

Federation Income Act

- Additional deduction of 5% of the cost for the donation of food and medicine to authorized.

Income Tax Act (LISR)

- Amendments to the provisions on Permanent Establishment.
- New rules to restrict the deduction of payments to low tax jurisdictions.
- Limitation to the deduction of interest, when it exceeds 30% of the adjusted taxable income.
- Administrative simplification in the application of tax incentives for Technology Research and Development and High Performance Sports.
- A general anti-abuse rule has been incorporated, aimed at ignoring the tax effects of legal acts that (1) lack a business reason and (2) generate a tax benefit to the taxpayer.
- A disclosure regime is established for reportable schemes on issues identified as high risk by the tax authorities, for which the obligated parties will be the tax advisors who must file an information return.

Value Added Tax Act

- The universal compensation is definitively eliminated, so that the balances in favor of VAT can only be credited against the VAT payable in the following months until it is exhausted or a refund is requested.
- With regard to VAT withholding, legal entities or individuals with business activities must withhold 6% of the value of the consideration paid for labor subcontracting.

Ecuador

The Tax Simplicity and Progressive Law approved by the Assembly in December 2019, included amendments to the Income Tax Law, among which are, as follows:

- Elimination of the advance income tax, will be paid when profits are generated and voluntarily.
- Includes limitation of deduction of interest on debts to related or independent parties as long as it does not exceed 20% of the profit before labor participation, interest, depreciation and amortization corresponding to the respective fiscal year.
- Deduction of eviction provisions and retirement pensions actuarially formulated by specialized companies.
- Any distribution to all types of taxpayers (except Ecuadorian residents) will be taxed, on the basis of 40% of the distributed dividend.

22.2. 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
Income tax and complementaries (1)	154.840	148.889
Tax on wealth (interest) (2)	6.407	6.033
Sales tax	39.609	35.389
Other taxes	1.729	2.448
Total current tax assets	**202.585**	**192.759**
Claims in process (2)	11.054	11.768
Total non-current tax assets	**11.054**	**11.768**
Total tax assets	**213.639**	**204.527**

Table 45

(1) Income tax assets and complementaries, include auto-withholdings of $15.474 (2018: $9.894), credit balances of $78.413 (2018: $104.332), tax advances of $33.148 (2018: $26.404), tax rebates for $23.819 (2018: $1.252), and income tax withheld $3.986 (2018: $7.007).

(2) Grupo Nutresa has six (6) subsidiaries that signed legal stability contracts in 2009, with the Colombian government. One of the stabilized taxes was the equity tax, which, due to the tax authority's disposition, had to be declared and paid. However, there is a legal right to request a refund for the payment of the un-owed, in the amount of $49.486. Protected by Article 594-2 of the Tax Statute, which indicates that the tax obligations presented by those not obliged to declare, do not produce legal effects, in Judgment 05001-23-31-000-2012-00612-01 [21012], and 18636 of August 30, 2016. The claims for the payment of the not owed are advanced, remain pending to be resolved the value of $9.866 (2018: 46.435), value classified as non-current assets, as it is

expected to be resolved in a term superior to twelve months following the date of this report. On March 31, 2017, after the rejection of the first 2 installments of the equity tax, a decision was made to go to judicial proceedings, before the Administrative Litigation, in an effort to seek a resolution rights claimed. For the property tax installments from the third to the eighth, having obtained the admission of some refund requests, admission for all the applications corresponding to said quotas, is expected to obtain. During 2018, Grupo Nutresa has recognized claims in the amount of $36.569.

Consequently, in 2018 a request was made for current interest derived from this payment of what is not due in the amount of $6,033. During 2019, the tax administration has recognized in favor of the total $2,034, which is pending payment.

The current taxes payable balances include:

	2019	2018
Income tax and complementaries (*)	69.810	72.970
Sales tax payable	91.297	103.845
Withholding taxes, payable	33.152	28.782
Other taxes	20.283	23.244
Total	**214.542**	**228.841**

Table 46

The Group applies the laws with professional judgment, to determine and recognize the provision for current tax and deferred income, on its Consolidated 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 Group 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 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.

* Includes reduction of income tax payable from 2018, realized, through Works Taxes of Compañía Nacional De Chocolates S.A.S., which on May 13, 2019 received resolution of assignment of the project called "Improvement of educational quality, through the endowment of Educational Institutions of the Municipality of Quibdó" in the amount of $ 1,197 million. The estimated project settlement date according to the schedule approved by the Ministry of Education is February 29, 2020.

22.3. INCOME TAX EXPENSES

Current income tax expenses are as follows:

	2019	2018
Income tax	207.877	159.438
Income tax surcharges	-	4.985
Total	**207.877**	**164.423**
Deferred taxes (*) (Note 22.4)	(2.656)	24.901
Total income tax expenses	**205.221**	**189.324**

Table 47

(*) The variation is mainly due to the recalculation effect, due to rate changes, which went from 33% to 30%, a change introduced by Law 1943 of 2018. In 2019 it is due to the recognition of deferred tax on movements generated in the items of amortization of intangible assets, employee benefits and property, plant and equipment.

22.4. DEFERRED INCOME TAX

The breakdown of the deferred tax assets and liabilities, are as follows:

	2019	2018
Deferred tax assets		
Goodwill tax, TMLUC	89.605	133.723
Employee benefits	46.245	37.313
Accounts payable	9.357	9.153
Tax losses	185.716	134.380
Tax credits	6.197	7.306
Debtors	20.671	23.155
Right-of-use assets(3)	254.961	-
Other assets	41.744	34.723
Total deferred tax assets (1)	**654.496**	**379.753**
Deferred tax liabilities		
Property, plant and equipment	356.985	331.247
Intangibles (2)	345.796	316.726
Investments	7.039	7.220
Inventories	4.341	2.721
Right-of-use liabilities(3)	251.047	-
Other liabilities	18.827	46.849
Total income tax liabilities(2)	**984.035**	**704.763**
Net deferred tax liabilities	**329.539**	**325.010**

Table 48

(1) The deferred tax asset is recognized and supported, on the basis that the Group has generating positive taxable income, and it is projected to generate future income sufficient to compensate tax credits and tax losses, from previous periods, prior to maturity, and obtain future tax benefits, for goodwill tax in Chile, employee benefits, as well as, items recognized in the deferred tax assets. Projections of annual taxable income and actual data, are reviewed to determine the impact and adjustments, on asset values, and their recoverability in future periods.
(2) The deferred tax liability, for intangibles, corresponds mainly to the difference in the amortized accounting and tax depreciation of the brands, and to the deferred tax, recognized in the Consolidated Financial Statement, in relationship to the goodwill from business combinations realized before 2013.
(3) The recognition of the difference between the accounting and tax aspects derived from the entry into force in 2019 of the accounting standard for financial leases, IFRS 16, generates a net asset effect.

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

	2019	2018
Opening balance, net liabilities	**325.010**	**287.895**
Deferred tax expenses (income), recognized in income for the period	(2.656)	24.901
Income tax relating to components, of other comprehensive income, net (Note 27)	(8.227)	4.872
Increase by business combination	3.510	-
Impact of variation in rates of foreign exchange	11.483	9.532
Other impacts	419	(2.190)
Final balance, net liabilities	**329.539**	**325.010**

Table 49

The income tax, relating to components of other comprehensive income, is determined by new measurements of benefit plans to employees of -$6.574 (2018: $1.874), the participation in associates and joint ventures, accounted for by using the Equity Method, in the amount of $224 (2018: -$1.434), and the financial assets, measured at fair value, in the amount of -$2 (2018: -$11) and cash-flow hedges of -$1.875 (2018: $1.575).

22.5. EFFECTIVE TAX RATES

The theoretical tax rate is calculated using the weighted average of the tax rates established in the tax regulations of each of the countries where the Nutresa Group companies operate. To calculate the effective rate at December 2019, the amount of discontinued operations was included in income before taxes, since these operations are part of the income tax purification.

