



Grupo Nutresa S. A.

Consolidated Financial Statements
As of December 31st, 2021 and 2020

UN FUTURO
ENTRE TODOS





Statutory auditor's report on the consolidated financial statements

(Free translation from the original in Spanish)

To the Shareholders of
Grupo Nutresa S. A.

Opinion

I have audited the accompanying consolidated financial statements of Grupo Nutresa S. A. and its subsidiaries, which include the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of comprehensive income, changes in the shareholders' equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of the significant accounting policies.

In my opinion, the accompanying consolidated financial statements, faithfully taken from the consolidation records, present fairly, in all material aspects, the financial position of Grupo Nutresa S. A. and its subsidiaries as at December 31, 2021, 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 financial reporting auditing standards accepted in Colombia. My responsibilities in accordance with these standards are described below in the section of the Statutory Auditor Responsibilities with respect to the audit of the consolidated financial statements of this report.

I am independent of Grupo Nutresa S. A. and its subsidiaries in accordance with the Code of Ethics for Professional Accountants in the International Ethics Standards Board for Accountants (IESBA) together with the requirements of ethics that are applicable to my audit of the consolidated financial statements in Colombia, and I have complied with the other responsibilities of ethics in accordance with these requirements and with the Code of Ethics of the IESBA.

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

Emphasis of matter

I draw attention to Note 22.4 to the financial statements, which states that the Grupo Nutresa, pursuant to Decree 1311 dated October 20, 2021, has chosen to recognize directly in equity the changes in deferred taxes generated by the increase in the income tax rate enacted by Act 2155 - Social Investment Act, dated September 14, 2021, affecting retained profits with an expense amounting to \$57.783 billion and not the income of the period, as set forth in IAS 12 - Income taxes. My opinion is not changed on this matter.



To the Shareholders of Grupo Nutresa S. A.

Key audit matters

The key audit matters are those matters that, in my professional opinion, have been of the greatest significance in my audit of the consolidated financial statements of the period. These matters have been addressed in the context of my audit of the consolidated financial statements as a whole and in the formation of my opinion on these, and I do not express a separate opinion on these matters.

Key audit matter	How the key matter was addressed in the audit
<p>Capital gains</p> <p>The capital gains generated as a result of the different business combinations that the Group has performed in the countries in which it operates are participate significantly in the total assets of Grupo Nutresa S. A. as of December 31, 2021, as detailed in Note 20, capital gains amount to \$2.4 trillion.</p> <p>To determine if there is impairment, the management of Grupo Nutresa S. A. performs an annual assessment or when there are changes in circumstances or events indicating that the accounting value may not be fully recoverable.</p> <p>As described in Notes 3.3.1 and 3.3.11, the determination of recoverable value is performed by calculating fair value minus the disposal costs of the cash generating units to which the capital gains are associated, based on strategic plans approved by the Board of Directors of the Group. This determination is a key audit matter, because it corresponds to a complex calculation that requires the use of a high degree of judgment in estimating key assumptions, such as revenue growth, expenses, costs, evolution of operating margin, investment in CAPEX, discount rate, and more. These assumptions can be significantly affected by the future evolution of the macroeconomic, competitive, regulatory environment in each country where the Grupo Nutresa S.A. operates.</p>	<p>I have performed audit procedures, with the collaboration of valuation experts on the process carried out by the management of Grupo Nutresa S. A. to determine the recoverable value of the cash generating units to which capital gains are associated. The procedures performed include:</p> <ul style="list-style-type: none"> - Understanding meetings of the financial model used by the management of Grupo Nutresa S. A. to determine the recoverable value of the cash generating units. - Verification of the consistency of data used for the calculation of fair value minus disposal costs with strategic plans approved by the Board of Directors of Grupo Nutresa S. A. - Analysis of compliance with strategic plans approved in the previous year. - Evaluation of the key assumptions used to the determination of recoverable value, questioning their reasonableness and consistency, for which I have conducted tests to verify those assumptions against market information. - Review of the mathematical integrity of the calculation and realization of sensitivities on the relevant variables.



To the Shareholders of Grupo Nutresa S. A.

Other information

The Management is responsible for the other information. The other information includes the business group special report, legal provisions, and evaluation on the performance of the systems of disclosure of information and control of financial information we obtained prior to the date of this audit report, but does not include the financial statements, neither my reports as a statutory auditor, nor the management report on which I pronounce in my opinion about separate financial statements in the section "Report regarding other legal and regulatory requirements" in accordance with the requirements defined in Article 38 of Act 222 of 1995.

My opinion on the financial statements does not cover the other information and I do not express any form of conclusion that would provide a degree of assurance about it. With regard to my audit of the financial statements, my responsibility is to read the other information and, in so doing, consider whether there is a material inconsistency between the other information and the financial statements or the knowledge I have obtained in the audit or whether there appears to be a material misstatement in the other information for any other reason. If, based on the work I have done, I conclude that there is a material misstatement in this other information, I am obliged to report it. I have nothing to report on this.

Responsibilities of the management and managers on the consolidated financial statements

The management is responsible for the adequate preparation and fair presentation of these accompanying consolidated financial statements, in accordance with the accounting and financial reporting standards accepted in Colombia, and for the internal control as the management determined necessary for the preparation of these consolidated financial statements to be free from material misstatement due to fraud or error.

In the preparation of consolidated financial statements, the management is responsible for the assessment of the ability of the Group to continue as a going concern, revealing, as appropriate, any matters relating to the ongoing concern principle, and using the accounting going concern principle, except if the management intends to liquidate the Group or to cease its operations, or that there is no more realistic alternative than to do so.

The managers are responsible for the oversight of the financial reporting process of the Group.

Responsibilities of the statutory auditor regarding the audit of the consolidated financial statements

My objective is to obtain a reasonable assurance that the consolidated financial statements, as a whole, are free from material misstatement, due to fraud or error, and to issue an audit report that contains my opinion. "Reasonable assurance" is a high degree of assurance, but it does not guarantee an audit conducted in accordance with the financial reporting auditing standards accepted in Colombia always detects a material misstatement when it exists. The misstatements may be due to fraud or error and are considered material if, individually or in aggregate, it is possible to anticipate that they influence the economic decisions made by users based on the consolidated financial statements.



To the Shareholders of Grupo Nutresa S. A.

As part of an audit in accordance with the financial reporting auditing standards accepted in Colombia, I apply my professional judgment and maintain an attitude of professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, due to fraud or error; design and apply audit procedures to respond to these risks; and obtain sufficient and appropriate audit evidence to provide a basis for my opinion. The risk of not detecting a material misstatement due to fraud is higher than a material misstatement due to error, because fraud may involve collusion, counterfeiting, deliberate omissions, intentionally wrong manifestations or internal control circumvention.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Assess the appropriateness of accounting policies applied, reasonableness of accounting estimates and the corresponding disclosures performed by the management.
- Conclude on the appropriateness of the use by the management of the accounting going concern principle and, based on the audit evidence obtained, I conclude on whether or not there is a material uncertainty related to events or conditions that can generate significant doubts about the ability of the Group to continue as a going concern. If I conclude that there is a material uncertainty, it is required to draw the attention on my audit report on the related information disclosed in the consolidated financial statements or, if those disclosures are not adequate, I express a modified opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, facts or future conditions may cause the Group to cease being a going concern.
- Assess the overall presentation, structure and content of the consolidated financial statements, including the information disclosed, and whether the consolidated financial statements represent transactions and underlying facts so that the fair presentation is achieved.

I communicate to the managers, any issues related to scope and timing planned of the audit and significant findings of the audit, as well as any significant internal control weaknesses I identify in the course of the audit.

(Original in Spanish signed by:)

Juber Ernesto Carrión
Statutory Auditor
Professional card No. 86122-T
Appointed by PwC Contadores y Auditores S.A.S.
February 24, 2022

Certification of the Financial Statements

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

CERTIFY:

24 of February of 2022

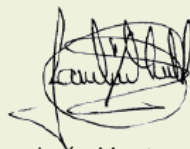
We have previously verified all claims, herewith contained, in the Consolidated Financial Statements, at December 31st, 2021 and 2020, according to, the regulations, and the that same have been faithfully taken, from the Financial Statements of the Parent Company, and its subsidiaries, duly certified 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.



Carlos Ignacio Gallego Palacio
President



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

Certification of the Financial Statements Law 964 of 2005

Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

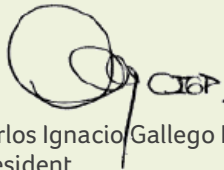
The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

24 of February of 2022

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2021 and 2020, 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.



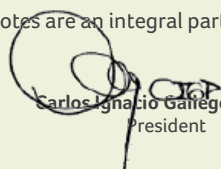
Carlos Ignacio Gallego Palacio
President

Consolidated Statement of Financial Position

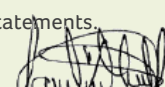
As of December 31st (values expressed in millions of Colombian Pesos)

	Notes	2021	2020
ASSETS			
Current assets			
Cash and cash equivalents	9	\$ 862.706	\$ 933.564
Trade and other receivables, net	10	1.382.671	1.191.711
Inventories	11	1.742.562	1.379.984
Biological assets	12	191.894	127.614
Other assets	13	414.755	228.087
Non-current assets held for sale	14	177	177
Total current assets		\$ 4.594.765	\$ 3.861.137
Non-current assets			
Trade and other receivables, net	10	44.332	26.548
Biological assets	12	19.484	-
Investments in associated and joint ventures	15	217.821	196.498
Other financial non-current assets	16	3.028.203	2.678.991
Property, plant and equipment, net	17	3.676.931	3.434.206
Right-of-use assets	18	763.438	829.563
Investment properties	19	8.740	9.056
Goodwill	20	2.445.723	2.369.706
Other intangible assets	21	1.355.126	1.303.838
Deferred tax assets	22.4	781.829	740.891
Other assets	13	20.091	87.447
Total non-current assets		\$ 12.361.718	\$ 11.676.744
TOTAL ASSETS		\$ 16.956.483	\$ 15.537.881
LIABILITIES			
Current liabilities			
Financial obligations	23	178.658	486.736
Right-of-use liabilities	24	107.253	126.727
Trade and other payables	25	1.758.083	1.283.494
Tax charges	22.2	230.484	240.011
Employee benefits liabilities	26	246.285	217.033
Provisions	27	1.674	3.450
Other liabilities	28	105.600	83.209
Total current liabilities		\$ 2.628.037	\$ 2.440.660
Non-current liabilities			
Financial obligations	23	3.162.832	2.865.638
Right-of-use liabilities	24	719.174	747.296
Employee benefits liabilities	26	199.827	196.244
Deferred tax liabilities	22.4	1.195.928	1.020.416
Provisions	27	5.918	5.909
Other liabilities	28	2.654	4.576
Total non-current liabilities		\$ 5.286.333	\$ 4.840.079
TOTAL LIABILITIES		\$ 7.914.370	\$ 7.280.739
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	4.146.310	4.003.255
Other comprehensive income, accumulated	31	3.593.618	3.070.019
Earnings for the period		676.879	575.441
Equity attributable to the controlling interest		\$ 8.965.940	\$ 8.197.848
Non-controlling interest	30.4	76.173	59.294
TOTAL SHAREHOLDER EQUITY		\$ 9.042.113	\$ 8.257.142
TOTAL LIABILITIES AND EQUITY		\$ 16.956.483	\$ 15.537.881

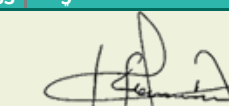
The Notes are an integral part of the Consolidated Financial Statements.



Carlos Ignacio Gallego Palacio
President



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




Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

Consolidated Comprehensive Income Statement

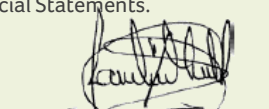
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Notes	2021	2020
Continuing operations			
Operating revenue	7.1	\$ 12.738.271	\$ 11.127.541
Cost of goods sold	32	(7.610.884)	(6.465.128)
Gross profit		\$ 5.127.387	\$ 4.662.413
Administrative expenses	32	(547.290)	(483.735)
Sales expenses	32	(3.281.883)	(2.962.563)
Production expenses	32	(230.055)	(208.969)
Exchange differences on operating assets and liabilities	34	28.100	11.532
Other operating income, net	33	9.038	910
Operating profit		\$ 1.105.297	\$ 1.019.588
Financial income	35.1	33.464	24.022
Financial expenses	35.2	(241.076)	(282.878)
Dividends	16	67.790	69.271
Exchange differences on non-operating assets and liabilities	34	23.055	(10.779)
Share of profit of associates and joint ventures	15	(1.013)	(4.472)
Other incomes		-	581
Income before tax and non-controlling interest		\$ 987.517	\$ 815.333
Current income tax	22.3	(238.894)	(261.210)
Deferred income tax	22.3	(24.162)	30.274
Profit after taxes from continuous operations		\$ 724.461	\$ 584.397
Discontinued operations, after income tax	36	(31.207)	(553)
Net profit for the period		\$ 693.254	\$ 583.844
Profit for the period attributable to:			
Controlling interest		\$ 676.879	\$ 575.441
Non-controlling interest		16.375	8.403
Net profit for the period		\$ 693.254	\$ 583.844
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos)		1.474,85	1.250,62
(*) Calculated on 458.948.033 shares (2020 - 460.123.458 shares)			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Gains on actuarial defined benefit plans	26-31	\$ 5.174	\$ 2.545
Equity instruments, measured at fair value	16-31	288.138	(843.345)
Income tax from items that will not be reclassified	22.4	(5.375)	(1.808)
Total items that are not subsequently reclassified to profit and loss		\$ 287.937	\$ (842.608)
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures	15-31	11.264	3.227
Exchange differences on translation of foreign operations	31	157.825	164.673
Cash flow hedges		97.885	(31.911)
Income tax from items that will be reclassified	22.4	(31.330)	6.070
Total items that are or may be subsequently reclassified to profit and loss:		\$ 235.644	\$ 142.059
Other comprehensive income, net taxes		\$ 523.581	\$ (700.549)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		\$ 1.216.835	\$ (116.705)
Total comprehensive income attributable to:			
Controlling interest		1.200.152	(127.989)
Non-controlling interest		16.683	11.284
Total comprehensive income		\$ 1.216.835	\$ (116.705)

