

Grupo Nutresa's first semester consolidated sales grow 14,6% with an ebitda margin of 14,0%

- During the first half of the year, Grupo Nutresa's consolidated sales reached COP 5,3 trillion, 14,6% higher than the sales reported for the same period of the previous year. Organic growth reached 9,4%.
- Innovation-driven sales represent 22,6% of total sales for the period.
- Sales in Colombia totaled COP 3,2 trillion, with an increase of 8,4%. Organic growth in Colombia reached 5,3%.
- International sales increased to USD 586 million, 7,7% higher than those reported in last year's first half. In COP, such growth is equivalent to 24,9%. International organic growth was 0,4% in USD and 16,4% in COP.
- Consolidated EBITDA for the semester amounted to COP 746.322 million, representing a 15,2% growth, with a margin of 14,0%.

Medellin, July 31st, 2020

Within the disclosure of earnings results of the second quarter of 2020, Grupo Nutresa reaffirms its commitment to caring for people's health and protecting the environment.

Acting with the deepest sense of humanity and responsibility during the COVID-19 pandemic remains a priority for Grupo Nutresa.

In these highly uncertain and volatile times, we continue implementing actions focused on taking care of the health and life of our people and the communities around us, while making our greatest effort to protect jobs and ensure the supply of food based on the highest hygiene and biosecurity standards. These actions have been supported on a responsible management of the resources we have had at our disposal, striving to preserve the continuity of our operation and assisting our value chain and partners during this transition.

The current circumstances have brought into light our vulnerability and interdependence as human beings. In the same way, they have made us aware of the importance of caring for life and protecting nature, two very important values of a conscious society seeking to transcend in time.

In Grupo Nutresa, we are convinced that the contribution to building a better future is now more important than ever. In line with this, we reaffirm our commitment to supporting the progress of our communities and the planet¹, motivated with the purpose of generating a positive impact on society while creating value for our stakeholders.

In line with the foregoing, and in accordance with the corporate sustainability framework, we hereby report the financial reports of the Company.

Financial results of Grupo Nutresa S.A. (BVC: NUTRESA) as of June 30, 2020

Grupo Nutresa's first semester consolidated sales amount to COP 5,3 trillion, representing a 14,6% increase over the first half of the previous year. Excluding the acquisitions of *Cameron's Coffee* in the United States and *Atlantic Food Service* in Colombia, Grupo Nutresa's organic sales growth reached 9,4%. Innovation-driven sales represent 22,6% of total sales.

Revenues in Colombia amounted to COP 3,2 trillion, which represents 59,3% of the total revenues, growing 8,4% in relation to the same period of 2019. Organic growth was 5,3%.

International sales in Colombian pesos totaled COP 2,1 trillion, representing 40,7% of the total sales and a 24,9% growth. In dollars, these sales amounted to USD 586 million with a growth rate of 7,7%. Organic growth was 16,4% in COP and 0,4% in USD.

The gross profit for the semester was COP 2,3 trillion, presenting a 9,4% growth compared to the previous year. This is the result of higher costs of imported commodities as a consequence of the devaluation of local currencies against the dollar in some of the countries of our strategic region.

As a result of management's focus on productivity and efficiency, operating expenses posted a growth rate of 7,6%, which is lower than the sales increase. Consequently, the operating profit amounted to COP 536.844 million, which represents a 15,4% growth compared to the corresponding term in 2019.

In terms of profitability, the Organization reports an EBITDA margin of 14,0%, amounting to COP 746.322 million and increasing 15,2% over the previous year.

In the post-operative items, financial revenue grew 36,4% mainly due to Grupo Nutresa's cash position over the term. In the context of financial expenses, the Company reports a 5,1% growth as a result of an increased debt to finance the acquisition of *Cameron's Coffee* in 2019.

Finally, the Organization presents a consolidated net profit of COP 328.773 million, which is 17,0% higher than the profit reported in 2019.

Separate Financial Statements

The Separate Financial Statements of Grupo Nutresa S. A. report COP 334.203 million in operating revenues, from which COP 265.509 million correspond to the profit obtained through the equity method of the investments in food companies and COP 68.694 million correspond to dividends from the investment portfolio. Net profit totaled COP 332.582 million.

The consolidated and separate financial statements, as of June 30 of 2020, as well as the related financial indicators, are an integral part of this release.