The recognition of deferred tax at a lower rate than the current income tax rate, in accordance with the future income tax rate established in current Colombian regulations, impacts the effective rate for temporary differences in the determination of the tax.

The effective tax rate is below the theoretical rate, mainly due to permanent differences as income from untaxed portfolio dividends and the application of stabilized rules in Colombia such as the special deduction in real productive fixed assets, whose impact on the effective rate is 4.44% (2018 - 4.28%). This effect is counterbalanced in 2019 by the tax discount of 50% of that paid for industry and commerce tax and 25% of the duly certified donated value, expenses that are not tax deductible; by the higher payment of income tax paid by Colombian companies abroad and by other non-deductible expenses as 50% of the tax on financial movements and costs and expenses of previous years. These items have an effect of 2.17% (2018 - 1.05%) on the effective rate. 2018 is affected by the accelerated amortization of intangibles and by the change in the rental rate approved in Law 1943 of 2018, which was decreased as of 2022 by 3 percentage points. This necessarily implied that temporary differences that revert in the future and that were recognized at 33%, were adjusted to the new 30% rate. This had an impact of (1.57%) on the effective rate.

The following is the reconciliation of the applicable tax rate and the effective tax rate:

	2019		2018	
	Value	%	Value	%
Accounting profit, before income taxes(*)	**718.662**		**698.080**	
Applicable tax rate expenses	**221.575**	**30,83%**	221.002	31.66%
Untaxed portfolio dividends	(20.459)	-2,85%	(19.380)	-2.78%
Special deductions for real productive fixed assets	(11.403)	-1,59%	(10.809)	-1.55%
ICA and non-deductible donations	7.640	1,06%	-	0.00%
Amortizations	-	0,00%	24.537	3.51%
Current tax from entities controlled abroad	4.177	0,58%	3.006	0.43%
Change in deferred taxes (USA-Colombia)	-	0,00%	(35.597)	-5.10%
Other tax impact	3.691	0,51%	6.565	0.94%
Total tax expenses	**205.221**	**28,56%**	**189.324**	**27.12%**

Table 50

(*) Includes discontinued operations.

22.6. PRESUMPTIVE INCOME TAX EXCESS AND LOSSES

At December 31, 2019, the tax losses of the Group amounted to $663.597 (2018: $498.225). As of the expedition of Law 1819 of 2016, the compensation of tax losses in Colombia is limited to 12 taxable periods, following the year that they were generated. Tax losses are recognized in deferred tax assets, corresponding to Chile, they do not expire.

The excess presumptive tax on ordinary income of the Group, outstanding amount of $20.657 (2018: $24.353). According to current tax regulations in Colombia, excesses of presumptive tax on ordinary income, can be offset with ordinary liquid income tax within the five following years, fiscally readjusted.

Expiration date	Tax Loss	Excess presumptive income tax
2020	-	2.935
2021	-	7.362
2022	-	5.625
2023	-	4.206
2024	-	529
2030	27.903	-
No expiration date	635.584	-
	663.487	**20.657**

Table 51

22.7. INFORMATION ON CURRENT LEGAL PROCEEDINGS

- Industria de Alimentos Zenú S.A.S. and Alimentos Cárnicos S.A.S., Colombian subsidiaries of Grupo Nutresa, are in the process of discussions with the Directorate of National Tax and Customs (DIAN), for the unrecognized deduction for amortization of goodwill, generated in the acquisition of shares, of income of the taxable year 2011. The process in the Administrative Chamber has already been exhausted, therefore, the respective lawsuits were brought before the contentious administrative courts of Antioquia, and del Valle, respectively. The requests for monies in favor of the tax returns for the taxable year 2011, of these two companies, on the occasion of this discussion, were considered undue, by the DIAN, which generated a process for Industria de Alimentos Zenú S.A.S., in discussion in the administrative chamber, as well as for, Alimentos Cárnicos S.A.S., in judicial proceedings.
- Grupo Nutresa S.A. 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.

NOTE 23. FINANCIAL OBLIGATIONS

23.1. FINANCIAL LIABILITIES AT AMORTIZED COST

Financial obligations, held by Grupo Nutresa, are classified as measured, by using the amortized cost method, and are based on the Group's Business Model. Book values, at the end of the reporting period, are as follows:

	2019	2018
Loans	3.061.465	2.503.609
Bonds	135.585	272.255
Leases	10.160	12.181
Total	**3.207.210**	**2.788.045**
Current	527.196	522.302
Non-current	2.680.014	2.265.743

Table 52

The financial obligations, mainly loans, taken out by Colombian companies, in dollars, incorporates adjustments, that increase the amortized cost, in the amount of $1.637, increasing the value of the financial obligation (2018: $10.198), as a result of the measurement at fair value of hedging exchange rates, as described in Note 23.6, henceforth.

23.2. BONDS

Grupo Nutresa generated issuance of two bonds:

- In August 2009, an issue of corporate bonds took place in Colombia, through Fideicomiso Grupo Nutresa, which is managed by Alianza Fiduciaria S.A., the issuance was realized in the amount of $500,000, maturing in four tranches at 5, 7, 10, and 12 years, with interest payable quarterly, in arrears, and amortized to maturity of each coupon. In 2019, interest expenses were incurred in the amount of $19.261 (2018: $23.633). The emission has a balance at December 2019, including accrued interest in the amount of $135.585 (2018: $272.255), and has the following characteristics:

Maturity	Interest rate	2019	2018
2019	IPC + 5,33%	-	136.783
2021	IPC + 5,75%	135.585	135.472
Total		**135.585**	**272.255**

Table 53

23.3 MATURITY

Period	2019	2018
1 year (including payable interest)	527.196	522.302
2 to 5 years	1.989.351	2.251.476
More than 5 years	690.663	14.267
Total	**3.207.210**	**2.788.045**

Table 54

23.3.1. BALANCE BY CURRENCY

Currency	2019		2018	
	Original Currency	COP	Original Currency	COP
COP	2.709.556	2.709.556	2.579.945	2.579.945
CLP	33.851.554.561	148.164	43.542.011.182	203.665
USD	106.644.672	349.490	1.364.871	4.435
Total		**3.207.210**	**189.324**	**2.788.045**

Table 55

Currency balances are presented, after currency hedging.

To evaluate the sensitivity of financial obligation balances, in relationship to variations in exchange rates, all of the obligations, as of December 31, 2019, that are in currencies other than the Colombian peso and that do not have cash flow hedges, are taken. A 10% increase in exchange rates, in reference to the dollar (COP/USD), would generate an increase of $408 (2018: $249), in the final balance.

23.4. INTEREST RATES

Changes in interest rates may impact the interest expense, for financial liabilities that are tied to a variable interest rate. For the Group, the interest rate risk is primarily attributable to operational debt, which includes debt securities, the issuance of bank loans, and leases. These are susceptible to changes in base rates, (CPI - IBR- DTF - TAB [Chile] - LIBOR), that are used to determine the applicable rates on bonds and loans.

The following table shows the structure of the financial risk due to exchange rates:

Rate	2019	2018
Variable interest rate debt	3.160.436	2.622.443
Fixed interest rate debt	46.774	165.602
Total	**3.207.210**	**2.788.045**
Average rate	**5,93%**	**6,33%**

Table 56

Rate	2019	2018
CPI indexed debt	1.197.093	979.505
DTF indexed debt	1.119.859	943.347
IBR indexed debt	345.427	495.809
TAB (Chile) indexed debt	146.904	203.710
LIBOR indexed debt	351.153	72
Total debt at variable interest rate	**3.160.436**	**2.622.443**
Debt at a fixed interest rate	46.774	165.602
Total debt	**3.207.210**	**2.788.045**
Average rate	**5,93%**	**6,33%**

Table 57

To provide an idea of the sensitivity of financial expenses to interest rates, an increase of +100bp has been supposed, a scenario in which the annual interest expense, of the Group, would increase by $31.821 (2018: $27.657).