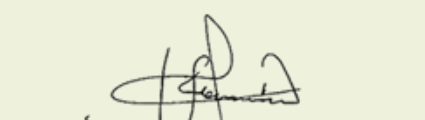
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Consolidated Exchange in Equity Statement

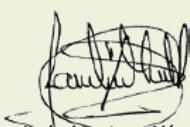
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Share capital issued (Note 30.1)	Paid-in-capital (Note 30.1)	Reserves and retained earnings (Note 30.2)	Earnings for the period	Other comprehensive income, accumulated (Note 31)	Total equity attributable to the controlling interest	Non-controlling interest (Note 30.4)	Total
Equity at December 31st of 2020	2.301	546.832	4.003.255	575.441	3.070.019	8.197.848	59.294	8.257.142
Profit for the period	-	-	-	676.879	-	676.879	16.375	693.254
Other comprehensive income for the period	-	-	-	-	523.273	523.273	308	523.581
Comprehensive income for the period	-	-	-	676.879	523.273	1.200.152	16.683	1.216.835
Transfer to accumulated results	-	-	575.441	(575.441)	-	-	-	-
Cash dividends (Note 30.3 – 30.4)	-	-	(323.006)	-	-	(323.006)	(2.910)	(325.916)
Shares buyback (Note 30.2 – 30.3)	-	-	(52.036)	-	-	(52.036)	-	(52.036)
Dividends from shares buyback	-	-	1.138	-	-	1.138	-	1.138
Non-controlling interest in the acquisition of subsidiaries	-	-	-	-	-	-	3.000	3.000
Deferred tax recognition (Note 22.4)	-	-	(57.851)	-	-	(57.851)	68	(57.783)
Realization of other comprehensive income (Note 31)	-	-	(326)	-	326	-	-	-
Other equity movements	-	-	(305)	-	-	(305)	38	(267)
Equity at December 31st of 2021	2.301	546.832	4.146.310	676.879	3.593.618	8.965.940	76.173	9.042.113
Equity at December 31st of 2019	2.301	546.832	3.801.830	503.518	3.770.120	8.624.601	57.486	8.682.087
Profit for the period	-	-	-	575.441	-	575.441	8.403	583.844
Other comprehensive income for the period	-	-	-	-	(703.430)	(703.430)	2.881	(700.549)
Comprehensive income for the period	-	-	-	575.441	(703.430)	(127.989)	11.284	(116.705)
Transfer to accumulated results	-	-	503.518	(503.518)	-	-	-	-
Cash dividends (Note 30.3 – 30.4)	-	-	(298.712)	-	-	(298.712)	(4.552)	(303.264)
Acquisition of subsidiaries	-	-	(39)	-	-	(39)	(4.986)	(5.025)
Realization of other comprehensive income (Note 31)	-	-	(3.329)	-	3.329	-	-	-
Other equity movements	-	-	(13)	-	-	(13)	62	49
Equity at December 31st of 2020	2.301	546.832	4.003.255	575.441	3.070.019	8.197.848	59.294	8.257.142

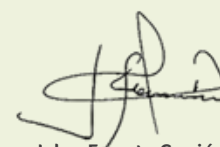
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Consolidated Cash-flow Statement

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

	2021	2020
Cash flow from operating activities		
Collection from sales of goods and services	\$ 12.519.355	\$ 11.136.912
Payments to suppliers for goods and services	(9.144.813)	(7.921.426)
Payments to and on behalf of employees	(1.919.731)	(1.823.893)
Income taxes and other taxes	(289.422)	(180.939)
Other cash outflows	(80.921)	(25.217)
Net cash flow from operating activities	\$ 1.084.468	\$ 1.185.437
Cash flow from investment activities		
Cash and equivalents received from acquisitions	7.259	-
Purchase of other equity instruments	(58.676)	(9.889)
Purchases of equity of associates and joint ventures (Note 15)	(11.929)	(4.900)
Purchases of property, plant, and equipment (Note 17)	(383.155)	(271.041)
Amounts from the sale of productive assets	40.498	31.353
Purchase of Intangibles and other productive assets	(26.363)	(27.557)
Divestment in assets held for sale, net	-	2.438
Dividends received (Note 15 and 16)	75.818	68.784
Interest received	15.088	16.033
Payments to third parties, to obtain control of subsidiaries (Note 5)	(92.102)	(12.883)
Other cash inflows	-	5
Net cash flow used in investment activities	\$ (433.562)	\$ (207.657)
Cash flow from financing activities		
Amounts (used in) proceeds from loans	(78.005)	113.102
Dividends paid (Note 30.3)	(317.948)	(298.063)
Shares buyback (Note 30.3)	(52.036)	-
Interest paid	(119.762)	(175.515)
Paid leases (Note 24)	(162.373)	(144.175)
Fees and other financial expenses	(45.679)	(36.490)
Other cash inflows	4.277	6.897
Net cash flow used in financing activities	\$ (771.526)	\$ (534.244)
(Decrease) increase in cash and cash equivalent from activities	\$ (120.620)	\$ 443.536
Cash flow from discontinued operations	(11)	151
Net foreign exchange differences	49.773	(8.070)
Net (Decrease) increase in cash and cash equivalents	(70.858)	435.617
Cash and cash equivalents at the beginning of the period	933.564	497.947
Cash and cash equivalents at the end of the period	\$ 862.706	\$ 933.564

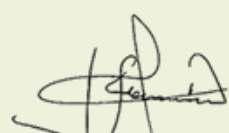
The Notes are an integral part of the Consolidated Financial Statements.



Carlos Ignacio Gallego Palacio
President



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



Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

Notes for the Consolidated Financial Statements

For the period between January 1st and December 31st of 2021 and 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 of the Parent Company and subsidiaries

Group 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 Medellín, 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 ^(*)	% Participation	
			2021	2020
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%
Molino 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.	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%
Oppear Colombia S.A.S.	Provision of transportation services	COP	100,00%	100,00%
Fideicomiso Grupo Nutresa	Management of financial resources	COP	-	100,00%
Fondo de Capital Privado "Cacao para el Futuro" – Level A	Investment in cocoa production	COP	-	100,00%
IRCC S.A.S - Industria de Restaurantes Casuales S. A. S.	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. in liquidation	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 FS S.A.S.	Sales of food products	COP	51,00%	51,00%
Procesos VA S.A.S.	Processing of meat products	COP	100,00%	100,00%
Basic Kitchen S. A. S.	Sales of food products	COP	80,00%	-
CI Nutrading S. A. S.	Provision of logistics and sales services	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%
Inversiones Tresmontes S.A.	Management of financial and investment services	CLP	100,00%	100,00%
Tresmontes Lucchetti Inversiones S. A.	Management of financial and investment services	USD	100,00%	100,00%
Costa Rica				

Entity	Main Activity	Functional Currency (*)	% Participation	
			2021	2020
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%
Industrial Belina Montes de Oro S. A.	Production and sales of animal food products	CRC	100,00%	-
Belina Importaciones e Innovaciones Dos Mil S. A.	Distribution and sales of animal food products	CRC	100,00%	-
Belina Nutrición Animal S. A.	Distribution and sales of animal food products	CRC	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	0%	100,00%
Servicios Tresmontes Lucchetti S.A. de C.V.	Specialized business services provider	MXN	0%	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 CV	Specialized business services provider	MXN	0%	100,00%
Aliados Comerciales Alternativos	Sales of food products	MXN	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%
American Franchising Corp. (AFC)	Management of financial and investment services	USD	100,00%	100,00%
LYC Bay Enterprise INC.	Management of financial and investment services	USD	0%	100,00%
Sun Bay Enterprise INC.	Management of financial and investment services	USD	0%	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%	100,00%
Cameron's Coffee & Distribution Company	Production of coffee and coffee related products	USD	100,00%	100,00%
CCDC OPCO Holding Corporation	Management of financial and investment services	USD	100,00%	100,00%
Other Countries				
TMLUC Argentina S.A.	Production and sales of food products	Argentina	ARS	100,00%
Corporación Distribuidora de Alimentos S.A. (Cordialsa)	Sales of food products	Ecuador	USD	100,00%
Comercial Pozuelo El Salvador S.A. de C.V.	Distribution and sales of food products	El Salvador	USD	100,00%
Americana de Alimentos S.A. de C.V.	Sales of food products	El Salvador	USD	100,00%
Comercial Pozuelo Nicaragua S.A.	Sales of food products	Nicaragua	NIO	100,00%
Industrias Lácteas Nicaragua S.A.	Sales and logistics management	Nicaragua	NIO	100,00%
Compañía Nacional de Chocolates del Perú S.A.	Production of foods and beverages	Peru	PEN	100,00%
Helados Bon S.A.	Production and sales of ice cream, beverages, and dairy, et al,	Dominican Republic	DOP	81,18%
Compañía de Galletas Pozuelo de República Dominicana S.R.L.	Management of financial and investment services	Dominican Republic	DOP	100,00%
Nutresa South África (PTY) Ltd	Distribution and sales of food products	South Africa	ZAR	100,00%

Table 1

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

Changes in the scope of consolidation

2021: In December, the "Fideicomiso Grupo Nutresa" was liquidated.

In November, the liquidation agreement of the company Tresmontes Lucchetti Agroindustrial S.A. was carried out, with effect from the date.

In September, CI Nutrading S. A. S. was established, which will have the purpose of buying, selling and exporting products for distribution and sales abroad, as well as support and implementation as an export platform for Colombian companies.

In August, Basic Kitchen S. A. S. was created with an 80% stake. Furthermore, it was also liquidated the Private Capital Fund "Cacao para el Futuro" – Compartimento A.

In July, the process of acquiring 100% of the companies Belina Nutrición Animal S.A., Belina Importaciones e Innovaciones Dos Mil S.A. and Industrial Belina Montes de Oro S.A. was closed, which will be aimed at the production and sale of pet food.

In November, 2020 the company Nutresa South Africa (PTY) Ltd was established, and in March 2021, it was capitalized. The Company will have the objective of marketing the group's products in South Africa and other countries within the African continent.

In January, 2021, a merger by absorption agreement was signed between American Franchising Corp. (AFC), LYC Bay Enterprise INC and Sun Bay Enterprise INC., through which LYC Bay Enterprise INC and Sun Bay Enterprise INC, are merged with American Franchising (AFC).

In June, 2021, a merger by absorption agreement was signed between Serer S. A. de C.V. and Nutresa S. A. de C. V., through which Serer S. A. de C. V. are absorbed by Nutresa S. A. de C. V. Otherwise, a merger by absorption was made between Tresmontes Lucchetti México S.A, Servicios Tresmontes Lucchetti S. A. de C.V. and TMLUC Servicios Industriales, S. A. de C. V., through which Servicios Tresmontes Lucchetti S. A. de C. V. and TMLUC Servicios Industriales, S. A. de C. V., are merged with Tresmontes Lucchetti México S. A. de C. V.

2020: On July 1st Compañía de Galletas Noel S. A. acquired 16,59% of the “Fondo del capital privado Cacao para el Futuro - Compartimento A” corresponding to 300.000 shares for \$4.421.

Note 2. BASIS OF PREPARATION

The Consolidated Financial Statements of Grupo Nutresa, for the period from January 1st to December 31st, 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), until 2018 (Not included IFRS17) and other legal provisions, defined by the Financial Superintendence of Colombia, and including the exception to IAS 12 on Income Tax, defined by the Ministry of Commerce, Industry and Tourism of Colombia in Decree 1311 of 2021, to recognize the effects on deferred taxes of the change in the income tax rate of Law 2155, 2021 against accumulated earnings in equity.

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 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

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, as of December 31st, 2021, 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 policies

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 currencies

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:

		2021	2020
Panamanian Balboa	PAB	3.981,16	3.432,50
Costa Rican Colon	CRC	6,17	5,56
Nicaraguan Cordoba	NIO	112,08	98,57
Peruvian Sol	PEN	997,53	947,94
U.S. Dollar	USD	3.981,16	3.432,50
Mexican Peso	MXN	194,05	172,18
Guatemalan Quetzal	GTQ	515,75	440,41
Dominican Peso	DOP	69,18	58,85
Chilean Peso	CLP	4,71	4,83
Argentine Peso	ARS	38,75	40,79

Table 2

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 receivables 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

Consolidated Financial Statements

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, regarding 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 to 60 years
Machinery and production equipment (*)	10 to 40 years
Transport equipment	3 to 10 years
Communication and computer equipment	3 to 10 years
Office equipment	5 to 10 years

Table 3

(*) 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

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.

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, considering 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 to 15 years
Machinery	3 to 4 years
Transportation equipment	5 to 10 years

Table 4

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.

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.

After 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, considered 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 99 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, 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.

The deferred tax is recognized in profit and loss, except that one related to items recognized outside profit and loss and calculated under Decree 1311 of the Ministry of Commerce, Industry and Tourism of Colombia, in these cases it will be presented directly in reserves and retained earnings 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, 2021 is 458.948.033, and December 31st, 2020, was 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 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.

3.4 Changes in accounting policies

3.4.1 New regulations incorporated into the accounting framework accepted in Colombia whose application is mandatory as of January 1, 2023

Decree 938 of 2021 updated the technical frameworks of the Accounting and Financial Reporting Standards accepted in Colombia, mainly incorporating amendments to the standards that had already been compiled by Decrees 2270 of 2019 and 1438 of 2020, which complied with the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017 and 2483 of 2019.

3.4.1.1 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.

3.4.1.2 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.

3.4.1.3 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.

3.4.1.4 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.

3.4.1.5 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.

3.4.1.6 Annual Improvements to IFRSs 2019-2021 Cycle

The following improvements were finished in May 2021:

- 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.

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- 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.

3.4.1.7 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, 2021. These entities must consider whether its accounting policies are still appropriate under the revised Framework.

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

3.4.2.1 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 2021. 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 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 COMBINATIONS

On July 7, 2021, the sales and purchase agreement was formalized for \$92.102 in which Grupo Nutresa S. A. acquires 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 (Belina).

Belina is a group of companies domiciled in Costa Rica, dedicated to the production, importation and commercialization of animal feed.

The goodwill recognized of \$57.903 is assigned to the "Others" segment and will not be deductible from income tax in accordance with the current tax regulations in Colombia.

