Grupo Nutresa S. A.

Condensed Separate Interim Financial Statements as of June 30th, 2021 and 2020 (Unaudited information)

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Separate Statement of Financial Position

As of June 30th, 2021 and December 31st, 2020 (values expressed in millions of Colombian Pesos)
(Unaudited information)

	Notes	June 2021	December 2020
ASSETS			
Current assets			
Cash and cash equivalents		$ 67	$ 319
Trade and other receivables		32.851	21.166
Other current assets		1.923	169
Total current assets		**$ 34.841**	**$ 21.654**
Non-current assets			
Trade and other receivables		610	568
Investments in subsidiaries	5	6.048.210	5.593.927
Investments in associated	6	162.749	148.715
Other financial non-current assets	7	1.953.936	2.653.942
Right-of-use assets		100	13
Other non-current assets		37	4
Total non-current assets		**$ 8.165.642**	**$ 8.397.169**
TOTAL ASSETS		**$ 8.200.483**	**$ 8.418.823**
LIABILITIES			
Current liabilities			
Trade and other payables	8	252.611	85.969
Tax charges		2.519	1.156
Employee benefits liabilities		1.773	2.712
Right-of-use liabilities		7	13
Total current liabilities		**$ 256.910**	**$ 89.850**
Non-current liabilities			
Employee benefits liabilities		2.257	1.072
Deferred tax liabilities		5.660	5.102
Right-of-use liabilities		93	-
Total non-current liabilities		**$ 8.010**	**$ 6.174**
TOTAL LIABILITIES		**$ 264.920**	**$ 96.024**
SHAREHOLDER EQUITY			
Share capital issued		2.301	2.301
Paid-in-capital		546.832	546.832
Reserves		4.594.223	4.359.436
Retained earnings		3	3
Other comprehensive income, accumulated		2.421.591	2.830.986
Earnings for the period		370.613	583.241
TOTAL SHAREHOLDER EQUITY		**$ 7.935.563**	**$ 8.322.799**
TOTAL LIABILITIES AND EQUITY		**$ 8.200.483**	**$ 8.418.823**

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

Carlos Ignacio Gallego Palacio
President

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Separate Comprehensive Income Statement

From January 1st to June 30th (values expressed in millions of Colombian Pesos)
(Unaudited information)

	Notes	January-June 2021	January-June 2020
Operating revenue		**$ 371.515**	**$ 334.203**
Portfolio dividends	7	$ 67.746	$ 68.694
Share of profit for the period of subsidiaries	5	306.788	271.438
Share of profit for the period of associates	6	(3.019)	(5.929)
Gross profit		**$ 371.515**	**$ 334.203**
Administrative expenses		(1.144)	(2.428)
Exchange differences on operating assets and liabilities		(1)	(18)
Other operating expenses, net		-	1.461
Operating profit		**$ 370.370**	**$ 333.218**
Financial income		5	1
Financial expenses		(693)	(690)
Exchange differences on non-operating assets and liabilities		4	4
Income before tax		**$ 369.686**	**$ 332.533**
Current income tax		(52)	(1.316)
Deferred income tax		979	1.365
Net profit for the period		**$ 370.613**	**$ 332.582**
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos)		**805,91**	**722,81**
*(*) Calculated on 459.871.484 shares (2020 - 460.123.458 shares)*			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Actuarial gains on defined benefit plans		-	223
Equity instruments, measured at fair value	7	(730.491)	(1.567.746)
Income tax from items that will not be reclassified		-	(67)
Total items that are not subsequently reclassified to profit and loss		**$ (730.491)**	**$ (1.567.590)**
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	5	317.510	250.196
Share of other comprehensive income of associates	6	5.124	1.395
Income tax from items that will be reclassified		(1.538)	(418)
Total items that are or may be subsequently reclassified to profit and loss:		**$ 321.096**	$ **251.173**
Other comprehensive income, net taxes		**$ (409.395)**	**$ (1.316.417)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ (38.782)**	**$ (983.835)**

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Separate Comprehensive Income Statement

From April 1st to June 30th (values expressed in millions of Colombian Pesos)
(Unaudited information)