Following is information on the main reference rates, at the close of the period:

Close Rate	2019	2018
CPI	3,80%	3,18%
IBR (3 Months)	4,13%	4,14%
DTF EA (3 Months)	4,48%	4,54%
DTF TA (3 Months)	4,36%	4,42%
TAB (3 Months)	2,28%	3,24%
LIBOR (3 Months)	1,91%	2,81%

Table 58

23.5. DERIVATIVES AND FINANCIAL HEDGING INSTRUMENTS

Grupo Nutresa, at certain times, resorts to borrowing in dollars, in order to secure more competitive interest rates, in the market, and uses derivatives to mitigate the risk of the exchange rate, in these operations. These derivatives are designated as accounting hedges, which implies that the fair value measurement of the derivative instrument is recognized as an adjustment, to the amortized cost of the financial obligation, designated as a hedged item. At December 31, 2019, hedged debt amounted to USD$11.341.542 (2018: USD$50.341.542).

In addition, Grupo Nutresa uses financial derivatives to manage and cover the cash flow positions against the

US Dollar, in the different geographies, where it operates. These derivatives are not designated as hedge accounting, and are measured at fair value, and are included in the Statement of Financial Position, under the category of "other current assets" and "other current liabilities", respectively.

The Group does not use derivative financial instruments for speculative purposes.

The following is a breakdown of the assets and liabilities from financial derivative instruments:

	2019		2018	
	Asset	Liability	Asset	Liability
Hedges	**718.662**		**698.080**	
Fair value of exchange rates on financial obligations	-	1.637	-	10.198
Fair value of exchange rates on suppliers	-	(368)	-	430
Fair value of types of exchange rates on cash flows	10.750	(11.140)	13.209	(3.940)
Total hedge derivatives	**10.750**	**(9.871)**	**13.209**	**6.688**
Non-designated derivatives	**718.662**		**698.080**	
Forwards and options on currencies	-	(50)	-	-
Forwards and options on interest rates	-	(44)	-	(780)
Forwards and options on commodities	5.888	(1.075)	3.045	(858)
Total non-designated derivatives	**5.888**	**(1.169)**	**3.045**	**(1.638)**
Total derivate financial instruments	**16.638**	**(11.040)**	**16.254**	**5.050**
Net value of financial derivatives		***5.598***		***21.304***

Table 59

The valuation of non-designated derivative financial instruments, generated a loss in the Income Statement, in the amount of $1.023 (2018: $798), registered as part of the exchange difference of financial assets and liabilities.

The valuation of derivatives, to cover cash flow positions, generated an adjustment in OCI, in the amount of $9.096 (2018: $7.960). See Note 31.

All non-designated derivatives are measured at fair value, on a monthly basis, according to the Black Scholes Model. These items are classified in Level 2 of the hierarchy of fair value, established in IFRS 13.

NOTE 24.
RIGHT-OF-USE LIABILITIES

The balances of right-of-use liabilities, are as follows (see accounting policy 3.3.8):

	2019
First-time adoption	**927.493**
New contracts(*)	52.815
Acquisition of subsidiaries	26.842
Disposals	(24.154)
Interests	61.511
Exchange translation impact	660
Exchange differences	(1.513)
Payments	(151.099)
Balance at December 31st, 2019	**892.555**
Current	147.242
Non-current	745.313

Table 60

*Includes updating of variable lease fees based on an index or a rate.

NOTE 25.
TRADE AND OTHER ACCOUNTS PAYABLE

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

	2019	2018
Suppliers	662.435	625.349
Cost and expenses payable	440.848	354.654
Purchase of shares to be paid	8.379	-
Dividends payable (Note 30.3)	79.565	73.598
Payroll deductions and contributions	44.064	41.517
Total	**1.235.291**	**1.095.118**
Current	1.235.133	1.094.960
Non-current	158	158

Table 61

NOTE 26.
EMPLOYEE BENEFITS

The balance of liabilities, due to employee benefits, is as follows:

	2019	2018
Short-term benefits	**108.917**	**102.443**
Post-Employment benefits	**127.862**	**123.850**
Defined benefit plans (Note 26.2)	39.057	36.464
Defined contribution plans	88.805	87.386
Other long-term benefits (Note 26.3)	**144.380**	**114.576**
Total liabilities for employee benefits	**381.159**	**340.869**
Current portion	191.864	165.833
Non-current portion	189.295	175.036

Table 62

26.1. APPLICABLE REGULATIONS

Colombia

Defined Contributions:

Severance: assistance equivalent to one month's salary for each year of service and proportionally per fraction of the year. The severance of all workers who entered into employment contracts after the effective date of Law 50 of 1990, and the former workers, who benefited this system, are deposited in a severance fund, and are accounted for as a defined contribution plan.

The Colombian Government allowed companies, subject to the approval of their employees, to transfer their severance assistance obligation to private pension funds. The layoffs of all workers who entered into labor contracts after Law 50 of 1990 and former workers who availed themselves of this system are accounted for as a defined contribution plan.

Contributions to pension funds: the pension system, grants the worker, the possibility of receiving a life annuity, at the end of the work cycle, so that fixed resources can be count on and which allow for economic stability in old age. The contribution to the pension fund is 16% of the employee's base contribution rate. This is divided into 12%, contributed by the employer, and 4% by the worker. Currently, Colombia has two modalities under which you can contribute for retirement: Individual Savings Solidarity System (RAIS) and Average Premium System (APS). The first is managed by private funds and the second by Colpensiones, a public entity.

Defined benefits:

Pensions: Grupo Nutresa have for the year 2019, with 222 beneficiaries (2018: 232) from the defined pension plan benefits, according to legal regulations (Former Model of Regime for defined pension payouts). The plan consists that it is legally established that the employee at retirement will receive a monthly amount from the pension, pension adjustments according to the legal norms, survivor' benefits, funeral assistance, and additional allowances, in June and December. These values depend on factors such as: employee's age, years of service, and salary. There are no current employees, who can access this benefit.

Retroactive Severance: According to Colombian labor laws, employees hired before the entry into force of Law 50 of 1990, are entitled to receive one month's salary, in effect for each year or services, and proportionally, a fraction of year or as aid of severance, for any reason the end of employment, including: retirement, disability, death, el al. The benefit is liquidated, at the time of retirement of an employee, based on the last salary earned. There may be distributions before the date of retirement, at the request of the worker, which are not compulsory distributable. Severance is retroactive settled for of 445 workers belonging to the labor force, before the Law 50 of 1990 (2018: 541 works).

Ecuador

Employer retirement: In accordance with provisions of the Labor Code, employees, who for twenty-five years or more and have provided their services on a continuous or interrupted basis, shall be entitled retirement by their employers, without prejudice to the corresponding retirement benefits, as members of the Ecuadorian Institute of Social Security - IESS. The calculation consists of the sum equivalent to 5% of the average annual remuneration received, for the last five years. This item is multiplied by the years of service, and the result is divided by the age coefficient, established in the Labor Code.

Termination bonus: is the written notice with which a worker informs the employer that his/her will is to terminate the employment contract. Payment of the benefit is mandatory, even in cases where the employment relationship ends by agreement between the parties, in accordance with Numeral 2 of Article 169 of the Labor Code. The employer will give the worker twenty-five percent of the equivalent to the last monthly remuneration, for each one of the years of service rendered.

Chile

Compensation: corresponds to the obligation established in contracts or collective labor agreements for compensation for years of service of workers. Employees will be entitled to one month of remuneration for each year worked.