The detail of the book value of the net assets initially incorporated as part of the business combination and goodwill is as below:

	2021
	Belina
Cash and cash equivalents	7.259
Trade and other receivables	15.759
Inventories	8.543
Other assets	183
Tax assets	1
Property, plant and equipment, net	22.151
Right-of-use assets	975
Financial obligations	(5.814)
Trade and other payables	(24.363)
Tax charges	(4.530)
Employee benefits	(1.158)
Other non-financial liabilities	(278)
Right-of-use liabilities	(975)
Net identifiable assets	17.753
(+) other intangible assets - brands	2.803
(+) other intangible assets contractual relationships with clients	20.194
(+) adjustment to the fair value of property, plant and equipment	2.778
(-) net effect on deferred tax	(7.724)
Less adjustment to the fair value of debtors	(1.605)
(+) goodwill	57.903
Negotiation value	92.102

Table 5

Income from ordinary activities

The income from ordinary activities and results included in the financial statements of Grupo Nutresa as of 31st of December, 2021 is, as follows:

	Belina
	Jul-Dec 2021
Income from ordinary activities	87.367
Net income	7.138

Table 6

Accounts receivable acquired

The fair value of the acquired accounts receivable and their respective impairment, is as follows:

	Belina
	July 1st of 2021
Accounts receivable	17.364
Impairment	(1.605)
Net accounts receivable	15.759

Table 7

Acquisition-related costs

Costs related to the acquisition that were not directly attributable to the issue of shares are included in administrative expenses in the income statement and in operating cash flows in the statement of cash flows.

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 1st and December 31st.

	Notes	October-December 2021	October-December 2020
Continuing operations			
Operating revenue	a	\$ 3.602.981	\$ 2.949.271
Cost of goods sold	e	(2.226.916)	(1.722.629)
Gross profit		\$ 1.376.065	\$ 1.226.642
Administrative expenses	e	(154.531)	(125.259)
Sales expenses	e	(938.234)	(842.727)
Production expenses	e	(62.976)	(61.069)
Exchange differences on operating assets and liabilities		13.424	9.818
Other operating expenses, net	f	4.499	12.264
Operating profit		\$ 238.247	\$ 219.669
Financial income		22.354	8.677
Financial expenses	d	(69.579)	(62.754)
Dividends		32	2
Exchange differences on non-operating assets and liabilities		9.236	(16.732)
Share of profit of associates and joint ventures		2.378	1.551
Income before tax and non-controlling interest		\$ 202.668	\$ 150.413
Current income tax	c	(48.163)	(43.766)
Deferred income tax	c	(9.030)	3.787
Profit after taxes from continuous operations		\$ 145.475	\$ 110.434
Discontinued operations, after income tax		1.103	(174)
Net profit for the period		\$ 146.578	\$ 110.260
Profit for the period attributable to:			
Controlling interest		\$ 141.900	\$ 105.974
Non-controlling interest		4.678	4.286
Net profit for the period		\$ 146.578	\$ 110.260
EBITDA	b	354.763	326.723

Table 8

a) Income from ordinary activities

- Income from ordinary activities, by segments

	Fourth Quarter					
	External clients		Inter-segments		Total	
	2021	2020	2021	2020	2021	2020
Biscuits	645.880	544.446	4.168	3.086	650.048	547.532
Cold Cuts	683.912	590.055	17.460	12.698	701.372	602.753
Chocolate	551.658	483.275	14.523	11.658	566.181	494.933
Coffee	526.135	397.996	3.210	1.777	529.345	399.773
TMLUC	293.697	248.980	-	1.150	293.697	250.130
Retail Food	284.360	217.527	21	12	284.381	217.539
Ice Cream	159.110	134.786	790	573	159.900	135.359
Pastas	119.892	98.025	243	215	120.135	98.240
Others	338.337	234.181	-	-	338.337	234.181
Total segments	3.602.981	2.949.271	40.415	31.169	3.643.396	2.980.440
Adjustments and eliminations					(40.415)	(31.169)
Consolidated	3.602.981	2.949.271			3.602.981	2.949.271

Table 9

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- Income from ordinary activities, by geographical locations

	Fourth Quarter	
	2021	2020
Colombia	2.217.492	1.831.744
United States	406.751	302.620
Central America	382.830	295.156
Chile	207.724	187.498
Mexico	91.644	74.227
Dominican Republic and the Caribbean	62.901	50.657
Peru	87.073	80.693
Ecuador	45.465	40.778
Others	101.101	85.898
Total	3.602.981	2.949.271

Table 10

- Income from ordinary activities, by type of product

	Fourth Quarter	
	2021	2020
Foods	1.878.572	1.703.088
Beverages	827.623	671.146
Candy y snacks	568.727	465.532
Others	328.059	109.505
Total	3.602.981	2.949.271

Table 11

b) EBITDA

	Fourth Quarter	
	2021	2020
Operating profit	238.247	219.669
Depreciation and amortization	78.551	85.045
Right-of-use depreciation	33.056	28.758
Unrealized exchange differences from operating assets and liabilities	4.909	(6.749)
EBITDA	354.763	326.723

Table 12

- EBITDA, by operation segments

	Fourth Quarter							
	Operating Profit		Depreciation and Amortization		Unrealized Exchange Differences from Operating Assets and Liabilities		EBITDA	
	2021	2020	2021	2020	2021	2020	2021	2020
Biscuits	34.048	46.989	15.270	15.442	604	(2.122)	49.922	60.309
Cold Cuts	19.644	49.949	14.855	16.431	2.348	(635)	36.847	65.745
Chocolate	41.805	38.283	12.804	13.330	414	(842)	55.023	50.771
Coffee	27.116	9.284	16.553	19.166	(417)	2.544	43.252	30.994
TMLUC	27.444	13.980	9.761	11.568	(275)	216	36.930	25.764
Retail Food	46.855	25.957	22.768	21.529	151	(69)	69.774	47.417
Ice Cream	12.330	13.752	7.270	6.984	598	(229)	20.198	20.507
Pastas	10.453	10.666	3.476	3.051	1.575	(1.143)	15.504	12.574
Others	18.552	10.809	8.850	6.302	(89)	(4.469)	27.313	12.642
Total segments	238.247	219.669	111.607	113.803	4.909	(6.749)	354.763	326.723

Table 13

Grupo Nutresa discloses EBITDA because Management considers that this measurement is relevant for a better understanding of the Group's financial performance. This is not a performance measurement defined in the Accounting and Financial Reporting Standards Accepted in Colombia.

c) Income tax expenses

	Fourth Quarter	
	2021	2020
Income tax	48.163	43.766
Total	48.163	43.766
Deferred taxes	9.030	(3.787)
Total income tax expenses	57.193	39.979

Table 14

d) Financial expenses

	Fourth Quarter	
	2021	2020
Loans interest	32.096	30.225
Bonds interest	-	2.491
Interest from financial leases	3	21
Total interest expenses	32.099	32.737
Employee benefits	10.466	6.038
Right-of-use financial expenses	14.140	14.127
Other financial expenses	12.874	9.852
Total financial expenses	69.579	62.754

Table 15

e) Expenditure by nature

	Fourth Quarter	
	2021	2020
Inventory consumption and other costs	1.784.464	1.305.408
Employee benefits	520.642	471.636
Other services (1)	354.800	291.520
Other expenses (2)	129.235	140.354
Transport services	138.980	116.315
Depreciation and amortization	78.551	85.045
Right-of-use depreciation	33.056	28.758
Manufacturing services	30.827	24.451
Seasonal services	58.848	66.838
Energy and gas	55.613	46.412
Advertising material	37.182	35.137
Maintenance	40.998	35.123
Taxes other than income tax	25.578	24.257
Leases	20.512	28.037
Fees	36.401	30.896
Insurance	14.763	13.224
Impairment of assets	22.207	8.273
Total	3.382.657	2.751.684

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	
	2021	2020
Indemnities and recuperations	6.512	2.840
Disposal and removal of property, plant and equipment and intangibles (*)	682	(1.620)
Fines, penalties, litigation, and legal processes	(1.390)	(545)
Other income and expenses	544	1.427
Government subsidies	21	1.060
Donations	(4.509)	(4.966)
Disposal and removal of right-of-use assets	1.603	407
Leases forgiveness income	1.036	13.661
Total	4.499	12.264

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 cr me 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, based on 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 highly 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. At December 31st, 2021 and 2020, 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	
	2021	2020	2021	2020	2021	2020
Biscuits	2.248.701	2.223.679	14.872	11.415	2.263.573	2.235.094
Cold Cuts	2.356.299	2.145.265	51.447	30.692	2.407.746	2.175.957
Chocolate	1.964.873	1.737.201	48.277	38.656	2.013.150	1.775.857
Coffee	1.882.553	1.591.087	7.742	9.406	1.890.295	1.600.493
TMLUC	1.202.610	1.117.290	-	4.734	1.202.610	1.122.024
Retail Food	964.040	660.356	68	103	964.108	660.459
Ice Cream	575.308	482.535	1.482	2.735	576.790	485.270
Pastas	426.461	404.555	983	728	427.444	405.283
Others	1.117.426	765.573	-	-	1.117.426	765.573
Total segments	12.738.271	11.127.541	124.871	98.469	12.863.142	11.226.010
Adjustments and eliminations					(124.871)	(98.469)
Consolidated					12.738.271	11.127.541

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:

	2021	2020
Colombia	7.779.289	6.691.219
United States	1.457.234	1.310.335
Central America	1.297.453	1.131.776
Chile	811.974	801.535
Mexico	376.730	306.948
Dominican Republic and the Caribbean	237.534	188.297
Peru	254.705	241.306
Ecuador	162.178	155.771
Others	361.174	300.354
Total	12.738.271	11.127.541

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:

	2021	2020
Foods	6.433.917	5.854.414
Beverages	3.105.776	2.774.328
Candy y snacks	2.080.955	1.657.337
Others	1.117.623	841.462
Total	12.738.271	11.127.541

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	
	2021	2020	2021	2020	2021	2020	2021	2020
Biscuits	145.641	240.624	58.838	60.882	415	(264)	204.894	301.242
Cold Cuts	166.412	224.162	58.105	61.924	2.746	(2.006)	227.263	284.080
Chocolate	210.273	181.818	51.112	49.902	1.122	647	262.507	232.367
Coffee	170.844	164.359	55.106	53.433	(1.316)	(209)	224.634	217.583
TMLUC	105.634	100.027	42.917	44.575	(726)	331	147.825	144.933
Retail Food	137.586	(5.313)	87.313	87.961	51	45	224.950	82.693
Ice Cream	60.857	50.013	28.066	27.874	920	(129)	89.843	77.758
Pastas	46.979	49.425	12.843	12.623	1.154	559	60.976	62.607
Others	61.071	14.473	26.354	22.210	2.074	3.630	89.499	40.313
Total segments	1.105.297	1.019.588	420.654	421.384	6.440	2.604	1.532.391	1.443.576

Table 21

Grupo Nutresa discloses EBITDA because Management considers that this measurement is relevant for a better understanding of the Group's financial performance. This is not a performance measurement defined in the Accounting and Financial Reporting Standards Accepted in Colombia.

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.

	2021					2020				
	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.	9.239.574	107.395	9.132.179	684.819	-	8.425.618	102.819	8.322.799	583.241	-
Compañía de Galletas Noel S. A. S.	2.531.641	882.618	1.649.023	100.564	-	2.319.187	821.764	1.497.423	121.850	-
Alimentos Cárnicos S. A. S.	2.390.816	1.287.902	1.102.914	126.550	-	2.283.594	1.246.470	1.037.124	108.951	-
Compañía Nacional de Chocolates S. A. S.	2.035.374	819.071	1.216.303	111.270	-	1.923.634	759.992	1.163.642	106.579	-
Nutresa Chile S. A.	1.635.368	246	1.635.122	26.635	(830)	1.648.868	323	1.648.545	19.777	374
Industria Colombiana de Café S. A. S.	1.598.377	890.895	707.482	58.928	-	1.441.518	794.864	646.654	29.897	-
American Franchising Corp. (AFC)	1.395.212	5.831	1.389.381	(46)	1.832	1.151.726	1	1.151.725	(87)	2
Tresmontes S. A.	1.359.970	351.223	1.008.747	34.322	(1.328)	1.327.080	337.052	990.028	12.506	(1.370)
Servicios Nutresa S. A. S.	1.237.114	1.232.298	4.816	2.816	-	1.166.531	1.166.141	390	1.544	-
Compañía de Galletas Pozuelo DCR S. A.	1.039.594	159.182	880.412	31.697	656	944.292	180.001	764.291	57.132	(6.641)
Abimar Foods Inc.	880.003	493.014	386.989	(1.808)	2.710	764.209	439.242	324.967	(1.705)	412
Meals Mercadeo de Alimentos de Colombia S. A. S.	784.206	514.149	270.057	32.828	-	751.211	518.862	232.349	11.756	-
Lucchetti Chile S. A.	657.234	65.415	591.819	12.638	(502)	664.865	70.536	594.329	20.376	584
Gestión Cargo Zona Franca S. A. S.	534.140	222.028	312.112	23.101	-	332.307	174.415	157.892	21.978	-
Compañía Nacional de Chocolates del Perú S. A.	458.054	102.267	355.787	9.871	230	433.915	73.356	360.559	13.401	(1.371)
Novaventa S. A. S.	426.755	197.471	229.284	60.639	-	427.206	190.135	237.071	45.179	-
Comercial Nutresa S. A. S.	423.399	350.260	73.139	26.561	-	448.660	404.066	44.594	18.753	-
IRCC S. A. S. - Industria de Restaurantes Casuales S. A. S.	410.149	387.119	23.030	28.735	-	530.769	540.151	(9.382)	(37.623)	-
Tresmontes Lucchetti S. A.	401.490	208.213	193.277	18.389	(836)	393.026	194.394	198.632	19.230	552
Productos Alimenticios Doria S. A. S.	379.982	264.091	115.891	30.288	-	346.784	224.315	122.469	23.309	-
Other societies (*)	3.128.312	1.143.450	1.984.862	167.516	1.316	3.066.346	1.276.513	1.789.833	71.114	13.125
Subsidiaries with non-controlling interest										
La Recetta Soluciones Gastronómicas Integradas S. A. S.	89.191	87.669	1.522	(186)	-	81.611	80.081	1.530	291	-
Helados Bon S. A.	109.305	54.562	54.743	19.126	570	77.980	44.241	33.739	8.002	1.375
Atlantic FSS S. A. S.	114.741	60.333	54.408	20.263	-	83.882	49.775	34.107	6.476	-
Setas Colombianas S. A.	69.555	18.633	50.922	3.760	-	68.559	19.445	49.114	4.821	-
Fondo de capital privado BTG PACTUAL	-	-	-	-	-	68.618	38.283	30.335	268	-
Novaceites S. A.	72.633	6.540	66.093	5.061	(148)	74.043	7.498	66.545	6.525	13
Schadel Ltda. Schalin Del Vecchio Ltda.	20.986	15.352	5.634	(914)	-	19.994	13.399	6.595	(1.223)	-
Productos Naturela S. A. S.	5.413	832	4.581	755	-	5.018	799	4.219	786	-