	Notes	April-June 2021	April- June 2020
Operating Income		$ 139.098	$ 142.973
Portfolio dividends	7	-	3.112
Share of profit, for the period of subsidiaries	5	139.239	139.552
Share of profit, for the period of associates	6	(141)	309
Gross profit		**$ 139.098**	**$ 142.973**
Administrative expenses		458	(1.000)
Exchange differences on operating assets and liabilities		-	5
Other operating income, net		-	688
Operating profit		**$ 139.556**	**$ 142.666**
Financial income		2	-
Financial expenses		(343)	(343)
Exchange differences on non-operating assets and liabilities		1	(3)
Income before tax		**$ 139.216**	**$ 142.320**
Current income tax		(48)	(1.456)
Deferred income tax		115	(447)
Net profit for the period		**$ 139.283**	**$ 140.417**

Earnings per share (*)

Basic, attributable to controlling interest (in Colombian Pesos)		**302,87**	**305,17**

*(*) Calculated on 459.871.484 shares (2020 - 460.123.458 shares)*

	Notes	April-June 2021	April- June 2020
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit or loss:			
Actuarial gains on defined benefit plans		-	223
Equity investments measured at fair value	7	(342.848)	(277.337)
Income tax from items that will not be reclassified		-	(67)
Total items that are not subsequently reclassified to profit or loss		**$ (342.848)**	**$ (277.181)**
Items that may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	5	(12.937)	(227.324)
Share of other comprehensive income of associates	6	2.691	434
Income tax from items that will be reclassified		(808)	(130)
Total items that are or may be subsequently reclassified to profit and loss:		**$ (11.054)**	$ **(227.020)**
Other comprehensive income, net taxes		**$ (353.902)**	**$ (504.201)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ (214.619)**	**$ (363.784)**

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Separate Exchange in Equity Statement

From January 1st to June 30th (values expressed in millions of Colombian Pesos)

	Share capital issued	Paid-in-capital	Reserves	Retained earnings	Earnings for the period	Other comprehensive income, accumulated	Total
Equity at December 31st of 2020	**2.301**	**546.832**	**4.359.436**	**3**	**583.241**	**2.830.986**	**8.322.799**
Profit for the period	-	-	-	-	370.613	-	370.613
Other comprehensive income for the period	-	-	-	-	-	(409.395)	(409.395)
Comprehensive income for the period	**-**	**-**	**-**	**-**	**370.613**	**(409.395)**	**(38.782)**
Transfer to accumulated results	-	-	-	583.241	(583.241)	-	-
Shares buyback (Note 8)	-	-	(26.125)	-	-	-	(26.125)
Dividends from shares buyback (Nota 8)	-	-	677	-	-	-	677
Cash dividends (Note 8)	-	-	(323.006)	-	-	-	(323.006)
Appropriation of reserves	-	-	583.241	(583.241)	-	-	-
Equity at June 30th of 2021	**2.301**	**546.832**	**4.594.223**	**3**	**370.613**	**2.421.591**	**7.935.563**

	Share capital issued	Paid-in-capital	Reserves	Retained earnings	Earnings for the period	Other comprehensive income, accumulated	Total
Equity at December 31st of 2019	**2.301**	**546.832**	**4.144.250**	**3**	**513.898**	**3.535.797**	**8.743.081**
Profit for the period	-	-	-	-	332.582		332.582
Other comprehensive income for the period	-	-	-	-		(1.316.417)	(1.316.417)
Comprehensive income for the period	**-**	**-**	-	-	**332.582**	**(1.316.417)**	**(983.835)**
Transfer to accumulated results	-	-	-	513.898	(513.898)	-	-
Cash dividends (Note 8)	-	-	(298.712)	-	-	-	(298.712)
Appropriation of reserves (Note 8)	-	-	513.898	(513.898)	-	-	-
Equity at June 30th of 2020	**2.301**	**546.832**	**4.359.436**	**3**	**332.582**	**2.219.380**	**7.460.534**

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Separate Cash-flow Statement

From January 1st to June 30th (values expressed in millions of Colombian Pesos)