26.2. PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

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

	Pensions		Retroactive severance		Other defined benefit plans		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Present value of obligations at January 1st	**19.138**	**24.917**	**14.507**	**16.005**	**53.741**	**92.428**	**87.386**	**133.350**
(+) Cost of services	227	180	413	481	6.709	5.015	**7.349**	**5.676**
(+) Interest expenses	1.113	1.416	858	949	6.243	5.748	**8.214**	**8.113**
(-) Plan performances	-	-	-	-	(5.971)	-	**(5.971)**	**-**
(+/-) Actuarial losses and/or gains	1.166	(143)	2.873	3.203	15.156	(1.573)	**19.195**	**1.487**
(-) Contributions to the fund	-	-	-	-	(12.882)	-	**(12.882)**	**-**
(+/-) Other movements	1	(4.889)	-	-	(356)	(399)	**(354)**	**(5.288)**
(-) Payments	(2.248)	(2.454)	(5.753)	(6.131)	(4.213)	(47.235)	**(12.214)**	**(55.820)**
(+/-) Difference in exchange rate	30	111	-	-	(1.948)	(243)	**(1.918)**	**(132)**
Present value of obligations at December 31st	**19.427**	**19.138**	**12.898**	**14.507**	**56.480**	**53.741**	**88.805**	**87.386**

Table 63

Actuarial gains and losses are recognized in the Income Statement.

The undiscounted estimated for payments for defined benefits, over the next five years, are as follows, for the Group:

Year of expiration	Without discount
2020	11.196
2021	8.411
2022	7.317
2023	8.737
2024	9.263
Following years	191.460
Total	**236.384**

Table 64

The estimated time for termination of benefits is 41 years. (2018: 42 years).

In accordance with the tax regulations applicable in Colombia, the pension liability is calculated using variables established by the regulator. The difference between the calculations of the pension liabilities, in accordance with the accounting and financial information standards accepted in Colombia, and the tax regulations is detailed below:

	IFRS Liability	Fiscal Liability
Calculated actuary pension liability	18.431	15.690
Discount rate	6,25%	4,80%
Salary adjustment rate	3,20%	3,91%

Table 65

Post-employment benefits in defined contribution plans

With regard to defined contribution plans, the Group fulfills its legal obligation, making contributions of a predetermined nature to a public or private entity. In these plans, the Group has no legal or implicit obligation to make additional contributions, in the event that the fund does not have sufficient assets to cover the benefits related to the services that the employees have rendered, in the current period and in the previous ones.

The Group recorded expenses, from employer contributions to defined contribution plans for pensions during the period, in the amount of $82.435 (2018: $78.904); and expenses for contributions to severance from Law 50, during the period, in the amount of $45.426 (2018: $42.954).

26.3. OTHER LONG-TERM BENEFITS

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

The seniority premiums are paid to the employee for every five years of service. The liability is recognized, gradually, as the employee provides the services that will make it a 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 the result of the period in which they arise.

The Company does not have specific assets intended to support long-term benefits. The long-term benefit liability 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 costs, past service costs, interest costs, actuarial gains and losses, as well as any liquidation or reduction of the plan, are recognized immediately in results.

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

	Seniority Premium		Other Long-term Benefits		Total	
	2019	2018	2019	2018	2019	2018
Present value of obligations at January 1st	**74.305**	**75.403**	**40.271**	**60.124**	**114.576**	**135.527**
(+) Cost of services	7.614	6.874	57.048	41.430	64.662	**48.304**
(+) Interest expense	5.189	5.503	2.062	2.371	7.251	**7.874**
(+/-) Actuarial gains or losses	4.617	(4.595)	(2.947)	(10.433)	1.670	**(15.028)**
(+/-) Others	(1)	-	-	(5)	(1)	**(5)**
(-) Payments	(8.373)	(8.940)	(34.867)	(53.672)	(43.240)	**(62.612)**
(+/-) Exchange rate differences	22	60	(560)	456	(538)	**516**
Present value of obligation at December 31st	**83.373**	**74.305**	**61.007**	**40.271**	**144.380**	**114.576**

Table 66

26.4. EXPENSES FOR EMPLOYEE BENEFITS

The amounts recognized, as expenses for employee benefits, were:

	2019	2018
Short-term benefits	**1.448.674**	**1.354.279**
Post-employment benefits	**135.210**	**127.534**
Defined contribution plans	127.861	121.858
Defined benefit plans	7.349	5.676
Other long-term employee benefits	**60.551**	**34.792**
Termination benefits	**26.474**	**17.744**
Total	**1.670.909**	**1.534.349**

Table 67

26.5. ACTUARIAL ASSUMPTIONS

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

	2019	2018
Discount rates	4,8– 10,5%	2,5 – 11%
Salary increase rates	1,5% - 6,3%	2,3% - 6,3%
Employee turn-over rates	1% -24%	1% -23%

Table 68

The discount rate is estimated with the assumptions of the performance of the sovereign debt bonds of the commitment 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; this hypothesis is based on the fact that the Colombian market does not have sufficient liquidity and depth, in high quality corporate bonds.

The table used is the mortality rate, by sex. This table is issued by the Financial Superintendence, through Resolution 1555 of 2010 for Colombia. Ecuador uses the TM IESS 2002 and the Dominican Republic uses the GAM-83 table.

The salary increase rates were determined based on historical performance, the projections of the inflation, and consumer price indexes, in each of the countries that the Group operates.

The turnover rate of employees is estimated, based on market studies and historical data of each of the companies. For example, the table 2003 SOA Pension Plan Turnover Study is used in Colombia and Panama.

26.6 SENSITIVITY ANALYSIS

A quantitative analysis of sensitivity to a change in a significant key assumption, as of December 31st, 2018, would generate the following impact on the obligation for defined benefits, as well as, long-term:

	Pensions	Retroactive Severance	Seniority Premiums	Retirement Bonus
Discount rate + 1%	(1.301)	(530)	(5.905)	(10.056)
Discount rate -1%	1.343	573	6.730	7.848
Salary increase rate + 1%	1.462	1.844	6.732	8.600
Salary increase rate -1%	(1.451)	(1.750)	(6.003)	(9.862)

Table 69

The methods and assumptions used to prepare sensitivity analyzes of the present value of the obligations did not change compared to the method of the Projected Credit Unit (PUC), used the previous year.

NOTE 27.
PROVISIONS

At December 31st, current provisions are as follows:

	2019	2018
Restauration and dismantling - First-time adoption (*)	13.645	-
Restauration and dismantling - New contracts	(407)	-
Restauration and dismantling	**13.238**	**-**
Legal contingencies	1.731	1.895
Bonuses and incentives	217	2.223
Total	**15.186**	**4.118**
Current	1.948	4.118
Non-current	13.238	-

Table 70

(*) Corresponds to the provision originated by the adoption of IFRS 16.

Legal contingencies: Provisions for legal proceedings are recognized to cover probable estimated losses against Grupo Nutresa for labor, civil, administrative, and regulatory disputes, which are calculated on the basis of the best estimate of the disbursement required, to cancel the obligation at the reporting date of preparation of the Financial Statements. Taking into account that the reports of the Legal Counsel, the Management considers said litigations will not significantly impact the financial condition or solvency of the Group, inclusive, in the event of an adverse outcome of any litigation. There are no such relevant judicial proceedings that should be disclosed in the Financial Statements, at December 31st of 2019 and 2018.

Bonuses and incentives: corresponds to the recognition plans for the management and innovation of employees and the sales force.

Contingent assets and liabilities

No contingent assets and liabilities are identified that are quantitatively or qualitatively material, and should be disclosed in the Financial Statements to December 31st of 2019 and 2018.

NOTE 28.
OTHER LIABILITIES

	2019	2018
Derivative financial instruments (Note 20.6)	12.309	5.578
Pre-payments and advances received	9.986	13.784
Liabilities from customer loyalty programs (*)	6.710	5.495
Return of goods	-	1.300
Other	1.394	1.055
Total other liabilities	**30.399**	**27.212**
Current	29.912	26.676
Non-current	487	536

Table 71

(*) Corresponds to liabilities, from contracts with clients. During 2019, there were no significant variations with respect to 2018.