Table 22

(*) Other subsidiaries include equity of \$1.984.862 (2020: \$1.789.833) for the following companies: Industria de Alimentos Zenú S. A. S., Tresmontes Lucchetti México S. A. De C. V., Alimentos Cárnicos de Panamá S. A., Tresmontes Lucchetti Inversiones S. A., Cameron's Coffee & Distribution Company, CCDC OpCo Holding Corporation, Compañía Americana de Helados S. A., Tresmontes Lucchetti Servicios S. A., Nutresa S. A. de C. V., Industrias Aliadas S. A. S. Cordialsa Usa Inc., Servicios Nutresa Costa Rica S. A., Molinos Santa Marta S. A. S., Compañía Nacional de Chocolates DCR. S. A., PJ COL S. A. S., Inversiones Tresmontes S. A., Comercial Pozuelo Guatemala S. A., Corp. Distrib. de Alimentos S. A (Cordialsa), LYC S. A. S., Belina Nutrición Animal S. A., Pastas Comarrico S. A. S., Opperar Colombia S. A. S., Distribuidora POPS S. A., Basic Kitchen S. A. S., Inverlogy S. A. S., Industrial Belina Montes de Oro S. A., Tropical Coffee Company S. A. S., Comercial Pozuelo Nicaragua S. A., New Brands S. A., Comercial Pozuelo El Salvador S. A. de C. V., Belina Importaciones e Innovaciones Dos Mil S. A., KIBO FOODS LLC, Industrias Lácteas Nicaragua S. A., Nutresa South Africa, Aliados Comerciales Alternativos S de R.L. de C.V., Procesos VA S. A. S., C.I. Nutrading S. A. S., Tabelco S. A. S., TMLUC Argentina S. A.

Note 9. CASH AND CASH EQUIVALENTS

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

	2021	2020
Cash and banks	551.499	717.765
Short-term investments	311.207	215.799
Total	862.706	933.564

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 1,3% (2020: 1,7%).

At the close of December, \$30.356 (2020: \$6.660) 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, 2021, the Group had \$4.371.770 (2020: \$3.569.679) available in committed unused credit lines.

Note 10. TRADE AND OTHER ACCOUNTS RECEIVABLES, NET

Trade and other accounts receivables, are as follows:

	2021	2020
Clients	1.384.779	1.123.665
Accounts receivable from employees	39.080	37.930
Accounts receivable from related parties	20.916	15.108
Loans to third-parties	11.623	992
Dividends receivable (Note 11)	9.205	16.376
Other accounts receivable	13.364	53.386
Impairment	(51.964)	(29.198)
Total trade and accounts receivable	1.427.003	1.218.259
Current portion	1.382.671	1.191.711
Non-current portion	44.332	26.548

Table 24

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

	2021	2020
Not overdue	1.020.297	786.983
Up to 90 days	289.895	282.242
Between 91 and 180 days	17.238	27.678
Between 181 and 365 days	31.178	17.667
More than 365 days	26.171	9.095
Total	1.384.779	1.123.665

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 analysis at December 31st, 2021, 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, however, Justo & Bueno client portfolio balance is being permanently evaluated due to the fact that there is an increase in the risk of bad debts due to the economic situation of the third party.

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

	2021	2020
Book value at January 1st	29.198	21.853
Impairment losses recognized during the period	46.904	29.989
Use during the period	(26.260)	(22.199)
Reversal of impairment losses for the period	(248)	(212)
Exchange differences	775	(177)
Increase from acquisition	1.605	-
Other changes	(10)	(56)
Book value at December 31st	51.964	29.198

Table 26

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

	2021	2020
Colombian Pesos	600.134	513.492
US Dollars	392.633	277.044
Other currencies	392.012	333.129
Total	1.384.779	1.123.665

Table 27

Note 11. INVENTORIES

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

	2021	2020
Raw materials	556.042	404.601
Works-in-progress	110.686	89.694
Finished products	638.744	536.896
Packing materials	157.111	117.986
Consumable materials and spare parts	110.497	98.761
Inventories in transit	172.365	136.095
Adjustments to the net realizable values	(2.883)	(4.049)
Total	1.742.562	1.379.984

Table 28

The cost of the inventories, recognized as the cost of the merchandise sold, during the period with respect to the continuous operations of the Consolidated Income Statement, corresponds to \$7.218.160 (2020: \$6.072.405).

Write-off inventories are recognized as expenses, in the amount of \$60.299, during the period 2021 (2020: \$65.917); 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, in the amount of \$426 (2020: \$943).

As of December 31st of 2021 and 2020, inventories do not have restrictions that limit their negotiability or realization and 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:

	2021	2020
Biological assets - Cattle	95.354	46.127
Biological assets - Pig	92.605	77.145
Crops	23.419	4.342
Total	211.378	127.614
Current portion	191.894	127.614
Non-current portion	19.484	-

Table 29

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

	Quantities		Location
	2021	2020	
Biological assets – Cattle ⁽¹⁾	40.448 Uds.	26.148 Uds.	Antioquia, Córdoba, Cesar, Santander, Sucre, Caldas and Meta - Colombia
Biological assets – Pig ⁽¹⁾	110.259 Uds.	116.290 Uds.	Antioquia and Caldas - Colombia
	11.267 Uds.	12.523 Uds.	Provincia de Oeste - Panamá
Forest plantations			
Mushroom crops ⁽²⁾	41.080 mts ²	41.080 mts ²	Yarumal - Colombia
Cocoa plantations (Timber trees) ⁽³⁾	483 Ha.	-	Antioquia and Santander - Colombia

Table 30

(1) 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 and Panama, 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, 2021, the price per average kilo of the pig livestock used in the valuation was \$8.593^(*) (2020: \$7.305^(*)); for cattle a price per average kilo of \$6.856^(*) (December 2020: \$4.840^(*)) was used.

(*) In Colombian Pesos.

The value of pigs that are produced in Panama, in December 2021, is \$13.931 (2020: \$8.791), as of 2021, they are measured at fair value, using the market values of suppliers as a reference, the average price per kilo of live pigs as of December 31 in the valuation was USD \$2.15.

Profit for the period, due to changes in fair value, minus the costs to sell of biological assets at December 31st, 2021 were \$11.508 (2020: \$13.131), and is included in the profit and loss, in operating income.

- (2) Mushroom crops are used by Setas Colombianas S.A., in its production processes to be marketed in different presentations, located in Yarumal, Colombia. It is measured under the cost model, considering that there is no active market for these crops, and that the productive cycle is short-term, close to 90 days.
- (3) The cocoa plantations include 483 hectares, located in the departments of Antioquia and Santander in Colombia, whose purpose is to promote the development of cocoa cultivation through agroforestry systems (Cacao – Timber trees) by means of the country's farmers.

Non-current biological assets correspond to timber trees that used for shading cocoa plantations, and have an average life of 25 years.

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:

	2021	2020
Current taxes (Note 22.2)	244.826	170.607
Prepaid expenses ⁽¹⁾	43.077	41.686
Financial derivative instruments	99.247	15.794
Other financial instruments measured at fair value	27.605	-
Total other current assets	414.755	228.087
Non-current taxes (Note 22.2)	11.066	11.282
Prepaid expenses	9.025	7.971
Other financial instruments measured at fair value ⁽²⁾	-	68.194
Total other non-current assets	20.091	87.447
Total other assets	434.846	315.534

Table 31

- (1) The expenses paid in advance, correspond mainly to insurance in the amount of \$17.816 (2020: \$16.185), leases in the amount of \$83 (2020: \$112), and contractors in the amount of \$0 (2020: \$10).
- (2) In August 2021, "Fondo del capital privado Cacao para el Futuro - Compartimento A" in cocoa plantations is liquidated, and the right over the forest area of cacao cultivation was executed.

Note 14. NON-CURRENT ASSETS HELD FOR SALE

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

	2021	2020
Land	80	80
Constructions in progress	97	97
	177	177

Table 32

Note 15. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures are as follows:

	Country	% Participation	2021	2020
Associates				
Bimbo de Colombia S.A.	Colombia	40%	141.855	137.489
Dan Kaffe Sdn. Bhd	Malaysia	44%	39.679	33.948
Estrella Andina S.A.S.	Colombia	30%	18.220	10.615
Wellness Food Company S.A.S.	Colombia	23,33% (2020 - 20%)	856	610
Internacional Ejecutiva de Aviación S.A.S.	Colombia	25%	3.119	-
Joint ventures				
Oriental Coffee Alliance Sdn. Bhd	Malaysia	50%	12.281	11.455
Oriental Coffe Alliance Inc.	Philippines	50%	1.811	2.381
Total associates and joint ventures			217.821	196.498

Table 33

	Country	% Participation	2021			2020		
			Dividend Income	Share of Profit and Loss for the Period	Share of Other Comprehensive Income	Dividend Income	Share of Profit and Loss for the Period	Share of Other Comprehensive Income
Associates								
Bimbo de Colombia S. A.	Colombia	40%	-	(1.638)	6.004	-	(2.845)	1.214
Dan Kaffe Sdn. Bhd	Malaysia	44%	(857)	3.261	3.327	(516)	1.650	1.523
Estrella Andina S. A. S.	Colombia	30%	-	(592)	-	-	(2.602)	-
Wellness Food Company S. A. S.	Colombia	23,33% (2020 - 20%)	-	(42)	-	-	(3)	-
Internacional Ejecutiva de Aviación S.A.S.	Colombia	25%	-	(864)	539	-	-	-
Joint ventures								
Oriental Coffee Alliance Sdn. Bhd	Malaysia	50%	-	(370)	1.196	-	(550)	594
Oriental Coffee Alliance, Inc	Philippines	50%	-	(768)	198	-	(122)	(104)
Total associates and joint ventures			(857)	(1.013)	11.264	(516)	(4.472)	3.227

Table 34

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.

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.

Internacional Ejecutiva de Aviación S.A.S. is a company dedicated to the provision of public commercial air transport services, not regular passengers, mail and cargo, including the realization of charter flights on national and international routes in accordance with current regulations and international conventions on civil aviation, as well as the performance of activities and complementary and related services to air transport service.

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 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.

Oriental Coffee Alliance, Inc is a Company domiciled in Taguig – Philippines, conformed with the objective of participating, conducting and developing the business of purchase, sale, distribution, marketing, enter into all types of export, import, purchase, acquisition, sale and other provisions agreements by itself as principal or representative as manufacturing representatives, , merchandise broker, indenter, commission merchant, factors or agents in the shipment of coffee-related products, including but not limited to instant coffee, ready-to-drink products,

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coffee extract, and roast and ground coffee, but excluding green grains to provide direction, supervision and support, including but not limited to marketing and sales, to affiliates and / or incorporated subsidiaries, including future affiliates and / or subsidiaries that may be incorporated, that will conduct the manufacturing and marketing business; and developing business opportunities related to coffee and other food products in Asian countries and elsewhere. This Company is part of Grupo Nutresa's strategy of association with Mitsubishi Corporation, which allows it to advance in the objectives initially set with the acquisition of DKM to enter to the fast-growing coffee market in Asia.

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

	2021	2020
Opening balance at January 1st, 2021	196.498	193.360
Increase of contributions (*)	11.929	4.900
Dividend income	(857)	(516)
Participation in profit and loss, for the period	(1.013)	(4.472)
Participation in other comprehensive income	11.264	3.226
Balance at December 31st, 2021	217.821	196.498

Table 35

- * 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. An increase was made in the capital of Estrella Andina S. A. S. for \$ 8,197, without generating changes in the percentage of participation, which were paid in full.
- * 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 July 2020, Industria Colombiana de Café S.A.S. invested \$ 2.607 in Oriental Coffee Alliance Inc in Philippines with a participation of 50%. In June 2020, Estrella Andina S. A. S.'s capital was increased in which Grupo Nutresa invested \$2.293, without generating changes in the percentage of participation, which was paid in full.
- * As of December 31st, 2021, \$857 (2020: \$ 516) was received in dividends from Dan Kaffe Sdn. Bhd.

Neither of the associates nor joint ventures maintained by the Group is listed on a stock market; therefore, there is no comparable quoted market price for the investment.

The following is a summary of financial information of associates and joint ventures used in the application of the Equity Method:

	2021					2020				
	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.	738.816	384.179	354.637	(4.096)	14.070	684.582	340.859	343.723	3.568	1.577
Dan Kaffe Sdn. Bhd	132.188	38.045	94.143	7.387	-	103.082	23.866	79.216	3.738	-
Estrella Andina S.A.S.	104.779	43.874	60.905	(1.974)	-	77.965	42.409	35.556	(8.672)	-
Wellness Food Company S A S	1.381	402	979	(200)	-	1.000	398	602	9	-
Internacional Ejecutiva de Aviación S.A.S.	168.232	168.819	(587)	(3.452)	-	-	-	-	-	-
Joint Ventures										
Oriental Coffee Alliance Sdn. Bhd	22.716	154	22.562	(739)	-	21.252	342	20.910	(1.101)	-
Oriental Coffee Alliance Inc.	6.193	2.572	3.621	(1.536)	-	5.095	334	4.761	(243)	-

Table 36

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:

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Book value	Number of Shares Held	Participation as % in Total Ordinary Shares	2021	2020
Grupo de Inversiones Suramericana S.A.	61.021.436	13,07% (2020 - 13,01%)	1.830.643	1.542.622
Grupo Argos S.A.	82.300.360 (2020: 79.804.628)	12,51% (2020 - 12,37%)	1.115.170	1.109.284
Other companies ^(*)			82.390	27.085
Total			3.028.203	2.678.991

Table 37

	2021		2020	
	Dividend Income	Profit (loss) on Fair Value Measurement	Dividend Income	Loss on Fair Value Measurement
Grupo de Inversiones Suramericana S. A.	36.820	288.021	38.687	(532.107)
Grupo Argos S. A.	30.485	(24.600)	30.007	(311.238)
Other companies	485	24.717	577	-
	67.790	288.138	69.271	(843.345)

Table 38

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.