	January-June 2021	January-June 2020
Cash flow from operating activities		
Dividends received (Note 5-7)	$ 291.187	$ 155.586
Dividends paid (Note 8)	(154.829)	(144.671)
Collection from sales of goods and services	1	1.459
Payments to suppliers for goods and services	(140)	(1.779)
Payments to and on behalf of employees	(5.595)	(3.995)
Income taxes and tax on wealth, paid	(72)	(411)
Other cash inflows	3.780	4.549
Net cash flow from operating activities	**$ 134.332**	**$ 10.738**
Cash flow from investment activities		
Purchases of equity of associates and joint ventures (Note 6)	(11.929)	(2.293)
Payments to third parties, to obtain control of subsidiaries (Note 5)	(66.000)	(8.379)
Purchase of other equity instruments	(30.485)	-
Other cash inflows	5	1
Net cash flow used in investment activities	**$ (108.409)**	**$ (10.671)**
Cash flow from financing activities		
Shares buyback	(26.125)	-
Paid leases	(25)	(50)
Other cash outflows	(29)	(7)
Net cash flow used in financing activities	**$ (26.179)**	**$ (57)**
Increase (decrease) in cash and cash equivalent from activities	**$ (256)**	**$ 10**
Net foreign exchange differences	4	4
Net increase in cash and cash equivalents	**(252)**	**14**
Cash and cash equivalents at the beginning of the period	319	54
Cash and cash equivalents at the end of the period	**$ 67**	**$ 68**

The Notes are an integral part of the Consolidated Separate Interim Financial Statements

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Notes for the Separate Financial Statements

A three-month Intermediate period, between April 1 and June 30 of 2021 and 2020, and a six-month period, between January 1 and June 30 of 2021 and 2020, except for the Consolidated Statement of Financial Position, that is presented, for comparability purposes at June 30, 2021 and December 31, 2020.
(Values are expressed as millions of Colombian Pesos, except for the values in foreign currency, exchange rates, and number of shares).

Note 1. CORPORATE INFORMATION

1.1 Entity and corporate purpose

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

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

Note 2. BASIS OF PREPARATION

The Condensed Separate Interim Financial Statements of Grupo Nutresa, for the period from April 1st to June 30th, 2021, 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) and other legal provisions, defined by the Financial Superintendence of Colombia.

2.1 Basis of measurement

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

2.3 Classification of items in current and non-current

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

Note 3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Investments in subsidiaries

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

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

3.2 Investments in associates and joint ventures

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

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

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

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

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

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

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

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

3.3 Foreign currency

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

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

3.4 Cash and cash equivalents

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

3.5 Financial instruments

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

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

(i) *Financial assets measured at amortized cost*

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

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

(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 Separate, only if (i) there is, at present, a legally enforceable right to offset the amounts recognized, and (ii) there is an intention to settle on a net basis, or to realize the assets and settle the liabilities, simultaneously.

3.6 Taxes

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

a) Income tax

(i) Current

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

(Ii) Deferred

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

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

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

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

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

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

3.7 Employee benefits

a) Short-term benefits

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

b) Other long-term benefits

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

c) Pensions and other post-employment benefits

(i) Defined benefit plans

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

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

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

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

3.8 Provisions, contingent liabilities and assets

a) Provisions

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

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

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

b) Contingent liabilities

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

c) Contingent assets

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

3.9 Right-of-use assets and liabilities

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 5 years, but may have options to extend. The lease terms are negotiated individually and contain a wide range of different terms and conditions.

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

Tenant accounting

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

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

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

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

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

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

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

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

3.10 Revenue

a) Dividend income

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

b) The Equity Method

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

c) Interest

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

3.11 Fair value

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

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

Fair value is determined:

• Based on quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date (Level 1).

• Based on valuation techniques commonly used by market participants using variables other than the quoted prices that are observable for the asset or liability, either directly or indirectly (Level 2).

• Based on internal discount cash flow techniques or other valuation models, using estimated variables by Grupo Nutresa for the unobservable asset or liability, in the absence of variables observed in the market (Level 3).

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

3.12 Earnings per share

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

The average number of shares outstanding, for the periods ended June 30th, 2021 is 459.871.484, and June 30th, 2020, was 460.123.458.

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

3.13 Relative importance or materiality

Information is material if its omission, inaccuracies or hiding can reasonably influence the economic decisions taken by primary users of general purpose financial statements, based on these, which provide financial information about a specific reporting entity. Materiality or relative importance depends on nature or magnitude of the information. The entity assesses whether the information individually or collectively is material or has relative importance in the context of its financial statements taken as a whole.