¹ Some of the achievements in the organizational goals that we have set for ourselves in terms of environmental practices include, among others:

Between 2010 and 2019, accumulated reductions of: Greenhouse gas emissions - 46,2% (tCo2eq./t.p.), water consumption - 31,4% (m3/t.p.), energy consumption - 22,7% (Kwh/t.p.); use of cleaner energy at 98,5% of the production plants in Colombia and at 83,3% of the production plants abroad; and 77,5% of the packaging materials used in Colombia are being manufactured with closed-cycle materials.

For more information on these and other initiatives in sustainability, please visit our 2019 Integrated Report: <http://2019report.gruponutresa.com/>

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT AS OF JUNE 30, 2020

	January- June 2020	% Revenues	January- June 2019	% Revenues	% Var.
Continuing operations					
Operating revenue	5.324.782		4.646.417		14,6%
Cost of goods sold	(3.068.367)	-57,6%	(2.583.703)	-55,6%	18,8%
Gross profit	2.256.415	42,4%	2.062.714	44,4%	9,4%
Administrative expenses	(238.385)	-4,5%	(213.170)	-4,6%	11,8%
Sales expenses	(1.382.895)	-26,0%	(1.317.157)	-28,3%	5,0%
Production expenses	(89.479)	-1,7%	(72.901)	-1,6%	22,7%
Exchange differences on operating assets and liabilities	(311)	0,0%	4.664	0,1%	-106,7%
Other operating expenses, net	(8.501)	-0,2%	1.174	0,0%	N/A
Operating profit	536.844	10,1%	465.324	10,0%	15,4%
Financial income	9.702	0,2%	7.114	0,2%	36,4%
Financial expenses	(155.031)	-2,9%	(147.477)	-3,2%	5,1%
Dividends	68.694	1,3%	61.503	1,3%	11,7%
Exchange differences on non-operating assets and liabilities	(121)	0,0%	(735)	0,0%	-83,5%
Share of profit of associates and joint ventures	(5.768)	-0,1%	(900)	0,0%	N/A
Income before tax and non-controlling interest	454.320	8,5%	384.829	8,3%	18,1%
Current income tax	(143.102)	-2,7%	(93.443)	-2,0%	53,1%
Deferred income tax	20.339	0,4%	(7.075)	-0,2%	N/A
Profit after taxes from continuous operations	331.557	6,2%	284.311	6,1%	16,6%
Discontinued operations, after income tax	(264)	0,0%	(856)	0,0%	-69,2%
Net profit for the period	331.293	6,2%	283.455	6,1%	16,9%
Non-controlling interest	2.520	0,0%	2.535	0,1%	-0,6%
Profit for the period attributable to controlling interest	328.773	6,2%	280.920	6,0%	17,0%
EBITDA	746.322	14,0%	647.994	13,9%	15,2%

For further details, please review the Notes to the Financial Statements at:

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2020-2>

STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2020

	June 2020	December 2019	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	743.445	497.947	49,3%
Trade and other receivables, net	1.207.640	1.166.248	3,5%
Inventories	1.472.682	1.248.128	18,0%
Biological assets	100.702	96.632	4,2%
Other assets	338.726	251.397	34,7%
Non-current assets held for sale	2.610	2.610	0,0%
Total current assets	3.865.805	3.262.962	18,5%
Non-current assets			
Trade and other receivables, net	25.422	25.409	0,1%
Investments in associated and joint ventures	195.349	193.360	1,0%
Other financial non-current assets	1.946.129	3.511.768	-44,6%
Property, plant and equipment, net	3.441.132	3.400.057	1,2%
Right-of-use assets	855.072	878.552	-2,7%
Investment properties	79.313	79.489	-0,2%
Goodwill	2.401.036	2.309.739	4,0%
Other intangible assets	1.304.821	1.248.973	4,5%
Deferred tax assets	661.679	654.496	1,1%
Other assets	84.235	80.436	4,7%
Total non-current assets	10.994.188	12.382.279	-11,2%
TOTAL ASSETS	14.859.993	15.645.241	-5,0%
LIABILITIES			
Current liabilities			
Financial obligations	515.558	527.196	-2,2%
Right-of-use liabilities	135.442	147.242	-8,0%
Trade and other payables	1.268.591	1.235.133	2,7%
Tax charges	331.466	214.542	54,5%
Employee benefits liabilities	185.454	191.864	-3,3%
Provisions	3.475	1.948	78,4%
Other liabilities	69.469	29.912	132,2%
Total current liabilities	2.509.455	2.347.837	6,9%
Non-current liabilities			
Financial obligations	3.024.078	2.680.014	12,8%
Right-of-use liabilities	750.270	745.313	0,7%
Trade and other payables	158	158	0,0%
Employee benefits liabilities	187.612	189.295	-0,9%
Deferred tax liabilities	979.310	984.035	-0,5%
Provisions	13.230	13.238	-0,1%
Other liabilities	0	487	-100,0%
Total non-current liabilities	4.954.658	4.612.540	7,4%
TOTAL LIABILITIES	7.464.113	6.960.377	7,2%
SHAREHOLDER EQUITY			
Equity attributable to the controlling interest	7.339.184	8.627.950	-14,9%
Non-controlling interest	56.696	56.914	-0,4%
TOTAL SHAREHOLDER EQUITY	7.395.880	8.684.864	-14,8%
TOTAL LIABILITIES AND EQUITY	14.859.993	15.645.241	-5,0%