For 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.

Income from dividends, recognized as of December 2021 for portfolio investments corresponds primarily to the total annual dividend declared by the issuers.

As of December 31st, 2021 there is receivable for dividends from financial instruments \$9.205 (2020: \$16.376).

Dividends received generated an effect on cash flow as of December 31st, 2021 of \$74.961 (2020: \$68.268).

(*) In May 2021, 752.682 series A preferred shares of Shiru INC were bought for \$6.487 and in September 2021 3.234.591 series C2 preferred shares were acquired from Cheetah Technologies, INC. for \$11.159.

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

Measurement at fair value

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 December 31st, 2021 generated profit of \$263.421 (2020: loss of \$843.345), recognized in the other comprehensive income. In the case of other investments, when their book value is material, the measurement is made annually using valuation techniques recognized and accepted under IFRS 13.

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

Price per share (in pesos)	2021	2020
Grupo de Inversiones Suramericana S. A.	30.000	25.280
Grupo Argos S. A.	13.550	13.900

Table 39

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.

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.

Note 17. PROPERTY, PLANT AND EQUIPMENT, NET

The movement of property, plant and equipment occurring during the period, is as follows:
2021

	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets in Progress	Plantations in production(*)	Plantations in development (**)	Total
Cost	818.735	946.687	3.029.852	31.440	52.225	60.597	176.378	243.402	6.323	7.868	5.373.507
Depreciation and/or impairment	(356)	(282.430)	(1.464.312)	(24.670)	(39.249)	(44.380)	(83.617)	-	(287)	-	(1.939.301)
Balance at January 1st, 2021	818.379	664.257	1.565.540	6.770	12.976	16.217	92.761	243.402	6.036	7.868	3.434.206
Acquisitions	-	485	8.034	1.216	4.259	667	8.491	359.164	-	-	382.316
Disposals	-	-	(1.616)	(101)	(43)	(67)	(55)	(148)	(32.428)	-	(34.458)
Depreciations	-	(35.820)	(195.922)	(3.123)	(5.543)	(5.210)	(20.143)	-	(542)	-	(266.303)
Impairment recovery	-	-	518	-	-	-	-	-	-	-	518
Transfers	-	5.440	100.401	1.014	912	846	(1.280)	(107.867)	41.196	9.908	50.570
Business combinations	4.412	9.800	9.987	617	5	106	-	-	-	-	24.927
Exchange translation impact	9.332	20.428	50.273	414	308	766	1.906	889	-	-	84.316
Capitalization and consumption	-	-	-	-	-	-	-	-	-	839	839
Cost	832.536	995.242	3.213.606	36.978	57.326	64.046	182.848	495.440	15.062	18.615	5.911.699
Depreciation and/or impairment	(413)	(330.652)	(1.676.391)	(30.171)	(44.452)	(50.721)	(101.168)	-	(800)	-	(2.234.768)
Balance at December 31st, 2021	832.123	664.590	1.537.215	6.807	12.874	13.325	81.680	495.440	14.262	18.615	3.676.931
Cost reconciliation											
Cost balance at January 1st, 2021	818.735	946.687	3.029.852	31.440	52.225	60.597	176.378	243.402	6.323	7.868	5.373.507
Acquisitions	-	485	8.034	1.216	4.259	667	8.491	359.164	-	-	382.316
Disposals	-	(119)	(35.906)	(1.898)	(1.071)	(1.503)	(4.767)	(148)	(32.457)	-	(77.869)
Transfers	-	6.638	99.329	1.011	882	897	(1.280)	(107.867)	41.196	9.908	50.714
Business combinations	4.412	9.800	23.463	2.098	195	469	-	-	-	-	40.437
Exchange translation impact	9.389	31.751	88.834	3.111	836	2.919	4.026	889	-	-	141.755
Capitalization and consumption	-	-	-	-	-	-	-	-	-	839	839
Cost balance at December 31st, 2021	832.536	995.242	3.213.606	36.978	57.326	64.046	182.848	495.440	15.062	18.615	5.911.699
Depreciation and/or impairment reconciliation											
Balance at January 1st, 2021	(356)	(282.430)	(1.464.312)	(24.670)	(39.249)	(44.380)	(83.617)	-	(287)	-	(1.939.301)
Disposals	-	119	34.290	1.797	1.028	1.436	4.712	-	29	-	43.411
Transfers	-	(1.198)	1.072	3	30	(51)	-	-	-	-	(144)
Impairment recovery	-	-	518	-	-	-	-	-	-	-	518
Business combinations	-	-	(13.476)	(1.481)	(190)	(363)	-	-	-	-	(15.510)
Depreciations	-	(35.820)	(195.923)	(3.123)	(5.543)	(5.210)	(20.143)	-	(542)	-	(266.304)
Exchange translation impact	(57)	(11.323)	(38.560)	(2.697)	(528)	(2.153)	(2.120)	-	-	-	(57.438)
Balance at December 31st,	(413)	(330.652)	(1.676.391)	(30.171)	(44.452)	(50.721)	(101.168)	-	(800)	-	(2.234.768)

2021											
2020											
	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets in Progress	Plantations in production ^(*)	Plantations in development ^(*)	Total
Cost	783.133	930.254	2.877.545	30.989	48.522	57.097	168.353	172.865	-	12.872	5.081.630
Depreciation and/or impairment	(340)	(243.616)	(1.258.308)	(21.047)	(32.511)	(38.363)	(70.021)	-	-	-	(1.664.206)
Balance at January 1st, 2020	782.793	686.638	1.619.237	9.942	16.011	18.734	98.332	172.865	-	12.872	3.417.424
Acquisitions	-	920	15.388	395	2.700	725	13.156	236.438	-	-	269.722
Depreciations	-	(34.747)	(197.395)	(3.873)	(6.105)	(5.551)	(20.232)	-	(287)	-	(268.190)
Disposals	(473)	-	(3.180)	(142)	(41)	(179)	(164)	-	-	-	(4.179)
Transfers	35.107	6.604	116.012	172	135	1.746	1.392	(168.319)	6.323	(6.323)	(7.151)
Exchange translation impact	952	4.842	15.478	276	276	742	277	2.418	-	-	25.261
Capitalization and consumption	-	-	-	-	-	-	-	-	-	1.319	1.319
Cost	818.735	946.687	3.029.852	31.440	52.225	60.597	176.378	243.402	6.323	7.868	5.373.507
Depreciation and/or impairment	(356)	(282.430)	(1.464.312)	(24.670)	(39.249)	(44.380)	(83.617)	-	(287)	-	(1.939.301)
Balance at December 31st, 2020	818.379	664.257	1.565.540	6.770	12.976	16.217	92.761	243.402	6.036	7.868	3.434.206
Cost reconciliation											
Cost balance at January 1st, 2020	783.133	930.254	2.877.545	30.989	48.522	57.097	168.353	172.865	-	12.872	5.081.630
Acquisitions	-	920	15.388	395	2.700	725	13.156	236.438	-	-	269.722
Transfers	35.107	6.086	115.211	356	(342)	1.767	1.392	(168.319)	6.323	(6.323)	(8.742)
Disposals	(473)	(2)	(24.080)	(1.174)	(384)	(945)	(6.950)	-	-	-	(34.008)
Exchange translation impact	968	9.429	45.788	874	1.729	1.953	427	2.418	-	-	63.586
Capitalization and consumption	-	-	-	-	-	-	-	-	-	1.319	1.319
Cost balance at December 31st, 2020	818.735	946.687	3.029.852	31.440	52.225	60.597	176.378	243.402	6.323	7.868	5.373.507
Depreciation and/or impairment reconciliation											
Balance at January 1st, 2020	(340)	(243.616)	(1.258.308)	(21.047)	(32.511)	(38.363)	(70.021)	-	-	-	(1.664.206)
Transfers	-	518	801	(183)	477	(22)	-	-	-	-	1.591
Disposals	-	-	20.900	1.033	344	766	6.786	-	-	-	29.829
Depreciations	-	(35.318)	(198.544)	(4.122)	(6.091)	(5.586)	(20.397)	-	(287)	-	(270.345)
Exchange translation impact	(16)	(4.014)	(29.161)	(351)	(1.468)	(1.175)	15	-	-	-	(36.170)
Balance at December 31st, 2020	(356)	(282.430)	(1.464.312)	(24.670)	(39.249)	(44.380)	(83.617)	-	(287)	-	(1.939.301)

Table 40

(*) 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 483 hectares. 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.

As of December 31st, 2021, and 2020 there is no property, plant and equipment under warranty.

Note 18. RIGHT-OF-USE ASSETS

The movement of right-of-use assets, is as follows:

	Buildings	Transportation Equipment	Machinery and Production Equipment	Communication and computer equipment	Total
Balance at January 1st, 2021	773.783	39.884	15.607	289	829.563
New contracts (*)	54.592	10.166	16.390	-	81.148
Business combinations	-	975	-	-	975
Disposals	(29.428)	(1.489)	(1.234)	-	(32.151)
Depreciation	(101.989)	(16.884)	(9.745)	(82)	(128.700)
Transfers	-	(59)	-	-	(59)
Exchange translation impact	12.018	274	329	41	12.662
Balance at December 31st, 2021	708.976	32.867	21.347	248	763.438

Table 41

	Buildings	Transportation Equipment	Machinery and Production Equipment	Communication and computer equipment	Total
Balance at January 1st, 2020	814.955	46.556	17.041	-	878.552
New contracts (*)	62.796	10.896	4.152	377	78.221
Disposals	(21.962)	(946)	(438)	-	(23.346)
Depreciation (Note 32)	(95.760)	(17.909)	(7.166)	(76)	(120.911)
Transfers	6.876	183	-	-	7.059
Exchange translation impact	6.878	1.104	2.018	(12)	9.988
Balance at December 31st, 2020	773.783	39.884	15.607	289	829.563

Table 42

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

Note 19. INVESTMENT PROPERTIES

The movement of investment properties during 2021 and 2020, is as follows:

	Land	Buildings	Total
Cost	4.717	5.814	10.531
Depreciation and/or impairment	-	(1.475)	(1.475)
Balance at January 1st, 2021	4.717	4.339	9.056
Depreciation	-	(316)	(316)
Cost	4.717	5.814	10.531
Depreciation and/or impairment	-	(1.791)	(1.791)
Balance at December 31st, 2021	4.717	4.023	8.740
Cost	74.327	6.592	80.919
Depreciation and/or impairment	-	(1.430)	(1.430)
Balance at January 1st, 2020	74.327	5.162	79.489
Depreciation	-	(352)	(352)
Transfers	(1.014)	(471)	(1.485)
Sales	(68.596)	-	(68.596)
Cost	4.717	5.814	10.531
Depreciation and/or impairment	-	(1.475)	(1.475)
Balance at December 31st, 2020	4.717	4.339	9.056

Table 43

At December 31st of 2021 and 2020, 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 \$1.491 (2020: \$68.600).

The fair value, of the most significant investment properties, amounted to \$28.153 for 2021 and 2020. (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	UGE	Balance at January 1 st , 2021	Additions	Exchange Differences	Balance at December 31 st , 2021
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	217.453	-	34.758	252.211
	Industrias Aliadas S.A.S.	4.313	-	-	4.313
Cold Cuts	Setas Colombianas S.A.	906	-	-	906
Chocolate	Nutresa de México	184.691	-	4.175	188.866
Biscuits	Abimar Foods Inc.	96.546	-	-	96.546
	Galletas Pozuelo	35.497	-	3.891	39.388
	Productos Naturela	1.248	-	-	1.248
Others	Atlantic Food Service	33.747	-	-	33.747
	Belina (Note 5)	-	57.903	-	57.903
TMLUC	Grupo TMLUC	1.038.470	-	(24.710)	1.013.760
Total		2.369.706	57.903	18.114	2.445.723

Table 44

Reportable Segment	UGE	Balance at January 1 st , 2021	Additions	Exchange Differences	Balance at December 31 st , 2021
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	207.612	-	9.841	217.453
	Industrias Aliadas S. A.S.	4.313	-	-	4.313
Cold Cuts	Setas Colombianas S. A.	906	-	-	906
Chocolate	Nutresa de México	188.012	-	(3.321)	184.691
Biscuits	Abimar Foods Inc.	96.546	-	-	96.546
	Galletas Pozuelo	36.289	-	(792)	35.497
	Productos Naturela	1.248	-	-	1.248
Others	Atlantic FS S. A. S (*)	33.664	83	-	33.747
TMLUC	Grupo TMLUC	941.427	-	97.043	1.038.470
Total		2.266.852	83	102.771	2.369.706

Table 45

1.1 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 5,2% and 13,2% (2020: between 6,2% and 10,7%).