3.14 New regulations issued by the International Accounting Standards Board (IASB) that have not yet been incorporated into the accounting framework accepted in Colombia

3.14.1 Amendment to IAS 1 - Presentation of Financial Statements - Classification of liabilities as current or non-current

The amendments issued in January 2020 clarify the criteria for classifying liabilities as current or non-current, based on the rights that exist at the end of the reporting period. The classification is not affected by the expectations of the entity or the events after the date of the report. The changes also clarify what the "settlement" of a liability refers to in terms of the standard. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.2 Amendment to IAS 16 - Property, Plant and Equipment – Proceeds before intended use

The amendment published in May 2020 prohibits the deduction of the cost of an item of property, plant and equipment from any amount arising from the sale of items produced while taking that asset to the place and conditions necessary for it to operate in the manner provided by the management. Instead, an entity would recognize the amounts of those sales in comprehensive income statement. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.3 Amendments to IFRS 3 Business Combination

The amendment issued in May 2020 approach 3 modifications to the standard in order to: update the references to the Conceptual Framework; add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 - Levies; and confirm that contingent assets should not be recognized on the acquisition date. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.4 Amendment to IAS 37- Provisions, Contingent Liabilities and Contingent Assets - Cost of fulfilling a contract

The purpose of this amendment, which was also published in May 2020, is to specify the costs that an entity includes when determining the "Compliance cost" of a contract for the purpose of assessing whether that contract is onerous; clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling a contract and an allocation of other costs that are directly related to the fulfillment of the contract. Before recognizing a separate provision, for an onerous contract, the entity must recognize impairment losses on the assets used to fulfill the contract. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.5 Interest Rate Benchmark Reform

After the financial crisis, the reform and replacement of benchmark interest rates, such as GBP LIBOR and other interbank rates (IBOR) has become a priority for global regulators. There is currently uncertainty about the precise moment and nature of these changes. In order to do the transition from existing contracts and agreements that reference LIBOR, it is possible to be necessary to apply adjustments for term differences and credit differences to allow the two benchmark rates to be economically equivalent in transition.

The amendments made to IFRS 9 - Financial instruments, IAS 39 - Financial instruments: recognition and measurement and IFRS 7 - Financial instruments: disclosures provide certain alternatives in relation to the reform of the benchmark interest rate. The alternatives are related to hedge accounting and have the effect that the reforms generally should not bring hedge accounting to an end. However, any hedging ineffectiveness must continue to be recorded in the comprehensive income statement. Given the widespread nature of hedges involving interbank rate-based contracts (IBOR), the alternatives will affect companies in all industries.

The accounting policies related to hedge accounting should be updated to reflect the alternatives. Fair value disclosures may also be affected due to transfers between levels of the fair value hierarchy as markets become more or less liquid.

Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.6 Annual Improvements to IFRSs 2018-2020 Cycle

The following improvements were finished in May 2020:

- IFRS 9 - Financial instruments: clarifies which commissions should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 - Leases: modifies illustrative example 13 of the standard to eliminate the illustration of lessor payments related to improvements to leased assets, to eliminate any confusion about the treatment of lease incentives.
- IFRS 1 – First time adoption of International Financial Reporting Standards: allows entities that have measured their assets and liabilities at the book value recorded in their parent's accounting, also measure accumulated translation exchange differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures with some conditions.
- IAS 41 - Agriculture: eliminates the requirement for entities to exclude tax cash flows when measuring fair value under IAS 41.

Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.7 Conceptual framework

The IASB has issued a revised Conceptual Framework that will be used in decisions to set standards with immediate effect. The key changes include:

- Increase the importance of management in the objective of financial information;
- Restore prudence as a component of neutrality;
- Define a reporting entity, which can be a legal entity or a part of an entity;
- Review the definitions of an asset and a liability;
- Eliminate the probability threshold for recognition and add guidelines on derecognition;
- Add guides on different measurement bases, and
- Indicate that profit or loss is the main performance indicator and that normally, income and expenses in other comprehensive income should be recycled when this improves the relevance or accurate representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that are based on the Framework to determine their accounting policies for transactions, events, or conditions that are not otherwise addressed in the accounting standards must apply the revised Framework effective January 1, 2020. These entities must consider whether its accounting policies are still appropriate under the revised Framework.

3.14.8 IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. It also requires similar principles to apply to reinsurance contracts held and investment contracts with discretionary participation components. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts to assess the effect that contracts have on an entity's financial position, financial performance and cash flows, within the scope of IFRS 17.