NOTE 29.
LEASES

29.1. GRUPO NUTRESA AS LESSEE

The Group has recognized as leases those contracts that do not meet the conditions for recognition as rights of use in accordance with IFRS 16. The lease expense during 2019 is composed as follows:

	Low-value leases	Short-term leases	Variable fee leases	Total
Buildings	1.928	12.809	8.017	**22.754**
Computer equipment	18.075	1.984	1	**20.060**
Office equipment	315	134	27	**476**
Transportation equipment	348	1.753	543	**2.644**
Machinery and production equipment	3.518	2.921	67	**6.506**
Others	1.554	6.526	-	**8.080**
Total lease expense	**25.738**	**26.127**	**8.655**	**60.520**

Table 72

29.2. GRUPO NUTRESA AS LESSOR

Grupo Nutresa has properties under operating leases, (primarily buildings) with a book value of $11.548 (2018: 10.438), upon which income of $3.624 (2018: $2.576), with a duration period between 1 to 10 years.

NOTE 30. EQUITY

30.1. SUBSCRIBED AND PAID SHARES

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 shares, fully paid and subscribed shares. There were no changes to the make-up of the capital, during neither 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 shares of the company are listed on the Stock Exchange of Colombia to December 31, 2019, and its value was $25.400, per share (2018: $23.500).

At December 31, 2019, the common shares are held by 11.037 Shareholders (2018: 11.288 Shareholders). The Corporate Structure, of the Grupo Nutresa, at December 31, 2019 and 2018, is as follows:

Group of Investors	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%	80.729.691	17,5%
International Funds	37.045.213	8,1%	37.788.090	8,2%
Other investors	124.790.488	27,1%	134.003.067	29,2%
Total outstanding shares	**460.123.458**	**100,0%**	**460.123.458**	**100,0%**

Table 73

30.2. 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	81.149	80.332
Non-distributable occasional reserves	1.558.597	1.558.597
Other reserves	2.180.597	1.924.690
Total Reserves	**3.820.343**	**3.563.619**
Retained earnings	(17.941)	(10.792)
Total	**3.802.402**	**3.552.827**

Table 74

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-distributable reserves: corresponds to the voluntary reserve approved by the Shareholders in a meeting on March 18, 2016, about the retained earnings, generated in the process of First-time adoption of IFRS.

Other reserves: corresponds to voluntary reserves, substantially unrestricted by the Shareholders.

Retained earnings: in 2019 corresponds to the effect of the liquidation of Sociedad Colectiva Civil Inmobiliaria and Rentas Tresmontes Lucchetti -$6,283, effect of the acquisition of Atlantic FS S. A. S. -$3,385, and Procesos V.A. S. $70, effect of the merger and liquidation of Inmobiliaria Tresmontes Lucchetti S. A. $575, liquidation of Comercializadora TMLUC S. A. de C. V. In 2018, corresponds mainly to the impact of First-time adoption of IFRS 9 Financial instruments, in the amount of -$5,217, and for the liquidation impact of TMLUC Peru in the amount of -$2,488.

30.3 DISTRIBUTION OF DIVIDENDS

The ordinary Shareholders of Grupo Nutresa S.A., at the meeting, held on March 26, 2019, declared ordinary share dividends of $51(*) per-share and per-month, equivalent to $612(*) annually per share (2018: $566.40(*) annually per share), over 460.123.458 outstanding shares, during the months from April 2019 to March 2020, inclusive, for a total of $281.596 (2018: $260.614). In addition, dividends were issued to non-controlling interest in the amount of $4.031 (2018: $2.025). See Note 30.4.

This dividend was declared by taking untaxed earnings, before 2018, in the amount of $281.596, and from profit in 2017, in the amount of $196.396.

This dividend was declared by taking from 2018 non-taxed profits in the amount of $281,596, equally 2018 was taken from profits generated before 2017 $64,218 and from 2017 profits $196,396.

During 2019, dividends were paid in the amount of $279.660 (2018: $247.668), which include dividends paid to non-controlling interest owners, in the amount of $4.031 (2018: $2.025).

At December 31, 2019, accounts payable pending, are in the amount of $79.565 (2018: $73.598).

(*) In Colombian Pesos.

30.4. NON-CONTROLLING INTEREST

Participation of non-controlling interest at December 31st of 2019 and 2018 is as follows:

Subsidiary	Country of Origin	% Non-controlling interest		2019		2018	
		2019	2018	Non-controlling Interest in Equity	Gains or (Losses) Attributable to Non-controlling Interest	Non-controlling Interest in Equity	Gains or (Losses) Attributable to Non-controlling Interest
Novaceites S. A.	Chile	50,00%	50,00%	28.645	2.007	30.328	1.636
La Recetta Soluciones Gastronómicas Integradas S. A. S.	Colombia	30,00%	30,00%	414	(52)	466	(67)
Setas Colombianas S. A.	Colombia	0,50%	0,50%	250	35	272	34
Helados Bon S. A.	Dominican Republic	18,82%	18,82%	7.606	3.286	7.031	1.766
Fondo de Capital Privado "Cacao para el Futuro" – Level A	Colombia	16,59%	16,59%	4.971	101	4.870	83
Schadel Ltda. Schalin del Vecchio Ltda.	Colombia	0,12%	0,12%	11	1	11	1
Productos Naturela S. A. S		40,00%	40%	1.463	182	1.310	(5)
Atlantic FS S. A. S.	Colombia	49,00%	-	13.554	1.493	-	-
Total				**56.914**	**7.053**	**44.288**	**3.448**

Table 75

During 2019, Setas Colombianas S.A. distributed dividends in the amount of $11.338 (2018: $3.136), of which $57 was paid to non-controlling interests (2018: $16). Helados Bon S.A. distributed dividends in the amount of $12.338 (2018: $10.674), of which $2.322, were paid to the non-controlling interest (2018: $2.009), Novaceites distributed dividends of $3,304, of which $1,652 were paid to non-controlling interests and Shadel Ltda Shalin del Vecchio Ltda. distributed dividends in the amount of $487 (2018: $148), of which $1 were paid to the non-controlling interest.

NOTE 31.
OTHER COMPREHENSIVE INCOME

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

	Actuarial Results (31.1)	Financial Instruments (31.2)	Associates and Joint Ventures (31.3)	Reserves for Translations (31.4)	Cash flow hedges	Total Accumulated Other Comprehensive Income	Non-controlling Interest	Total OCI Attributed to Controlling Interest
Balance at January 1st, 2019	**(23.325)**	**3.026.599**	**6.546**	**672.379**	**6.385**	**3.688.584**	**(5.409)**	**3.683.175**
Losses/gains from new measurements	(19.195)	186.697	746	-	(9.096)	**159.152**	-	**159.152**
Impact from translation for the period	-	-	-	(56.199)	-	**(56.199)**	-	**(56.199)**
Associated deferred tax	6.574	2	(224)	-	1.875	**8.227**	-	**8.227**
Reclassifications	-	-	-	(26.748)	-	**(26.748)**	-	**(26.748)**
Participation of non-controlling in OCI for the period	-	(5)	-	-	-	**(5)**	2.425	**2.420**
Balance at December 31st, 2019	**(35.946)**	**3.213.293**	**7.068**	**589.432**	**(836)**	**3.773.011**	**(2.984)**	**3.770.027**

	Actuarial Results (31.1)	Financial Instruments (31.2)	Associates and Joint Ventures (31.3)	Reserves for Translations (31.4)	Cash flow hedges	Total Accumulated Other Comprehensive Income	Non-controlling Interest	Total OCI Attributed to Controlling Interest
Balance at January 1st, 2018	**(19.964)**	**3.897.904**	**6.679**	**663.598**	**-**	**4.548.217**	**(6.363)**	**4.541.854**
Losses/gains from new measurements	(1.487)	(871.316)	1.301	-	7.960	**(863.542)**	-	**(863.542)**
Impact from translation for the period	-	-	-	8.781	-	**8.781**	-	**8.781**
Associated income tax	(1.874)	11	(1.434)	-	(1.575)	**(4.872)**	-	**(4.872)**
Participation of non-controlling in OCI for the period	-	-	-	-	-	**-**	954	**954**
Balance at December 31st, 2018	**(23.325)**	**3.026.599**	**6.546**	**672.379**	**6.385**	**3.688.584**	**(5.409)**	**3.683.175**

Table 76

31.1. ACTUARIAL GAINS (LOSSES) ON THE 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, mainly due to pensions, retroactive severance, and other retirement benefits in Colombia and Chile. The net value of the new measurements is transferred to retained earnings and not reclassified to the Income Statement.