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 upper 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	1.236.235	69.234	53.867	91.866	1.451.202
Amortization and impairment	(76.415)	(36.573)	(18.246)	(16.130)	(147.364)
Balance at January 1st, 2021	1.159.820	32.661	35.621	75.736	1.303.838
Acquisitions	-	11.676	-	13.071	24.747
Amortization	(3.879)	(14.239)	(125)	(7.405)	(25.648)
Transfers	-	11.767	-	(11.173)	594
Exchange translation impact	21.712	187	288	6.412	28.599
Business Combinations	2.803	-	-	20.193	22.996
Cost	1.261.148	80.402	54.141	122.174	1.517.865
Amortization and impairment	(80.692)	(38.350)	(18.357)	(25.340)	(162.739)
Balance at December 31st, 2021	1.180.456	42.052	35.784	96.834	1.355.126
Cost	1.202.943	58.371	53.708	93.247	1.408.269
Amortization and impairment	(70.008)	(39.447)	(18.123)	(5.982)	(133.560)
Balance at January 1st, 2020	1.132.935	18.924	35.585	87.265	1.274.709
Acquisitions	-	12.696	103	11.913	24.712
Amortization	(3.876)	(14.043)	(148)	(12.696)	(30.763)
Transfers	-	17.105	-	(15.531)	1.574
Exchange translation impact	30.761	253	81	4.785	35.880
Sales and disposals	-	(26)	-	-	(26)
Others	-	(2.248)	-	-	(2.248)
Cost	1.236.235	69.234	53.867	91.866	1.451.202
Amortization and impairment	(76.415)	(36.573)	(18.246)	(16.130)	(147.364)
Balance at December 31st, 2020	1.159.820	32.661	35.621	75.736	1.303.838

Table 46

1.2 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:

2021			
Reportable Segment	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Food	-	265.124	265.124
Coffee	-	59.319	59.319
Cold Cuts	1.203	-	1.203
Chocolate	-	18.836	18.836
Biscuits	-	211.730	211.730
Ice Cream	271.345	-	271.345
Others	-	3.970	3.970
TMLUC	-	348.929	348.929
Total	272.548	907.908	1.180.456
2020			
Reportable Segment	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Food	-	265.803	265.803
Coffee	-	51.144	51.144
Cold Cuts	1.037	-	1.037
Chocolate	-	17.889	17.889
Biscuits	-	190.816	190.816
Ice Cream	274.531	-	274.531
Others	-	1.166	1.166
TMLUC	-	357.434	357.434
Total	275.568	884.252	1.159.820

Table 47

The brands with finite useful lives have useful life residuals of 88 years (2020: 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 \$907.908 (2020: \$884.252).

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 2021 and 2020, no losses from impairment of brands were not recognized.

Regarding 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 2021 and 2020, 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 %	2020	2021	2022	2023	2024
Colombia	32,0	31,0	35,0	35,0	35,0
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 48

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 from the year 2021 is 0% (2020: 0,5%).

The firmness of the tax returns is 3 years, however, for companies' subject to the transfer pricing regime, the firmness is 5 years and the declarations that originate or offset tax losses will be firm in 5 years. Additionally, for the year 2021, the returns that present an increase in net income tax by a minimum percentage of 30% or 20% compared to the previous year, will be final in 6 months or 12 months, respectively.

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 provision for income taxes charged to income includes current taxable income for the year and deferred tax applicable to temporary differences between accounting and taxable items. The deduction of non-bank interest is limited to 20% of income before interest, taxes, depreciation and amortization (UAIIDA), for each taxable year.

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The income tax rate is 30% and the rate for income and capital gains is 15%. Tax losses can be offset within 3 years of their generation.

e) Panama

Current income tax is subject to a 25% rate on net taxable income based on the greater of the following amounts:

- The net taxable income resulting from deducting from the taxable income of the taxpayer the rebates granted under promotion or production regimes and the legally authorized loss carry-forwards, this calculation will be known as the traditional method.
- The net taxable income resulting from applying 4.67% to the total taxable income (this calculation will be known as the CAIR - Alternate Calculation).

Income tax returns are subject to review by the Tax Authorities for the last 3 years.

According to Panamanian Tax Legislation in force, companies are exempt from paying income tax on foreign source earnings. Also exempt from income tax are interest earned on time deposits in local banks, interest earned on Panamanian government securities and investments in securities issued through the Panama Stock Exchange.

Tax losses may be deducted from the taxable income of the following five years, 20% each year, but limited to 50% of the taxable income of each year.

f) 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.

g) 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.

h) 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.

Approved tax regulations applicable from the year 2022

Colombia

The main changes approved by Law 2155 of 2021 - Social Investment Law, are the following:

- Increase from 2022 in the income tax rate for legal entities to 35%.
- The possibility of taking 100% as a tax discount from the ICA since 2022 is repealed. The benefit of 50% of the ICA paid is maintained.
- DIAN is granted the power to implement the billing of income and complementary taxes, that constitutes the official determination of the tax, and that will provide executive merit.
- In order that the electronic invoice in credit operations can constitute support for costs, deductions and discounted taxes, the purchaser must confirm receipt of the invoice for the goods and/or services acquired by means of an electronic message sent to the issuer to expedite the bill.
- POS document may only be issued when the sale of the good or service does not exceed 5 U.V.T.
- In order for the electronic invoice to be considered as a security and the economic rights contained in it can be transferred. The transferor, or endorsee must register the transaction carried out in the DIAN registry.
- The benefit of three days without sales tax per year is permanently established.
- The audit benefit continues for taxable years 2022 and 2023, due to an increase in net income tax of 35% (6 months) or 25% (12 months).
- Various alternatives are established for the reduction and payment of taxes, interests and penalties.

Ecuador

The tax modifications approved by the Organic Law for Economic Development and Fiscal Sustainability are mainly the following:

- A temporary contribution is established for fiscal years 2022 and 2023 of 0.8% of net worth for companies with a capital of more than 5 million dollars as of December 31, 2020.
- The tax benefit of the reduction of 10 percentage points of the income tax rate on the amount of reinvestment of profits in productive assets is eliminated.

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- The figure of transactions is established for taxpayers who avail themselves of the mediation procedure, as well in the administrative stage and in the judicial stage, as long as they make an immediate payment offer of 25% of the capital of the obligation in dispute.
- Reduction of 3 percentage points in income for the development of new investments for up to 15 years and reduction of 5 percentage points in income tax for the signing of Investment Contracts during the time the contract is agreed.
- Additional deductions focused on economic development and fiscal sustainability after the COVID 19 pandemic are incorporated.
- The progressive reduction of the Foreign Currency Outflow Tax rate is established at a quarter of a point (0.25%) per quarter during 2022, until reaching a rate of 4%.

Mexico

The main changes included in the Income Law of the Federation of November 12, 2021 are:

- Limitations are established on the deduction of some expenses, such as technical assistance, technology transfer, royalties, uncollectable receivables and thin capitalization.
- The exchange rate published by the Bank of Mexico is set as a parameter to determine foreign exchange gains and losses.
- It is determined that the division and use of tax losses derived from a spin-off only proceeds between companies engaged in the same line of business
- It is established that in the event of the existence of relevant operations within the five years following a merger or spin-off, the information on this operation must be submitted to the tax authority under the parameters included in the Tax Code.
- The obligation of notice by Mexican companies is included when shares are sold between partners and shareholders residing abroad, under penalty of being jointly responsible for the tax.

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:

	2021	2020
Income tax and complementaries ⁽¹⁾	189.459	126.925
Equity tax, interest ⁽³⁾	-	4.373
Sales tax	51.208	37.079
Other claims	2.931	420
Other taxes	1.228	1.810
Total current tax assets	244.826	170.607
Claims in process ⁽²⁾	11.066	11.282
Total non-current tax assets	11.066	11.282
Total tax assets	255.892	181.889

Table 49

- (1) Income tax assets and complementary include auto-withholdings of \$17.579 (2020: \$13.577), credit balances of \$113.584 (2020: \$53.491), tax advances of \$561 (2020: \$23.794), tax rebates for \$57.585 (2020: \$31.316), and income tax withheld \$150 (2020: \$4.747).
- (2) Grupo Nutresa has six (6) subsidiaries that signed legal stability contracts with the Colombian government in 2009 (As of December 31st, 2021, four companies have current contracts). One of the stabilized taxes was the equity tax, which by order of the tax authority had to be declared and paid. However, there is a legal right to request a refund for the payment of what is not due for \$49.486. Based on article 594-2 of the Tax Statute that indicates that tax obligations presented by those not obliged to declare do not produce legal effects, claims for payment of what is not due are advanced, and \$9.866 is pending resolution, value classified as non-current asset since its resolution is expected in a term exceeding twelve months from the date of this report.
- (3) Refers to current interest derived from this payment of what is not due in the amount of \$6.407. During 2020, the tax administration has recognized in favor of Grupo Nutresa an amount of \$2.034, and during 2021 paid the remain amount of \$4.373.

The current taxes payable balances include:

	2021	2020
Income tax and complementaries (*)	72.410	99.776
Sales tax payable	89.328	94.483
Withholding taxes, payable	42.022	35.499
Other taxes	26.724	10.253
Total	230.484	240.011

Table 50

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.

Considering the criteria and judgments in the determination and recognition of the mentioned taxes, as of December 31st, 2021, no situations have been identified that generate tax uncertainty and that must be recognized in the accounting according to the framework defined by IFRIC 23.

(*) It included a reduction in the income tax payable through the “obras por impuestos” mechanism. During 2021, five Grupo Nutresa companies were linked with a total investment of \$22.198, whose projects aim to improve the conditions for the training and development of educational skills from municipalities in the Departments such as de Antioquia, Putumayo, Santander and Tolima. To date, these contracts have an execution rate of 72%. The projects executed during 2020 are already fully settled.

22.3 Income tax expenses

Current income tax expenses are as follows:

	2021	2020
Income tax	238.894	261.210
Total	238.894	261.210
Deferred taxes (Note 22.4)	24.162	(30.274)
Total income tax expenses	263.056	230.936

Table 51

The variation in deferred tax is mainly due to the recognition of higher tax losses and amortization of intangibles during the 2021.

22.4 Deferred income tax

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

	2021	2020
Deferred tax assets		
Goodwill tax, TMLUC	53.250	76.289
Employee benefits	57.649	46.906
Accounts payable	22.453	13.628
Tax losses	209.749	228.120
Tax credits	4.952	14.345
Debtors	25.450	23.015
Right-of-use assets	328.656	280.746
Derivates	30.831	15.317
Other assets	48.839	42.525
Total deferred tax assets ⁽¹⁾	781.829	740.891
Deferred tax liabilities		
Property, plant and equipment	363.974	342.372
Intangibles ⁽²⁾	422.953	368.831
Investments	16.218	14.097
Inventories	12.927	8.039
Right-of-use liabilities	305.509	267.605
Derivates	51.273	4.597
Other liabilities	23.074	14.875
Total income tax liabilities	1.195.928	1.020.416
Net deferred tax liabilities	414.099	279.525

Table 52

- (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 and the recognition for the difference between accounting and tax due to the entry into force in 2019 of the accounting standard for financial leases IFRS 16.

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

	2021	2020
Opening balance, net liabilities	279.525	329.658
Deferred tax expenses, recognized in income for the period	24.162	(30.274)
Deferred taxes associated with components of other comprehensive income ⁽¹⁾	36.705	(4.262)
Impact of variation in rates of foreign exchange	23.650	(15.120)
Increase for business combination	(7.726)	-
Deferred tax recognized against retained earnings from previous years ⁽²⁾	57.783	-
Other effects	-	(477)
Final balance, net liabilities	414.099	279.525

Table 53

- (1) The income tax, relating to components of other comprehensive income, is determined by new measurements of benefit plans to employees of -\$920 (2020: \$1.809), the participation in associates and joint ventures, accounted for by using *the Equity Method*, in the amount of \$4.609 (2020: \$968), the financial assets, measured at fair value, in the amount \$6.294 (2020: -\$1) and cash-flow hedges of \$26.722 (2020: -\$7.038).
- (2) On October 20, 2021, the Ministry of Commerce, Industry and Tourism of Colombia issued Decree 1311, through which it gives the option that the recognition and presentation of the deferred tax caused by the change in the approved income tax rate by Law 2155 - "Ley de Inversión Social", which goes from 30% to 35% is recorded in the equity against of retained earnings from previous years. In this sense, Grupo Nutresa opted for this option and recorded a debit in equity of \$ 57,583 and not in the results of the period as established by IAS 12.

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, the amount of discontinued operations was included in income before taxes, since these operations are part of the income tax purification.

The effective tax rate is 2,94% below the theoretical rate, mainly due to:

- (1) Due to the effect of the increase in the CPI in Chile, the monetary correction of the tax capital in this country has implied big adjustments with an effect on the rate of -2,48% (2020: -1,47%).
- (2) Income from untaxed portfolio dividends has an effect on the rate of -2,33% (2020: -3,04%).
- (3) The application of stabilized regulations in Colombia such as the special deduction for investment in real productive fixed assets decreases the effective rate by -0,63% (2020: -0,48%).

The above effects are offset in 2021 by the following permanent differences:

- (1) Non-deductible expense derived from the application of the option to take 50% of the ICA and 25% of certified donations as a tax discount. The above generates a higher income tax expense due to the non-deductible, which affects the rate by 1.10% (2020: 0.93%).
- (2) Other non-deductible expenses such as the higher value of income tax paid by Colombian companies abroad, 50% of the tax on financial movements and costs and expenses from previous years, items that increase the effective rate by 1, 63% (2020: 2.10%).

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

	2021		2020	
	Value	%	Value	%
Accounting profit, before income taxes (*)	956.310		814.780	
Applicable tax rate expenses	291.197	30,45%	248.589	30,51%
Untaxed portfolio dividends	(22.281)	-2,33%	(24.743)	-3,04%
Special deductions for real productive fixed assets	(6.056)	-0,63%	(3.884)	-0,48%
ICA and non-deductible donations	10.538	1,10%	7.608	0,93%
Monetary correction Chile	(23.738)	-2,48%	(11.945)	-1,47%
Non-deductible expenses	15.513	1,62%	12.468	1,53%
Other tax impact	(2.117)	-0,22%	2.843	0,35%
Total tax expenses (Note 22.3)	263.056	27,51%	230.936	28,34%

Table 54

(*) Includes discontinued operations.

22.6 Presumptive income tax excess and losses

At December 31st, 2021, the tax losses of the Group amounted to \$754.884 (2020: \$869.855). 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. Likewise, the tax losses recognized in the deferred tax asset corresponding to Chile and the United States do not expire. In Mexico, tax losses can be offset in the 10 years following their generation date.

The excess presumptive tax on ordinary income of the Group, outstanding amount of \$94 (2020: \$187). 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
2025	-	94
2030	52.181	-
2031	-	-
2032	12.846	-
No expiration date	689.857	-
Total	754.884	94

Table 55

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 in Alimentos Zenú S. A. S. and 2011 and 2015 in Alimentos Cárnicos S. A. S. 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, 2009 and 2014. 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:

	2021	2020
Loans	3.336.949	3.211.594
Bonds	-	135.246
Financial leases	4.541	5.534
Total	3.341.490	3.352.374
Current	178.658	486.736
Non-current	3.162.832	2.865.638

Table 56

The financial obligations covered, incorporates adjustments, that increase the amortized cost, in the amount of \$0 (December: \$9.674), decreasing the value of the financial obligation, as a result of the measurement at fair value of hedging exchange rates, as described in Note 23.6, henceforth.