IFRS 17 was initially applicable to annual periods beginning on January 1, 2021, however, the application date was extended for annual periods beginning on January 1, 2023, through an amendment issued by the IASB in June 2020. Early application is allowed.

IFRS 17 repeals IFRS 4 - Insurance Contracts which was an interim standard that allowed entities to use a wide variety of accounting practices for insurance contracts, reflecting national accounting requirements and variations from those requirements. Some previous insurance accounting practices permitted under IFRS 4 did not adequately reflect the true underlying financial situations or financial performance of insurance contracts.

IFRS 17 requires a current measurement model where estimates are measured again in each reporting period. Contracts are measured using the components of:

- Discounted probability weighted cash flows;
- An explicit risk adjustment, and
- A contractual service margin (CSM) that represents the unearned profit from the contract which is recognized as income during the coverage period.

The standard allows choosing between recognizing changes in discount rates in the comprehensive income statement or directly in other comprehensive income. The choice is likely to reflect how insurers record their financial assets under IFRS 9.

An optional simplified premium allocation approach is allowed for the remaining coverage liability for short-term contracts, which are often offered by insurers that do not provide life insurance.

There is a modification to the general measurement model called “variable commission method” for certain life insurance contracts in which the insured share the returns of the underlying elements. When applying the variable commission method, the entity's participation in the changes in the fair value of the underlying items is included in the contractual service margin. Therefore, the results of insurers using this model are likely to be less volatile than in the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

Note 4. JUDGMENTS, ESTIMATES AND SIGNIFICANT ACCOUNTING ASSUMPTIONS

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

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

- Assessment of the existence of impairment indicators for assets
- Assumptions used in the actuarial calculation of post-employment and long-term obligations with employees
- Assumptions used to calculate the fair value of financial instruments
- Recoverability of deferred tax assets
- Determination of control, significant influence, or joint control of an investment
- Determination of the existence of financial or operating leases, based on the transfer of risks and benefits of the leased assets
- Determination of lease terms.

Judgments and estimates made by the Administration of Nutresa Group, in the preparation of the Separated Financial Statements, at June 30th, 2021, do not differ significantly from those realized at the year-end close, of the previous period, that is, December 31st, 2020.

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

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

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

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

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.

Note 5. INVESTMENTS IN SUBSIDIARIES

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

		Book Value	
	% participation	June 2021	December 2020
Compañía de Galletas Noel S. A. S.	100%	1.608.240	1.526.079
Compañía Nacional de Chocolates S. A. S.	100%	1.188.926	1.136.868
Tropical Coffee Company S. A. S.	100%	18.323	17.033
Industria Colombiana de Café S. A. S.	100%	706.235	643.595
Industria de Alimentos Zenú S. A. S.	100%	193.985	196.187
Inverlogy S. A. S	100%	27.633	27.508
Meals Mercadeo de Alimentos de Colombia S. A. S.	100%	223.701	203.312
Molino Santa Marta S. A. S.	100%	92.047	88.098
Novaventa S. A. S.	93%	248.283	219.671
Pastas Comarrico S. A. S.	100%	32.943	32.662
Productos Alimenticios Doria S. A. S.	100%	118.629	122.282
Alimentos Cárnicos S. A. S.	100%	1.169.824	1.036.807
Setas Colombianas S. A.	94%	45.381	45.870
Compañía Nacional de Chocolates Perú S. A.	0,0%	10	10
La Recetta Soluciones Gastronómicas Integradas S. A. S.	70%	1.200	997
Gestión Cargo Zona Franca S. A. S.	79%	187.108	113.441
Comercial Nutresa S. A. S.	100%	51.715	45.109
Industrias Aliadas S. A. S.	83%	67.167	78.641
Opperar Colombia S. A. S.	100%	3.001	2.176
Servicios Nutresa S. A. S.	100%	2.822	895
Fideicomiso Grupo Nutresa	100%	296	308
Productos Naturela S. A. S.	60%	3.806	3.736
Atlantic FS S. A. S.	51%	56.935	52.642
Total		**6.048.210**	**5.593.927**