See Note 26.1, for detailed information about the post-employment defined benefit plans, that result in these actuarial gains and losses.

31.2. FINANCIAL INSTRUMENTS - EQUITY INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

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

See Note 15 for detailed information on these investments.

31.3. ASSOCIATES AND JOINT VENTURES - INTEREST IN OTHER ACCUMULATED COMPREHENSIVE INCOME

The component of other comprehensive income of investments in associates and joint ventures represents the accumulated value of gains or losses from participation in other comprehensive income of the investee. These retained earnings will be transferred to profit and loss in the cases dictated by the accounting standards.

See note 15, for detailed information on investments in associates and joint ventures.

31.4. RESERVES FOR TRANSLATION OF FOREIGN OPERATIONS

Grupo Nutresa's Consolidated Financial Statements include foreign subsidiaries, located mainly in Chile, Costa Rica, the United States, Mexico, Peru, Panama, and other Latin American countries that represent 30,30% to 30,41% of total consolidated assets in December 2019 and 2018, respectively; the Financial Statements of these subsidiaries are translated into Colombian pesos, in accordance with the accounting policies of Grupo Nutresa.

The impact of exchange rates on the translation of assets, liabilities, and results of foreign subsidiaries in other comprehensive income is as follows:

		2019	2018
Chile	CLP	(117.783)	**(65.821)**
Costa Rica	CRC	40.253	**8.552**
United States	USD	317	**22.155**
Mexico	MXN	13.167	**20.231**
Peru	PEN	7.783	**10.787**
Panama	PAB	855	**7.514**
Others		(791)	**5.363**
Impact of exchange translation for the period		**(56.199)**	**8.781**
Equity reclassifications		(26.748)	**-**
Reserves for exchange translation at the opening balance		672.379	**663.598**
Reserves for exchange translation at the closing balance		**589.432**	**672.379**

Table 77

The translation of Financial Statements in the preparation of the Consolidated Financial Statements does not generate a tax impact.

The accumulated translation differences are reclassified to current earnings, partially or totally, when the operation is available abroad.

See Note 3.3.2 for information on the main exchange rates used in the translation of the Financial Statements of foreign companies.

NOTE 32.
EXPENDITURE BY NATURE

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

	2019	2018
Inventory consumption and other costs	4.057.615	3.548.118
Employee benefits (Note 26.4)	1.670.909	1.534.349
Other services (1)	879.586	745.846
Other expenses (2)	540.197	508.523
Transport services	381.463	336.391
Depreciation and amortization (4)	274.951	276.472
Manufacturing services	210.726	196.627
Seasonal services	181.229	209.861
Energy and gas	164.672	148.255
Advertising material	132.600	120.552
Maintenance	119.671	116.494
Right-of-use depreciations (4)	118.523	-
Fees	94.903	77.020
Taxes other than income tax	77.720	79.343
Leases (Note 29) (3)	60.520	223.598
Insurance	41.094	35.604
Impairment of assets	19.017	16.259
Total	**9.025.396**	**8.173.312**

Table 78

(1) Other services include: marketing, cleaning and surveillance, shelving and displays, food, public services, commercial plan of action, software, and storage.
(2) Other expenses include: spare parts, travel expenses, containers and packaging, fuels and lubricants, contributions and affiliations, commissions, taxis and buses, building supplies, stationery and office supplies, cleaning and laboratory supplies, legal expenses and licenses and prizes.
(3) This expense includes, in 2019, a lease that does not meet the criteria, established in IFRS 16, for recognition as a right-of-use asset, such as a short-term leases and smaller amounts.
(4) Expenses for depreciation and amortization, impacted profit and loss, for the period, is as follows:

	2019	2018
Cost of sales	167.298	158.632
Sales expenses	198.274	101.424
Administration expenses	24.271	13.824
Production expenses	3.631	2.592
Total	**393.474**	**276.472**

Table 79

NOTE 33.
OTHER OPERATING INCOME (EXPENSES), NET

The following is a breakdown of other operating income (expenses), net:

	2019	2018
Indemnities and recuperations (1)	8.693	12.853
Disposal and removal of property, plant and equipment and intangibles(2)	3.345	14.477
Other income and expenses	1.630	867
Government grants	1.015	964
Disposal and removal of right-of-use assets	587	-
Fines, penalties, litigation, and legal processes	(1.842)	(2.360)
Donations	(10.923)	(15.999)
Total	**2.505**	**10.802**

Table 80

(1) For 2019 and 2018, correspond mainly to other recoveries of bad debts and indemnities.
(2) In 2019, corresponds mainly to income generated from the sale of real estate, in the amount of $5.571, withdrawals of machine and equipment in the amount of $1.344, and transportation equipment, in the amount of $117. In 2018, Corresponds mainly to income generated from the sale of real estate, in the amount of $9.931, machinery and equipment, in the amount of $2.704, withdrawals of machine and equipment in the amount of $1.256, and removal of transportation equipment, in the amount of $271.

NOTE 34.
EXCHANGE RATE VARIATION IMPACT

The differences in exchange rates of assets and liabilities, recognized in profit and loss, are as follows:

	2019	2018
Realized	17.795	(3.606)
Unrealized	5.866	(654)
Operating exchange differences	**23.661**	**(4.260)**
Non-operating exchange differences	**(4.460)**	**23.113**
Total income (expenses) from exchange differences	**19.201**	**18.853**

Table 81

The difference in operating exchange rate is distributed among customers $3,453 (2018: $7,350), suppliers $4,145 (2018: -$14,076), raw materials $1,134 (2018: $2,466) and cash flow hedges of $14,929.

Note 23.6 discloses information related to hedging transactions that have an impact on profits/losses, due to exchange differences.

NOTE 35.
FINANCIAL INCOME AND EXPENSES

35.1. FINANCIAL INCOME

The financial income recognized in the Income Statement, are as follows:

	2019	2018
Interest	17.207	11.030
Valuation of other financial instruments (*)	4.008	3.367
Others	1.079	1.060
Total	**22.294**	**15.457**

Table 82

(*) Income from the assessment of other financial instruments corresponds to the valuation of the rights held by the private equity "Cacao para el Futuro". See Note 39 for information on the methodology and variables used in the valuation.

35.2. FINANCIAL EXPENSES

The financial expenses recognized in the Income Statement, are as follows:

	2019	2018
Loans interest	162.534	169.955
Bonds interest	19.261	28.211
Interest from financial leases	230	250
Total interest expenses	**182.025**	**198.416**
Employee benefits	21.246	14.471
Right-of-use financial expenses	61.511	-
Other financial expenses	37.521	34.417
Total financial expenses	**302.303**	**247.304**

Table 83

The decrease, in interest expensed, reflects the decrease in reference rates during the year, thus decreasing the average cost of the debt and allowing the attainment of loans, with lower associated rates. See Note 23.5.

NOTE 36.
DISCONTINUED OPERATIONS

2019: The business Alimentos al Consumidor, once the evaluation of the same, is realized, determined that the focus of the operation in the owned-brands, and it the operations with the Krispy Kreme and Taco Bell franchises, were terminated, in the subsidiaries IRCC Ltda. S.A.S - Industria de Restaurantes Casuales S.A.S., and Tabelco S.A.S., respectively, as of December 1st. At the end of the fiscal year, the settlement of Tabelco S.A.S., has not been defined.