23.2 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. As of December 31st, 2021 interest expenses were incurred in the amount of \$6.199 (2020: - \$11.381). The last tranche of the issue was paid in August 2021:

Maturity	Interest rate	2021	2020
2021	CPI + 5,75%	-	135.246
Total		-	135.246

Table 57

23.3 Maturity

Maturity	2021	2020
1 year ^(*)	178.658	486.736
2 to 5 years	2.280.648	2.311.643
More than 5 years	882.184	553.995
Total	3.341.490	3.352.374

Table 58

(*) Includes interest payable.

23.4 Balance by currency

Currency	2021		2020	
	Original currency	COP	Original currency	COP
COP	2.781.179	2.781.179	2.848.451	2.848.451
CLP	23.632.295.985	111.384	23.613.795.679	114.009
USD	106.509.729	424.032	107.145.520	367.777
CRC	4.034.950.486	24.895	3.981.120.954	22.137
Total		3.341.490		3.352.374

Table 59

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 31st December 2021, 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 \$267 (2020: \$160), in the final balance.

23.5 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 – BCCR [Costa Rica]), 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	2021	2020
Variable interest rate debt	2.602.110	3.072.950
Fixed interest rate debt	739.380	279.424
Total	3.341.490	3.352.374
Average rate	4.13%	3,59%

Table 60

Rate	2021	2020
IBR indexed debt	2.177.225	1.582.791
DTF indexed debt	397.317	1.061.781
CPI indexed debt	-	135.246
TAB (Chile) indexed debt	-	113.882
LIBOR indexed debt	2.672	157.109
BCCR (Costa Rica) indexed debt	24.896	22.141
Total debt at variable interest rate	2.602.110	3.072.950
Fixed interest rate debt	739.380	279.424
Total debt	3.341.490	3.352.374
Average rate	4.13%	3,59%

Table 61

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 \$26.021 (2020: \$30.560).

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

Closing rate	2021	2020
IPC	5.62%	1,61%
IBR (3 months)	3.42%	1,69%
DTF EA (3 months)	3.21%	1,89%
DTF TA (3 months)	3.15%	1,87%
TAB (3 months)	5.19%	0,25%
LIBOR (3 months)	0.21%	0,24%
BCCR (Costa Rica)	5.09%	3,50%

Table 62

23.6 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. As of December 31st, 2021, hedged debt amounted to USD\$0 (December 2020: USD\$12.500.000) and the debt with interest rate hedge amounts to USD \$105.000.000 (December 2020: USD \$ 60,000,000) and COP \$ 196,126 (December 2020: \$ 0).

For interest rate hedges, the accumulated differences between the rates are recognized as a higher or lower value of the interest payable.

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Finally, 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:

	2021		2020	
	Assets	Liabilities	Asset	Liabilities
Hedges				
Fair value of exchange rates on financial obligations	-	-	-	(9.674)
Fair value of interest rate hedge (*)	27.605	-	-	(386)
Fair value of exchange rates on suppliers	-	33	-	(3.419)
Fair value of exchange rates on customers or debtors	(39)	-	-	-
Fair value of exchange rates on cash flows	97.111	(57.950)	13.954	(42.437)
Total hedges derivatives	124.677	(57.917)	13.954	(55.916)
Non-designated derivatives				
Forwards and options on currency	-	-	-	(23)
Forwards and options on commodities	2.136	(187)	1.840	(1)
Total non-designated derivatives	2.136	(187)	1.840	(24)
Total derivative financial instruments	126.813	(58.104)	15.794	(55.940)
Net value of financial derivatives		68.709		(40.146)

Table 63

The valuation of non-designated derivative financial instruments generated a loss in the Income Statement, in the amount of de \$320 (2020: \$600).

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.

(*) Derivatives are valued monthly according to market conditions, increasing or decreasing the asset or liability recognized at the opening of the transaction.

Note 24. RIGHT-OF-USE LIABILITIES

The balances of right-of-use liabilities, are as follows:

	2021	2020
Balance at January 1st, 2021	874.023	892.555
New contracts (*)	81.138	85.355
Business combinations	975	-
Disposals	(35.210)	(24.976)
Interests	56.370	59.060
Exchange translation impact	14.020	9.982
Exchange differences	2.657	3.892
Transfers	-	5.991
Leases forgiveness income	(5.173)	(13.661)
Payments	(162.373)	(144.175)
Balance at December 31st, 2021	826.427	874.023
Current portion	107.253	126.727
Non-current portion	719.174	747.296

Table 64

* 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:

	2021	2020
Suppliers	1.099.159	723.010
Cost and expenses payable	537.321	444.176
Dividends payable (Note 30.3)	91.596	84.766
Payroll deductions and withholdings	30.007	31.542
Total	1.758.083	1.283.494

Table 65

Note 26. LIABILITY FOR EMPLOYEE BENEFITS

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

	2021	2020
Short-term benefits	132.954	120.666
Post-Employment benefits	130.465	129.621
<i>Defined contribution plans</i>	43.448	41.723
<i>Defined benefit plans (Note 26.2)</i>	87.017	87.898
Other long-term benefits (Note 26.3)	182.693	162.990
Total liabilities for employee benefits	446.112	413.277
Current portion	246.285	217.033
Non-current portion	199.827	196.244

Table 66

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 2021, with 189 beneficiaries (2020: 199) 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 305 workers belonging to the labor force, before the Law 50 of 1990 (2020: 371 beneficiaries).

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	
	2021	2020	2021	2020	2021	2020	2021	2020
Present value of obligations at January 1st, 2021	18.570	19.427	10.885	12.898	58.443	56.480	87.898	88.805
(+) Cost of services	162	175	296	358	8.350	8.150	8.808	8.683
(+) Interest expenses	849	994	432	598	5.959	6.301	7.240	7.893
(-) Plan returns	-	-	-	-	(4.433)	(3.651)	(4.433)	(3.651)
(+/-) Actuarial gains and/or losses	(876)	2.274	570	832	(4.868)	(5.651)	(5.174)	(2.545)
(-) Contributions to plan fund	-	-	-	-	4.039	(2.254)	4.039	(2.254)
(+/-) Others	14	(2.274)	-	974	(118)	1.104	(104)	(196)
(-) Payments	(2.545)	(2.067)	(3.150)	(4.775)	(6.814)	(4.547)	(12.509)	(11.389)
(+/-) Difference in exchange rate	176	41	-	-	1.076	2.511	1.252	2.552
Present value of obligations at December 31st, 2021	16.350	18.570	9.033	10.885	61.634	58.443	87.017	87.898

Table 67

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
2022	10.166
2023	8.622
2024	12.099
2025	9.077
2026	9.193
Following years	191.358
Total	240.515

Table 68

The estimated time for termination of benefits is 43 years. (2020: 43 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	14.835	13.655
Discount rate	6,70%	4,80%
Salary adjustment rate	3,50%	2,60%

Table 69

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 \$94.281 (2020: \$88.738); and expenses for contributions to severance from Law 50, during the period, in the amount of \$51.670 (2020: \$48.227).

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	
	2021	2020	2021	2020	2021	2020
Present value of obligations at January 1st, 2021	89.210	83.373	73.780	61.007	162.990	144.380
(+) Cost of services	7.594	7.697	83.886	63.364	91.480	71.061
(+) Interest expenses	6.318	5.295	2.319	1.630	8.637	6.925
(+/-) Actuarial gains and/or losses	(9.588)	1.203	(6.291)	(8.814)	(15.879)	(7.611)
(+/-) Others	-	(8)	5	(12)	5	(20)
(-) Payments	(12.090)	(8.269)	(53.457)	(43.243)	(65.547)	(51.512)
(+/-) Difference in exchange rate	127	(81)	880	(152)	1.007	(233)
Present value of obligations at December 31st, 2021	81.571	89.210	101.122	73.780	182.693	162.990

Table 70

26.4 Expenses for employee benefits

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

	2021	2020
Short-term benefits	1.681.824	1.602.072
Post-Employment benefits	154.759	145.648
Defined contribution plans	145.951	136.965
Defined benefit plans	8.808	8.683
Other long-term employee benefits	88.061	61.136
Termination benefits	21.893	16.245
Total	1.946.537	1.825.101

Table 71

26.5 Actuarial Assumptions

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

	2021	2020
Discount rates	2,6% - 8,74%	1,75%-9,5%
Salary increase rates	1,05% - 4,5%	1,3% -5%
Employee turn-over rates	1% - 7%	1%-18%

Table 72

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, 2021, 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%	(997)	(330)	(5.190)	(6.992)
Discount rate -1%	1.019	353	5.863	7.650
Salary increase rate + 1%	1.124	1.198	5.972	7.345
Salary increase rate -1%	(1.105)	(1.147)	(5.366)	(6.800)

Table 73

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

Balance for provisions are as follows:

	2021	2020
Restauración and dismantling	5.918	5.909
Legal contingencies	1.453	3.234
Prizes and incentives	221	216
Total	7.592	9.359
Current portion	1.674	3.450
Non-current portion	5.918	5.909

Table 74

Legal contingencies: provisions for legal processes are recognized to meet the probable losses estimated against Grupo Nutresa due to labor, civil, administrative and regulatory litigation, which are calculated based on the best estimate of the disbursement required to cancel the obligation to the date of preparation of the financial statements. Taking into consideration the reports of the legal advisors, the Administration considers that said litigation will not significantly affect the financial situation or the solvency of the Group, even in the event of an unfavorable conclusion of any of them. As of December 31st, 2021 and December 31st, 2020, there are no relevant judicial processes that must be disclosed in the financial statements.

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

Contingent assets and liabilities

No contingent assets and liabilities are identified that are qualitatively or quantitatively material and that must be disclosed in the financial statements as of December 31st, 2021.

Note 28. OTHER LIABILITIES

	2021	2020
Derivative financial instruments	58.137	42.847
Pre-payments and advances received	20.957	13.660
Liabilities from customer loyalty programs (*)	26.614	28.284
Return of goods	-	884
Other	2.546	2.110
Total other liabilities	108.254	87.785
Current	105.600	83.209
Non-current	2.654	4.576

Table 75

(*) Corresponds to liabilities, from contracts with clients. During 2021, there were no significant variations with respect to 2020.

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 2021 is composed as follows:

	Low-value leases	Short-term leases	Variable fee leases	Total
Buildings	1.599	10.256	13.409	25.264
Computer equipment	23.036	866	-	23.902
Office equipment	257	-	50	307
Transportation equipment	772	2.188	1.459	4.419
Machinery and production equipment	3.351	4.928	695	8.974
Others	3.187	3.554	-	6.741
Total lease expense	32.202	21.792	15.613	69.607

Table 76

The lease expense during 2020 is composed as follows:

	Low-value leases	Short-term leases	Variable fee leases	Total
Buildings	2.007	8.140	5.511	15.658
Computer equipment	21.020	899	-	21.919
Office equipment	378	4	56	438
Transportation equipment	912	1.469	830	3.211
Machinery and production equipment	4.224	5.572	201	9.997
Others	2.717	3.524	-	6.241
Total lease expense	31.258	19.608	6.598	57.464

Table 77

29.2 Grupo Nutresa as lessor

Grupo Nutresa has properties under operating leases, (mainly buildings) with a book value of \$2.084 (2020: \$2.266) at December 31st, 2021, upon which income of \$1.491 (2020: \$3.659), with a term period between 1 to 10 years.

Note 30. EQUITY

30.1 Subscribed and paid shares

As of December 31st, of 2021 and 2020, the balance of capital of the Parent Company was \$2.301, representing a total of 457.755.869 shares as of December 31st, 2021 (2020: 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 31st, 2021, and its value was \$28.640, per share (2020: \$24.000).

At December 31st, 2021, the common shares are held by 12.574 (2020: 11.537 Shareholders). The Corporate Structure, of the Grupo Nutresa, at December 31st, 2021 and 2020, is as follows:

Group of Investors	2021		2020	
	Number of shares	% Participation	Number of shares	% Participation
Grupo de Inversiones Suramericana S.A.	163.558.938	35,7%	162.758.405	35,4%
Grupo Argos S.A.	45.243.781	9,9%	45.243.781	9,8%
Colombian Funds	100.334.469	21,9%	93.712.571	20,4%
International Funds	28.890.824	6,3%	33.982.986	7,4%
Other investors	119.727.857	26,2%	124.425.715	27,0%
Total outstanding shares	457.755.869	100%	460.123.458	100%

Table 78

30.2 Reserves and retained earnings

Of the accounts that make up the equity reserves at December 31st of 2021 and 2020, are as follows:

	2021	2020
Legal reserves	81.943	87.201
Non-distributable occasional reserves	1.558.597	1.558.597
Other reserves	2.547.152	2.395.967
Total Reserves	4.187.692	4.041.765
Retained earnings	(41.382)	(38.510)
Total	4.146.310	4.003.255

Table 79

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 for the shares buyback: At the meeting held on March 24, 2020, a reserve of \$300.000 was approved to formulate one or several offers for the shares buyback, charged to the Reserve for the Shares Buyback, provided that the shares to be acquired they are fully released and the applicable regulations on the trading of shares in the stock market are observed. In 2021, 2.367.589 shares are repurchased, the balance of this reserve in 2021 is \$247.964 (2020: \$300.000).

Retained earnings: The movement in 2021 corresponds mainly to the realization of other comprehensive results for employee benefits due to a pension gap of \$326; in Nutresa de Chile S.A, transfer of profits from foreign companies (\$5.258), the restatement of equity for TMLUC Argentina \$395.

The movement in 2020 corresponds mainly to the realization of other comprehensive results for employee benefits due to pension gap \$ 3.329 Servicios Nutresa S. A. S., transfer of profits from foreign companies \$ 6.031, acquisition of the controlling interest of the Pactual Private Capital Fund \$ 808 and effect for the allocation of the purchase price of Cameron’s Coffee & distribution Company \$ 2.892.

30.3 Distribution of dividends

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). In addition, dividends were issued to non-controlling interest of \$2.910 (2020: \$4.552). See Note 30.4

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

During 2021, dividends were paid in the amount of \$317.948 (2020: \$298.063), that include dividends paid to non-controlling interest of \$2.910 (2020: \$4.552).

As of December 31st, 2021, accounts payable, pending are \$91.596 (2020: \$ 84.766).

(*) In Colombian Pesos.