Table 1

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

	Second Quarter						Accumulated to June 30th					
	2021			2020			2021			2020		
	Dividends received	Share of Income for the Period	Share of Other Comprehensive Income	Dividends received	Share of Income for The Period	Share of Other Comprehensive Income	Dividends received	Share of Income for the Period	Share of Other Comprehensive Income	Dividends received	Share of Income for The Period	Share of Other Comprehensive Income
Cía. de Galletas Noel S.A.S.	(55.454)	20.878	(6.039)	(27.727)	36.676	(83.556)	(76.457)	48.178	110.440	(27.727)	63.343	114.201
Compañía Nacional de Chocolates S. A. S.	(45.814)	26.743	(11.306)	(34.295)	29.209	(75.101)	(71.065)	55.445	67.678	(57.897)	48.395	68.826
Tropical CoffeeCompany S.A.S.		822	-		(341)	-	-	1.290	-	-	(581)	-
Industria Colombiana de Café S.A.S.		15.994	1.444		10.000	(15.040)	(1.032)	37.722	25.950	-	33.383	14.100
Industria de Alimentos Zenú S.A.S.		727	801		1.792	(1.935)	(8.300)	3.117	2.981	(22.565)	5.168	5.111
Servicios Logypack S.A.S.		43	-		183	-	-	125	-	-	306	-
Meals Mercadeo de Alimentos de Colombia S.A.S.		6.129	(29)		(2.538)	(1.814)	-	16.934	3.455	-	2.310	2.605
Molino Santa Marta S.A.S.		2.268	3		3.501	1	-	3.946	3	-	5.539	1
Novaventa S.A.S.		10.687	(10)		7.708	(390)	-	28.368	244	-	16.582	223
Pastas Comarrico S.A.S.		693	-		801	-	-	281	-	-	1.105	-
Productos Alimenticios Doria S.A.S.		8.369	(316)		4.835	(1.366)	(24.022)	15.668	4.701	-	8.880	2.437
Alimentos Cárnicos S.A.S.		31.107	2.892		21.623	(47.443)	(33.735)	68.103	98.649	(7.107)	55.406	43.370
Setas Colombianas S.A.		963	-		861	-	(1.134)	645	-	-	2.075	-
Compañía Nacional de Chocolates Perú S.A.		-	-		-	(2)	(1)	-	1	-	-	-
La Recetta Soluciones Gastronómicas Integradas S.A.S.		(379)	-		961	-	-	203	-	-	509	-
Gestión Cargo Zona Franca S.A.S.		3.624	(472)		12.740	294	-	5.359	2.308	-	8.056	294
Comercial Nutresa S.A.S.		2.373	98		6.812	12	-	6.508	98	-	11.484	12
Industrias Aliadas S.A.		4.639	3		3.296	(4)	(20.033)	8.556	3	-	6.500	(4)
Opperar Colombia S.A.S.		316	-		497	-	-	825	-	-	520	-
Servicios Nutresa S.A.S.		993	(6)		490	(981)	-	928	999	-	1.870	(981)
Fideicomiso Grupo Nutresa		(19)	-		(22)	-	-	(12)	-	-	(5)	-
Productos Naturela S.A.S.		136	-	(137)	96	1	(236)	306	-	(137)	176	1
Atlantic F. S. S.A.S.		2.133	-		372	-	-	4.293	-	-	417	-
Total	**(101.268)**	**139.239**	**(12.937)**	**(62.159)**	**139.552**	**(227.324)**	**(236.015)**	**306.788**	**317.510**	**(115.433)**	**271.438**	**250.196**

Table 2

On March 23, 2021, Grupo Nutresa S. A. capitalized Gestión Cargo Zona Franca S. A. S. through a cash contribution of $ 66,000, obtaining 8,721 additional shares that increased its stake to 78.56%.

In February 2020, the balance of $ 8.379 was canceled for the purchase of 51% Atlantic FS S. A. S.

The dividends received in subsidiaries, are recognizes as the lessor value of the investment, as part of the application of the equity method. As of June 30th, 2021, dividend receivables were $4.248 (2020: $3.114).

Dividends received, from subsidiaries as of September, generate an impact on cash flow for $234.881 (2020 - $123.817).