Alimentos Cárnicos S. A. S. in its strategy for the consolidation of the highest standards of productivity and efficiency, moved its operations and the productive assets of the Barranquilla plant to those located in Bogotá and Caloto and defined not to continue with the concessions for the assisted sale of fresh meat in large chains. Additionally, expenses generated in the closing of the franchise Krispy Kreme and Taco Bell, in the subsidiaries IRCC S. A. S. and Tabelco S. A. S. respectively. Finally, machinery and equipment discontinued with the closing of the Marrieta plant at Abimar Foods Inc.

2018: The management of Abimar Foods Inc., made the decision to close the Marietta Plant after analyzing the operation's progress and future perspectives. The closing was realized within the first four months of the year, involving expenses, mainly due to the dismissal of personnel.

The following, is a breakdown of the principal income and expenses, incurred in this project.

	2019	2018
Income	487	1.540
Costs	(288)	(1.343)
Expenses	(16.648)	(7.077)
Operational losses	**(16.449)**	**(6.880)**
Costs	-	5
Financial expenses	(3)	(65)
Loss before taxes	**(16.452)**	**(6.940)**
Deferred tax	-	805
Net loss	**(16.452)**	**(6.135)**

Table 84

NOTE 37.
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 instruments of the Parent	506.388	505.308
Outstanding shares	460.123.458	460.123.458
Earnings per share attributable to controlling interest(*)	**1.100,55**	**1.098,20**

Table 85

(*) In Colombian Pesos.

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

In accordance with the current corporate regulations in Colombia, applicable to the Parent Company of Grupo Nutresa, the distribution and payment of dividends to the Shareholders of the Parent Company is not realized in Consolidated Financial Statements, but on the Separate Financial Statements of Grupo Nutresa S. A. The following represents the net income and earnings per share of Grupo Nutresa S. A., presented in its Financial Statements for the annual period ended December 31, 2019 and 2018.

	2019	2018
Net profit	513.898	510.161
Earnings per share	1.116,87	1.108,75

Table 86

NOTE 38.
FINANCIAL RISKS: OBJECTIVE AND POLICIES

The activities of the Parent Company and its subsidiaries are exposed to various financial risks: market risk (including foreign exchange risk, interest rate risk and commodities price risk), counterparty credit risk, and liquidity risk. The Risk Management Policy of the Company is focused on the risks that impede or jeopardize the achievement of its financial objectives seeking to minimize potential adverse effects on financial profitability.

The Company uses financial derivatives to hedge some of the risks described above likewise has a risk committee that defines and controls the policies relating to market risks (raw material prices, exchange rate, interest rate), and counterparty credit.

38.1. EXCHANGE RATE RISK

The Company operates internationally and therefore is exposed to the risk of exchange rate operations with foreign currencies, especially the U.S. dollar. The exchange rate risk arises mainly from commercial operations and liabilities, where in some cases, derivatives are used to mitigate it. The existing basic standards allow free negotiation of foreign currency through banks and other financial institutions at freely determined exchange rates. However, most foreign currency transactions still require official approval.

The impact of the translation of the Financial Statements of subsidiaries, whose functional currency is different from the Colombian peso, is presented in Note 31.4. The Company and its subsidiaries held the following assets and liabilities in foreign currencies accounted for the equivalent in Colombian pesos to December 31st.

	2019		2018	
Currency	**USD**	**COP**	**USD**	**COP**
Current assets	401.123.253	1.314.537	351.848.572	1.143.420
Non-current assets	1.045.201.557	3.425.272	913.812.276	2.969.661
Total assets	**1.446.324.810**	**4.739.809**	**1.265.660.848**	**4.113.081**
Current liabilities	(158.559.216)	(519.621)	(146.225.218)	(475.195)
Non-current liabilities	(248.917.904)	(815.739)	(103.367.486)	(335.918)
Total liabilities	**(407.477.120)**	**(1.335.360)**	**(249.592.704)**	**(811.113)**
Net assets	**1.038.847.690**	**3.404.449**	**1.016.068.144**	**3.301.968**

Table 87

The Group also maintains obligations in foreign currencies which are exposed to exchange rate risks (the balances of financial obligations in other currencies are detailed in Note 23.4).

To evaluate the sensitivity of balances of financial obligations related to exchange rates, all of the obligations, to December 31, 2019, in currencies other than the Colombian pesos and that do not have cash flow hedges, are evaluated. A 10% increase in exchange rates, in reference to the dollars (COP/USD), generates an increase of $408 over the book value.

38.2. INTEREST RATE RISK

Changes in interest rates affect the interest expense on financial liabilities tied to a variable interest rate; like they can modify the fair value of financial liabilities that have a fixed interest rate. For the Company, the interest rate risk comes mainly from debt operations, including debt securities, bank lending, and leasing. These financings are exposed to the risk of interest rate, mainly due to changes in base rates (mostly IPC - IBR - DTF - TAB [Chile] and to a lesser extent, LIBOR - TIIE [Mexico]) that are used to determine the applicable interest rates on bonds and loans. The Group uses derivative financial instruments to cover part of the debt service. Information on the structure of financial risk tied to fixed interest rate and variable interest rate, and the corresponding hedging transactions are detailed in Note 23.5.

To provide an idea of the sensitivity of financial expenditure to interest rates, an assumption of a variation of + 100bp, has been made in the reference market interest rates, while maintaining the rest of the variables constant; in this scenario, the financial expense of the Group, and in turn, net income, would change by $31.821, by the end of 2019, other components of net equity would not have been impacted.

38.3. RISK OF SUPPLY PRICES

The Company is exposed to the price risk of the goods and services that it acquires for the development of its operations, for which it negotiates purchase contracts, to ensure a continued supply and in some cases, at fixed prices. It also uses derivative financial instruments on commodities to cover this risk.

Among the main raw materials, which are at risk of fluctuation in prices, is coffee, which accounts for 11,2% of the total production cost, wheat which is 5,8%, beef and pork which are 10,0%, and cocoa which is 5,2%.

The Company has equity instruments (shares), in the amount of $3.495.251 (2018: $3.320.434), that are exposed to the risk of fluctuations in prices, and which are classified in the Statement of Financial Position, as financial assets at fair value, through the other comprehensive income.

38.4. COUNTERPARTY CREDIT RISK

Liquid assets are invested mainly in savings accounts, collective portfolios, and short-term fixed-income instruments, which comply with the Company's risk policy, both by amount and by issuer. Additionally, the Company evaluates the counterparty credit risk to the financial entities with which it has a relationship. As of December 31, 2019, the Group holds $497.947 (2018: $347.520) in cash and investments classified as cash equivalents, in entities of the financial sector with AAA risk rating. None of these investments present a delay in the payment of cash flows, nor have they been subject to impairment.

With regard to the credit risk in sales to third parties, the Company carries out procedures for the evaluation of customers, which include the allocation of credit quotas and the credit assessment of the third party, among others. Note 10 discloses information on impairment losses and portfolio maturity.

38.5. LIQUIDITY RISK

The Group are able to finance their liquidity requirements and capital resources, through various sources, including:

- Cash generated from operations
- Lines of short and long-term credits
- Debt emissions for medium and long-term
- Issuance of treasury shares

The Administration supervises the Company's liquidity projections, based on the expected cash flows. The Group's liquidity management contemplates, among others: i) the projections of the cash flows and assessment of the level of liquid assets necessary to comply with these projections; ii) the monitoring of the composition of working capital in the statement of financial position; and iii) the maintenance of debt financing plans.