Shares Buyback

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

As of December 31st, 2021, 2.367.589 shares of the Group were acquired, for \$52.036, and \$1.138 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	2.367.589	457.755.869

Table 80

30.4 Non-controlling interest

Participation of non-controlling interest at December 31st, 2021 and 2020 is as follows:

Subsidiary	Country of Origin	% Non-controlling interest		2021		2020	
		2021	2020	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%	32.960	2.530	33.192	3.262
La Recetta Soluciones Gastronómicas Integradas S. A. S.	Colombia	30,00%	30,00%	499	(56)	501	87
Setas Colombianas S. A.	Colombia	0,49%	0,50%	250	18	244	24
Helados Bon	Dominican Republic	18,82%	18,82%	10.320	3.600	6.357	1.506
Basic Kitchen S.A.S.	Colombia	20,00%	-	3.051	51	-	-
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	Colombia	-	-	-	-	-	32
Schadel Ltda. Schalin del Vecchio Ltda.	Colombia	0,12%	0,12%	8	(1)	9	(1)
Productos Naturela S. A. S	Colombia	40,00%	40,00%	1.832	302	1.687	315
Atlantic FS S.A.S.	Colombia	49,00%	49,00%	27.253	9.931	17.304	3.178
Total				76.173	16.375	59.294	8.403

Table 81

The dividends declared for the companies with non-controlling interests are shown below:

	Country of Origin	2021		2020	
		Dividends declared from subsidiaries with non-controlling interests	Dividends declared corresponding to the non-controlling portion	Dividends declared from subsidiaries with non-controlling interests	Dividends declared corresponding to the non-controlling portion
Novaceites S. A.	Chile	3.782	1.891	3.662	1.831
Setas Colombianas S. A.	Colombia	1.206	6	6.031	30
Helados Bon	Dominican Republic	4.545	855	13.814	2.600
Schadel Ltda. Schalin del Vecchio Ltda.	Colombia	-	-	237	-
Productos Naturela S. A. S	Colombia	393	157	228	91
Total		9.926	2.909	23.972	4.552

Table 82

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, 2021	(31.881)	2.369.949	9.327	754.198	(25.709)	3.075.884	(5.865)	3.070.019
Losses/gains from new measurements	5.174	288.138	11.264	-	97.885	402.461	-	402.461
Impact of exchange translation for the period	-	-	-	157.825	-	157.825	-	157.825
Income tax associated	920	(6.294)	(4.609)	-	(26.722)	(36.705)	-	(36.705)
Realization of the OCI to accumulated profits	326	-	-	-	-	326	-	326
Participation of non-controlling in OCI for the period	-	-	-	-	-	-	(308)	(308)
Balance at December 31st, 2021	(25.461)	2.651.793	15.982	912.023	45.454	3.599.791	(6.173)	3.593.618

	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, 2020	(35.946)	3.213.293	7.068	589.525	(836)	3.773.104	(2.984)	3.770.120
Losses/gains from new measurements	2.545	(843.345)	3.227	-	(31.911)	(869.484)	-	(869.484)
Impact of exchange translation for the period	-	-	-	164.673	-	164.673	-	164.673
Income tax associated	(1.809)	1	(968)	-	7.038	4.262	-	4.262
Realization of the OCI to accumulated profits	3.329	-	-	-	-	3.329	-	3.329
Participation of non-controlling in OCI for the period	-	-	-	-	-	-	(2.881)	(2.881)
Balance at December 31st, 2020	(31.881)	2.369.949	9.327	754.198	(25.709)	3.075.884	(5.865)	3.070.019

Table 83

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 26.2, 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 16 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 34,11% and 33,33% of total consolidated assets in December 2021 and

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2020, 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:

		2021	2020
Chile	CLP	(50.894)	179.610
Costa Rica	CRC	68.157	(18.199)
United States	USD	57.409	13.928
México	MXN	31.395	(1.953)
Peru	PEN	16.772	(14.391)
Panama	PAB	20.404	5.460
Others		14.582	218
Impact of exchange translation for the period		157.825	164.673
Reserves for exchange translation, at the beginning of the period		754.198	589.525
Reserves for exchange translation at the end of the period		912.023	754.198

Table 84

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.

31.5 Cash flow hedge

The component of other comprehensive income hedging cash flow represents the value of financial instruments used to hedge the effect of exposure to risk associated with the exchange rate. These accumulated profits may be transferred to income for the period in the cases provided by accounting standards.

Note 32. EXPENDITURE BY NATURE

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

	2021	2020
Inventory consumption and other costs	5.978.414	4.853.295
Employee benefits (Note 26.4)	1.946.537	1.825.101
Other services ⁽¹⁾	1.186.387	943.996
Other expenses ⁽²⁾	483.990	556.486
Transport services	485.741	429.165
Depreciation and amortization ⁽³⁾	291.954	300.473
Right-of-use depreciation ⁽³⁾	128.700	120.911
Manufacturing services	110.993	171.969
Seasonal services	206.562	193.890
Energy and gas	199.065	178.123
Advertising material	142.735	119.810
Maintenance	134.994	117.275
Taxes other than income tax	94.811	80.510
Leases	69.608	57.464
Fees	108.895	92.324
Insurance	53.324	48.691
Impairment of assets	47.402	30.912
Total	11.670.112	10.120.395

Table 85

- (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.

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(*) Expenses for depreciation and amortization, impacted profit and loss, for the period, is as follows:

	2021	2020
Cost of sales	175.806	175.679
Sales expenses	215.410	213.169
Administrative expenses	23.615	25.370
Production expenses	5.823	7.166
Total	420.654	421.384

Table 86

Note 33. OTHER OPERATING INCOME (EXPENSES), NET

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

	2021	2020
Indemnities and recuperations	11.425	9.823
Disposal and removal of property, plant and equipment and intangibles ⁽¹⁾	137	(2.794)
Fines, penalties, litigation, and legal processes	(2.611)	(4.929)
Other income and expenses	2.102	2.618
Government grants	2.576	1.116
Donations ⁽²⁾	(12.801)	(20.107)
Disposal and removal of right-of-use assets	3.037	1.522
Leases forgiveness income	5.173	13.661
Total	9.038	910

Table 87

(1) In 2020 it corresponds mainly to machinery and equipment retirement.

(2) The effect of the pandemic worldwide in 2020, had left millions of families without an employ, without business, lowering the level of incomes significantly, for that reason Grupo Nutresa contributed to the fight against this pandemic, by donating products and money to the low income families in each of the geographies in which it operates.

Note 34. EXCHANGE RATE VARIATION IMPACT

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

	2021	2020
Realized	34.540	14.136
Unrealized	(6.440)	(2.604)
Operating exchange differences (*)	28.100	11.532
Non-operating exchange differences	23.055	(10.779)
Total income from exchange differences	51.155	753

Table 88

(*) The difference in operating exchange rate is distributed among customers \$19.654 (2020: \$5.333), suppliers \$-26.774 (2020: \$-7.982), raw materials \$467 (2020: \$0) and cash flow hedges of \$34.753 (2020: \$14.181).

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:

	2021	2020
Interest	19.659	19.453
Valuation of other financial instruments ^(*)	778	3.224
Valuation of employee benefits	12.460	-
Others	567	1.345
Total	33.464	24.022

Table 89

(*) 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:

	2021	2020
Loans interest	116.700	158.854
Bonds interest	6.199	11.381
Interest from financial leases	11	125
Total interest expenses	122.910	170.360
Employee benefits	16.044	17.132
Right-of-use financial expenses	56.370	59.060
Other financial expenses	45.752	36.326
Total financial expenses	241.076	282.878

Table 90

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

Discontinued operations included:

2021: Liquidation of the “Fondo del capital privado Cacao para el Futuro - Compartimento A” the companies Nacional de Chocolates S. A. and Galletas Noel S. A. have decided not to exercise the right to forest flight of the cocoa plantation, and donate it, in such a way that farmers can take advantage of the crop.

2020: Liquidation of the company TMLUC Argentina.

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

	2021	2020
Income	-	97
Expenses	(219)	(652)
Gross losses	(219)	(555)
Other income	1.115	-
Donations	(32.103)	-
Operational losses	(31.207)	(555)
Other financial income	-	2
Net loss	(31.207)	(553)

Table 91

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:

	2021	2020
Net income attributable to holders of ordinary instruments of the Parent	676.879	575.441
Continuing operations	708.086	575.994
Discontinued operations	(31.207)	(553)
Weighted average of outstanding shares	458.948.033	460.123.458
Earnings per share attributable to controlling interest	1.474,85	1.250,62

Table 92

(*) 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 in December 31st, 2021 and 2020.

	2021	2020
Net profit	684.819	583.241
Earnings per share	1.492,15	1.267,58

Table 93

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.

Currency	2021		2020	
	USD	COP	USD	COP
Current assets	484.746.908	1.929.855	467.774.404	1.605.636
Non-current assets	968.016.357	3.853.828	1.041.177.870	3.573.843
Total assets	1.452.763.265	5.783.683	1.508.952.274	5.179.479
Current liabilities	(190.252.841)	(757.427)	(175.558.384)	(602.604)
Non-current liabilities	(244.648.042)	(973.983)	(256.062.725)	(878.935)
Total liabilities	(434.900.883)	(1.731.410)	(431.621.109)	(1.481.539)
Net assets	1.017.862.382	4.052.273	1.077.331.165	3.697.940

Table 94

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 31st, 2021, 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 \$267 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 - TIE [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 \$26.021, by the end of 2021, 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 13,8% of the total production cost, wheat which is 6,1%, beef and pork which are 10,8%, and cocoa which is 4,9%.

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 31st, 2021, the Group holds 862.706 (2020: \$933.564) in cash and investments classified as cash equivalents, in entities of the financial sector with AA- 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

Grupo Nutresa is 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:

	2021	2020
EBITDA	1.532.391	1.443.576
(-) Leases paid	162.373	144.175
Adjusted EBITDA	1.370.018	1.299.401
(+) (-) items that do not generate cash movement	15.493	9.538
Investment in working capital	(173.539)	(86.733)
CAPEX ^(*)	(369.020)	(267.245)
Discontinued operations	(11)	151
Cash tax coverage	(289.422)	(180.939)
Operating cash flows	553.519	774.173

Table 95

(*) 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:

2021	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	-	28.153	-	28.153
	Investment properties (Note 19)		28.153		28.153
	Assets/Liabilities measured at fair value	2.945.813	280.087	82.390	3.308.290
	* Recurrent	2.945.813	280.087	82.390	3.225.900
	Investments in quoted shares (Note 16)	2.945.813	-	-	2.945.813
	Financial derivatives, net (Note 23.6)	-	68.709	-	68.709
	Biological assets (Note 12)	-	211.378	-	211.378
	*Non-recurrent	-	-	82.390	82.390
	Investments in non-quoted shares (Note 16)	-	-	82.390	82.390
	Total	2.945.813	308.240	82.390	3.336.443

2020				
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	-	28.153	-	28.153
Investment properties (Note 19)		28.153		28.153
Assets/Liabilities measured at fair value	2.651.906	155.662	27.085	2.834.653
* Recurrent	2.651.906	155.662	-	2.807.568
Investments in quoted shares (Note 16)	2.651.906	-	-	2.651.906
Other financial instruments (Note 13)	-	68.194	-	68.194
Financial derivatives, net (Note 23.6)	-	(40.146)	-	(40.146)
Biological assets (Note 12)	-	127.614	-	127.614
*Non-recurrent	-	-	27.085	27.085
Investments in non-quoted shares (Note 16)	-	-	27.085	27.085
Total	2.651.906	183.815	27.085	2.862.806

Table 96

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 profits of \$263.421 (2020: losses \$843.345), 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)	2021	2020
Grupo de Inversiones Suramericana S.A.	30.000	25.280
Grupo Argos S.A.	13.550	13.900

Table 97

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.

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 profit in the Income Statement of \$320 (2020: losses \$600,13), 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 31st, 2021, the price per average kilo of the pig livestock used in the valuation was \$8.593* (2020: \$7.305*); for cattle a price per average kilo of \$6.856* (2020: \$4.840*) was used.

The gain for the period, due to changes in fair value, less the cost of sale of biological assets in 2021, was \$11.508 (2020: \$13.131), and is included in the Income Statement, as operating income.

(*) In Colombian Pesos.

Investments in unquoted shares. These investments correspond primarily to other investments.

Note 40. DISCLOSURE OF RELATED PARTIES

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

2021								
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.	5.805	1.476	5.643	50.591	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd	226	-	131	39	-	-	-	-
Estrella Andina S.A.S.	10	-	-	19	-	-	-	-
Entities with significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	21.126	17.482	83.617	31.880	36.820	111.994	-	-
Other related parties								
Grupo Bancolombia	787	1.524.806	58.764	2.332	-	-	1.564	46.786
Grupo Argos	59	-	-	128	30.485	31.164	-	-
Fundación Nutresa	-	1.328	6.531	-	-	-	-	-
Corporación Vidarium	222	85	3.301	-	-	-	-	-
Alpina Productos Alimenticios S.A.	1.886	17.857	19.888	3.995	-	-	-	-
Members, Board of Directors	-	148	1.239	-	-	-	-	-
2020								
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.	3.289	1.067	6.374	53.033	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd	195	-	3.232	572	516	-	-	-
Oriental Coffee Alliance (OCA)	-	-	2.611	140	-	-	-	-
Estrella Andina S.A.S	4	-	-	18	-	-	-	-
Entities with significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	17.878	14.539	79.218	36.090	38.688	103.729	-	-
Other related parties								
Grupo Bancolombia	920	1.381.748	43.057	4.024	-	-	37	67.184
Grupo Argos	7.510	-	-	88	30.007	28.951	-	-
Fundación Nutresa	36	1.179	5.628	30	-	-	-	-
Corporación Vidarium	177	57	3.101	-	-	-	-	-
Alpina Productos Alimenticios S.A.	1.475	18.635	23.959	3.159	-	-	-	-
Members, Board of Directors	-	28	1.139	-	-	-	-	-

Table 98

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 \$116.321 (2020: \$131.443) for 99 (2020: 148) key personnel were realized.

Note 41. EVENTS AT THE END OF THE QUARTER

These Consolidated Financial Statements were authorized for issuance, by the Board of Grupo Nutresa, on February 24, 2022. 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 31st, 2021.