Note 6. INVESTMENTS IN ASSOCIATES

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

			Book Value	
	Country	% participation	June 2021	December 2020
Associates				
Bimbo de Colombia S. A.	Colombia	40%	140.183	137.490
Estrella Andina S. A. S.	Colombia	30%	17.690	10.615
Wellness Food Company S. A. S.	Colombia	23,33% (2020-20%)	870	610
Internacional Ejecutiva de Aviación S. A. S.	Colombia	25%	4.006	-
Total associates			**162.749**	**148.715**

Table 3

	Second quarter				Accumulated to June 30th			
	2021		2020		2021		2020	
	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	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
Bimbo de Colombia S. A.	(482)	2.667	1.304	434	(2.407)	5.100	(3.820)	1.395
Estrella Andina S .A. S.	(188)	-	(1.001)	-	(1.122)	-	(2.103)	-
Wellness Food Company S. A. S	(9)	-	6	-	(28)	-	(6)	-
Internacional Ejecutiva de Aviación S. A. S.	538	24	-	-	538	24	-	-
Total associates	**(141)**	**2.691**	**309**	**434**	**(3.019)**	**5.124**	**(5.929)**	**1.395**

Table 4

Bimbo de Colombia S.A.

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

Estrella Andina S.A.S.

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

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

Internacional Ejecutiva de Aviación S. A. S.
It is a simplified joint stock company, domiciled in Medellín dedicated to national passenger air transport, in which Nutresa obtains a 25% stake.

The movements of investments in associates, are as follows:

	2021	2020
Opening balance	**148.715**	**150.658**
Increase of contributions (*)	11.929	2.293
Participation in profit and loss	(3.019)	(5.929)
Participation comprehensive income	5.124	1.395
Ending balance	**162.749**	**148.417**

Table 5

Increase in contributions in associates and joint ventures

* In May 2021, a subscription of shares of Wellness Food Company S.A. S. was made for $ 288, increasing its participation to 23.33%, which were paid in full.
* In April 2021, Grupo Nutresa S. A. made an acquisition of 1,125,000 shares of Internacional Ejecutiva de Aviación S.A.S. equivalent to 25% of the capital for $ 3,444, which were paid in full.
* In April 2021, an increase was made in the capital of Estrella Andina S. A. S., in which Grupo Nutresa made a contributing for $ 8,197, without generating changes in the percentage of participation, which were paid in full.

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

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

Note 7. OTHER NON-CURRENT FINANCIAL ASSETS

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

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

The breakdown of financial instruments, is as follows:

Book Value	Number of shares held	Participation as % in Total Ordinary Shares	June 2021	December 2020
Grupo de Inversiones Suramericana S. A.	61.021.436	13,04% (2020 - 13,01%)	1.128.897	1.542.622
Grupo Argos S. A.	82.300.360 (2020 - 79.804.628)	12,51% (2020 - 12,37%)	823.004	1.109.284
Other companies	-	-	2.035	2.036
			1.953.936	**2.653.942**

Table 6

	Second quarter				Accumulated to June 30th			
	2021		2020		2021		2020	
	Dividend Income	Profit on Fair Value Measurement	Dividend Income	Loss on Fair Value Measurement	Dividend Income	Profit on Fair Value Measurement	Dividend Income	Loss on Fair Value Measurement
Grupo de Inversiones Suramericana S. A.	-	(195.268)	3.112	(84.209)	36.820	(413.725)	38.687	(937.289)
Grupo Argos S. A.	-	(147.580)	-	(193.128)	30.485	(316.766)	30.007	(630.457)
Other companies	-	-	-	-	441	-	-	-
	-	**(342.848)**	**3.112**	**(277.337)**	**67.746**	**(730.491)**	**68.694**	**(1.567.746)**

Table 7

The value of the dividend per share declared for 2021 by Grupo from Inversiones Suramericana S. A. was $603,40 pesos per share, payable quarterly in the amount of $150,85 pesos. Grupo Argos S. A. declared a dividend of $382 pesos per share, payable in a single cash installment in full or 50% of the cash dividend and 50% in shares or 100% in shares.

In April 2021, 2,495,732 shares were received as dividend payment from Grupo Argos at a value of $ 12.215 per share, equivalent to $30.485.

At 2020 the annual value per share was $376 pesos ($94 pesos quarterly) for Grupo Argos S. A. and $583 pesos ($145,75 pesos quarterly) for Grupo de Inversiones Suramericana S. A.

The dividend income recognized as of June 2021 for portfolio investments corresponds primarily to the total annual dividend declared by the issuers, and therefore similar income is expected for the remainder of the year.