The following table presents the summary of free cash flow:

	2019	2018
EBITDA	**1.196.130**	**1.126.422**
+ (–) items that do not generate cash movement	(2.325)	(11.391)
Investment in working capital	(113.520)	(159.164)
CAPEX (*)	(280.837)	(227.541)
Discontinued operations	(8.776)	(1.087)
Cash tax coverage	(199.044)	(112.855)
Operating cash flows	**591.628**	**614.384**

Table 88

(*) Investments in CAPEX are presented as net and include: purchases of property, plant and equipment, amounts from the sale of productive assets, and the acquisition of intangibles and other productive assets.

NOTE 39.
FAIR VALUE MEASUREMENT

The following table shows the fair value hierarchy measurement of assets and liabilities of the Group:

2019

Type of asset	Hierarchy of Fair Value Measurement			Fair value of assets
	Level 1	Level 2	Level 3	
Assets whose fair value is revealed in the Notes of the Financial Statements	**-**	**87.520**	**-**	**87.520**
Investment properties (Note 19)	-	87.520	-	87.520
Assets/Liabilities measured at fair value	**3.495.251**	**155.276**	**16.517**	**3.667.044**
*** Recurrent**	**3.495.251**	**155.276**	**-**	**3.650.527**
Investments in quoted shares (Note 16)	3.495.251	-	-	3.495.251
Other financial instruments (Note 13)	-	62.132	-	62.132
Financial derivatives, net (Note 23.6)	-	5.598	-	5.598
Biological assets (Note 12)	-	87.546	-	87.546
***Non-recurrent**	**-**	**-**	**16.517**	**16.517**
Investments in non-quoted shares (Note 16)	-	-	16.517	16.517
Total	**3.495.251**	**242.796**	**16.517**	**3.754.564**

2018

Type of asset	Hierarchy of Fair Value Measurement			Fair value of assets
	Level 1	Level 2	Level 3	
Assets whose fair value is revealed in the Notes of the Financial Statements	**-**	**87.520**	**-**	**87.520**
Investment properties (Note 19)	-	87.520	-	87.520
Assets/Liabilities measured at fair value	**3.320.434**	**162.203**	**2.260**	**3.484.897**
*** Recurrent**	**3.320.434**	**162.203**	**-**	**3.482.637**
Investments in quoted shares (Note 16)	3.320.434	-	-	3.320.434
Other financial instruments (Note 13)	-	54.039	-	54.039
Financial derivatives, net (Note 23.6)	-	21.304	-	21.304
Biological assets (Note 12)	-	86.860	-	86.860
***Non-recurrent**	**-**	**-**	**2.260**	**2.260**
Investments in non-quoted shares (Note 16)	-	-	2.260	2.260
Total	**3.320.434**	**249.723**	**2.260**	**3.572.417**

Table 89

Investments in listed shares. 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 $871.316), 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 90

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.

Other financial instruments. Corresponds to the rights held for "Fondo de Capital Privado – Cacao para el futuro", valued according to the regulations of the fund, using the methodology approved by the Financial Superintendence of Colombia. The valuation uses variables like the price of cocoa at $6/ton (2018: $6/ton), an average productivity of 1.800 – 1.900 tons per hectare, cost of the debt of 9,72% (2018: 9,84%), and an expected redemption term of 25 years.

The Fund uses an expected forecast model of project flows at 35 years, which corresponds to the expected useful life of a cocoa crop. This Projection Model takes into account all the variables that will affect the expected flows of cocoa crops. Among those are:

- Productivity and market prices of cocoa, plantains, other temporary and timber crops.
- Costs of establishment, maintenance, collection and commercialization of cocoa, banana and timber.
- Costs associated with technical assistance, land use, commissions, and other expenses admissible to the Fund, in accordance with this regulation.
- Working capital necessary for the operation.

The result of the valuation generated financial income of $4.001 (2018: $3.368).

Financial derivatives. All financial derivatives are measured at fair value, on a monthly basis, according to the Black Scholes Model. These items are classified in Level 2, of the fair value hierarchy.

The primary variables, using the valuation methodology, are the following:

- Spot exchange rate.
- Future exchange rate agreed upon.
- Expiration date.
- Risk-free rate in COP and USD.
- Volatilities of the exchange rate.

The valuation of non-designated derivative financial instruments generated a loss in the Income Statement of $1.023 (2018: $798), recorded as part of the exchange difference of non-financial assets and liabilities.

Biological assets. Corresponds to the inventory of pigs and cattle in Colombia, which are measured at fair value, using as a reference the market value published by the National Association of Pig Farmers and livestock auctions at fairs, in each location. At December 31, 2019, the price per average kilo of the pig livestock used in the valuation was $5.894(*) (2018: $5.248(*)); for cattle a price per average kilo of $4.243(*) (2018: $4.098(*)) was used.

The gain for the period, due to changes in fair value, less the cost of sale of biological assets in 2019, was $4.834(*) (2018: $3.882(*)), and is included in the Income Statement, as operating income.

(*) In Colombian Pesos.

Investments in unquoted shares. These investments correspond primarily to the investments that Grupo Nutresa had until 2017 in Venezuela, in Industrias Alimenticias Hermo de Venezuela S.A. and Cordialsa Noel Venezuela S.A.

NOTE 40.
DISCLOSURE OF RELATED PARTIES

The following table shows related parties' transactions, at the year-end:

2019

Company	Receivables Balance(*)	Payables Balance	Purchases of goods and services	Sales of goods and services	Dividends income	Dividends paid	Interests income	Interests expenses
Associates and joint ventures								
Bimbo de Colombia S.A.	3.043	4.142	7.700	53.342	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd	128	923	6.291	25	643	-	-	-
Oriental Coffee Alliance (OCA)	-	1	109	-	-	-	-	-
Estrella Andina S.A.S.	14	-	-	7	-	-	-	-
Entities with significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	18.588	15.299	77.480	32.015	33.562	97.181	-	-
Other related parties								
Grupo Bancolombia	902	1.244.712	52.397	3.921	-	-	110	73.522
Grupo Argos	7.051	-	3	285	27.932	27.173	-	-
Fundación Nutresa	15	460	5.386	-	-	-	-	-
Corporación Vidarium	352	-	3.057	-	-	-	-	-
Alpina Productos Alimenticios S.A.	1.827	20.047	28.121	3.913	-	-	-	-
Members, Board of Directors	-	89	1.029	-	-	-	-	-

2018

Company	Receivables Balance (*)	Payables Balance	Purchases of goods and services	Sales of goods and services	Dividends income	Dividends paid	Interests income	Interests expenses
Associates and joint ventures								
Bimbo de Colombia S.A.	4.498	9.933	7.853	45.453	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd	1.014	52	988	18	-	-	-	-
Oriental Coffee Alliance (OCA)	-	16	111	2	-	-	-	-
Entities with significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	15.132	12.341	70.499	38.374	31.026	90.337	-	-
Other related parties								
Grupo Bancolombia	609	1.275.363	62.380	3.019	-	-	226	71.878
Grupo Argos	6.674	-	-	696	26.176	25.260	-	-
Fundación Nutresa	-	290	7.566	-	-	-	-	-
Corporación Vidarium	418	-	4.088	-	-	-	-	-
Alpina Productos Alimenticios S.A.	1.548	17.732	23.654	1.785	-	-	-	-
Members, Board of Directors	-	13	909	-	-	-	-	-

Table 91

(*) Includes accounts receivable from related parties of $16.548 (2018: $15.395) and accounts receivable for dividends from financial instruments, in the amount of $15.373 (2018: $14.498).

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 $125.451 (2018: $99.600) for 145 (2018: 119) key personnel were realized.

NOTE 41.
EVENTS AFTER THE REPORTING PERIOD

These Consolidated Financial Statements were authorized for issuance, by the Board of Grupo Nutresa, on February 21, 2020. There are no significant events after the closing of the Financial Statements, and up until the date of its approval, that might significantly impact Grupo Nutresa's Financial Position, reflected in these Consolidated Financial Statements at closing, December 31, 2019.