SEPARATE FINANCIAL STATEMENTS
INCOME STATEMENT AS OF JUNE 30, 2020

	January-June 2020	% Revenues	January-June 2019	% Revenues	% Var.
Portfolio dividends	68.694	20,6%	61.493	21,5%	11,7%
Share of profit for the period of subsidiaries	271.438	81,2%	225.030	78,8%	20,6%
Share of profit for the period of associates	(5.929)	-1,8%	(939)	-0,3%	N/A
Gross profit	334.203	100,0%	285.584	100,0%	17,0%
Administrative expenses	(2.428)	-0,7%	(2.303)	-0,8%	5,4%
Exchange differences on operating assets and liabilities	(18)	0,0%	2	0,0%	N/A
Other operating expenses, net	1.461	0,4%	1.589	0,6%	-8,1%
Operating profit	333.218	99,7%	284.872	99,8%	17,0%
Financial income	1	0,0%	5	0,0%	-80,0%
Financial expenses	(690)	-0,2%	(634)	-0,2%	8,8%
Exchange differences on non-operating assets and liabilities	4	0,0%	18	0,0%	-77,8%
Income before tax	332.533	99,5%	284.261	99,5%	17,0%
Current income tax	(1.316)	-0,4%	(154)	-0,1%	N/A
Deferred income tax	1.365	0,4%	566	0,2%	141,2%
Net profit for the period	332.582	99,5%	284.673	99,7%	16,8%
Earnings per share	722,81		618,69		16,8%

For further details, please review the Notes to the Financial Statements at:

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2020-2>

STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2020

	June 2020	December 2019	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	68	54	25,9%
Trade and other receivables	53.064	25.733	106,2%
Other current assets	1.535	150	N/A
Total current assets	54.667	25.937	110,8%
Non-current assets			
Trade and other receivables	561	565	-0,7%
Investments in subsidiaries	5.573.234	5.167.033	7,9%
Investments in associated	148.417	150.658	-1,5%
Other financial non-current assets	1.929.541	3.497.287	-44,8%
Deferred tax assets	760	1.847	-58,9%
Right-of-use assets	58	104	-44,2%
Other non-current assets	9	6	50,0%
Total non-current assets	7.652.580	8.817.500	-13,2%
TOTAL ASSETS	7.707.247	8.843.437	-12,8%
LIABILITIES			
Current liabilities			
Trade and other payables	234.466	89.014	163,4%
Tax charges	1.785	877	103,5%
Right-of-use liabilities	61	98	-37,8%
Employee benefits liabilities	2.093	1.880	11,3%
Total current liabilities	238.405	91.869	159,5%
Non-current liabilities			
Trade and other payables	158	158	0,0%
Employee benefits liabilities	2.253	1.737	29,7%
Deferred tax liabilities	5.897	6.582	-10,4%
Right-of-use liabilities	0	10	-100,0%
Total non-current liabilities	8.308	8.487	-2,1%
TOTAL LIABILITIES	246.713	100.356	145,8%
SHAREHOLDER EQUITY	7.460.534	8.743.081	-14,7%
TOTAL LIABILITIES AND EQUITY	7.707.247	8.843.437	-12,8%

INDICATORS

Consolidated	June 2020	December 2019
Indebtedness - Net debt/EBITDA (12 months)	2,17	2,27
Solvency - Assets/Liabilities	1,99	2,25
Liquidity - Current Assets/Current Liabilities	1,54	1,39

Separate	June 2020	December 2019
Indebtedness - Net debt/EBITDA	-	-
Solvency - Assets/Liabilities	31,24	88,12
Liquidity - Current Assets/Current Liabilities	0,23	0,28

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