Income from dividends, recognized in the second quarter of 2020 corresponds to the extraordinary dividend decreed by Grupo de Inversiones Suramericana S. A. for $ 3.112.

As of June 30th, 2021 there is receivable for dividends from financial instruments $27.835 (December 2020: $16.396).

Dividends received generated an effect on cash flow as of June 30, 2021 of $56.306 (2020 - $31.769).

7.1 Fair value measurement of financial instruments

The fair value of shares traded and that are classified as high trading volume is determined based on the price quoted on the Colombian Stock Exchange; this measurement is in the Hierarchy 1, established by IFRS 13 for measuring fair value. This category includes investments held by Grupo Nutresa in Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. This measurement is realized monthly and as of June 30th, 2021 generated losses of $730.491 (December 2020: loss of $843.345 and June 2020: loss of $1.567.746), 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 pesos)	June 2021	December 2020
Grupo de Inversiones Suramericana S. A.	18.500	25.280
Grupo Argos S. A.	10.000	13.900

Table 8

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.

7.2 Liens

As of June 30th, 2021 and December 31st, 2020, there were pledges of 20.786.846 shares of Grupo de Inversiones Suramericana S. A., in favor of financial entities in Colombia, as collateral for obligations, contracted by Grupo Nutresa and its subsidiaries.

Note 8. TRADE AND OTHER ACCOUNT PAYABLES

The ordinary Shareholders of Grupo Nutresa S.A., at the meeting, held on March 23, 2021, declared ordinary share dividends of $58,50 pesos per-share and per-month, equivalent to a $702 pesos annually per share (2020: $649,20 annually per share), over 460.123.458 outstanding shares, during the months from April 2021 to March 2022, inclusive, for a total of $323.006 (2020: $298.712).

This dividend was declared, taken from untaxed income 2020 $297.553, and untaxed income 2019 $25.454

Among first semester of 2021, dividends were paid in the amount of $154.829 (2020: $144.671).

Accounts payable, as of June 30th, 2021, were $252.611 (December 2020: $85.969) including mainly dividends payable in the amount of $252.150 (December 2020: $ 84.650).

Appropriations authorized by the General Assembly of Shareholders are recorded as reserves, charged to the results of the year to comply with legal provisions or to cover expansion plans or financing needs. The Company takes the profits for the year to accumulated profits and these to reserves. The appropriation value is $ 285.688 (2020: $ 215.186).

Shares Buyback

During The Ordinary Shareholders of Grupo Nutresa in 2020, the shares buyback project was approved for the next three years for $300.000, in order to deliver part of the value generated by the company to all shareholders.

In the second quarter of 2021, the project began, where 1.183.888 shares of the Group were acquired, for $ 26.125, and $ 677 of dividends from the reacquired shares were recognized in the reserves.

The number of outstanding shares is presented below:

# Shares outstanding initial balance	Shares buyback	# Shares outstanding final balance
460.123.458	1.183.888	**458.939.570**

Table 9

Note 9. EVENTS AT THE END OF THE QUARTER AND SUBSEQUENT EVENTS

Grupo Nutresa, in accordance with what was announced to the market on May 18, has completed the closing of the acquisition process of 100% of the shares of Belina Nutrición Animal S. A., Belina Importaciones e Innovaciones Dos Mil S. A. and Industrial Belina Montes de Oro S. A., consequently, as of July 2021, the Group has taken control over them.

The cocoa fund for the future was liquidated, which had been established by Compañía Nacional de Chocolates SAS with the collaboration of BTG Pactual SA (fund manager) and Cooperativa Ecocaco (Technical Assistant), said liquidation took place on the day of July 12, 2021 after holding an extraordinary meeting of its shareholders. The cocoa fund was established on November 11, 2010 in order to provide its investors with a long-term investment instrument, of moderate or high risk, and its investment strategy was focused on cocoa crops or companies and / or specialized entities with experience in the cultivation and commercialization of cocoa. As established in the regulations, upon liquidation of the Fund, the rights in favor of Investors may be canceled through the distribution in kind of the Fund's assets in proportion to their participation and up to the concurrence of all the assets that comprise it.

These Condensed Separate Interim Financial Statements were authorized for issuance, by the Board of Grupo Nutresa, on July 30th, 2021. 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 Condensed Separate Interim Financial Statements at closing, June 30th, 2021.