

Grupo Nutresa's first quarter sales grew by 18,4% with an EBITDA margin of 14,1%

- The Company's consolidated sales delivered a positive performance, amounting to COP 2,7 trillion, 18,4% higher than the revenues for the first term of 2019. The organic growth amounted to 13,0%.
- Sales in Colombia totaled COP 1,6 trillion, showing a 15,5% increase compared to 1Q19 sales. The organic growth in Colombia was 11,6%.
- International sales, which amounted to USD 291,4 million, grew by 9,0% in relation to last year's first quarter. In COP, this growth is equivalent to 23,3%. The organic growth increased by 2,0% in USD and 15,3% in COP.
- In terms of profitability, the Organization reported an EBITDA of COP 376.134 million, representing 14,1% of sales, with a 17,5% growth rate over the period.

Grupo Nutresa in the context of the COVID-19 pandemic: people are our priority

During these unprecedented circumstances, acting with the deepest sense of humanity and responsibility has been the priority for Grupo Nutresa. For this reason, we created a Management Committee on March 5th with the objective of designing and supporting the implementation of quick and effective measures throughout the Company's strategic region. This framework of action is based on four pillars:

- **Taking care of the health and well-being of both our people and our communities:** Grupo Nutresa has taken all the necessary measures for ensuring the well-being of its employees who are mostly at home-office, as well as taking extraordinary hygiene, disinfection and preventive measures at the facilities where their presence is required. Additionally, the Organization is promoting education and communication among its teams and leaders with the purpose of managing the risks and changes derived from these circumstances.
- **Ensuring food supply:** Being aware of our responsibility of ensuring the supply of daily-food consumption, we are working permanently to guarantee continuity throughout our value chain. This includes the adequate input of commodities, and the production and timely delivery of our products through the multiple retailers available. Moreover, the Organization developed alternative ways of taking and delivering orders, and reaching consumers directly at their homes when required.

- **Responsible management of resources:** Grupo Nutresa is focused on responsibly managing all the resources available, as it is conscious of its responsibility to contribute to the business continuity of our value chain actors and help mitigate possible future impacts.
- **Contributing to the solution:** Grupo Nutresa is leading initiatives and cooperating on different fronts in order to contribute to the solution. In this regard, the Company participates in public-private alliances for the protection of vulnerable populations, makes donations of resources, food and hospital equipment, and works with associations to support and propose alternatives to local and national governments. Among other, the Organization's contribution includes the following actions:
 - Donation to enhance the capacity of the intensive care units in Colombian hospitals, and equipment for diagnosing COVID-19 cases in Chile.
 - Donation of more than 220,000 food packages that will benefit more than 710,000 people in 18 Colombian cities.
 - Donation of more than 15,000 food boxes for the elderly in Chile and 9,000 in Mexico. In Central America, Grupo Nutresa will deliver 20,000 food kits to vulnerable citizens.

Medellín, April 24, 2020. Grupo Nutresa S. A. (**BVC: NUTRESA**) discloses its consolidated earnings results as of March 31, 2020.

Over the first quarter of 2020, Grupo Nutresa's total sales showed positive growth dynamics both in Colombia and abroad. Consolidated sales amounted to COP 2,7 trillion, 18,4% higher than the revenues for the first term of 2019. Excluding the acquisitions of *Atlantic Food Service* in Colombia and *Cameron's Coffee* in the United States, organic sales grew by 13,0% for the period.

In Colombia, sales continued delivering a solid performance and represented to COP 1,6 trillion, which represent 61,2% of Grupo Nutresa's total sales, with a 15,5% growth rate compared to 2019. Organic growth was 11,6%. Almost 85% of the growth dynamics in Colombia was driven by volumes.

International sales stated in Colombian pesos amounted to 1,0 trillion, that is 23,3% higher than the international sales recorded in the first quarter of 2019, representing 38,8% of the total sales. In dollars, these sales totaled 291,4 million, 9,0% higher for the period. Organic growth increased by 2,0% in USD and at 15,3% in COP.

The results for this quarter, were supported on a portfolio of daily at-home CPG products, which have had good availability in the traditional channels such as mom-and-pop stores, convenience stores, and supermarkets, as well as in Grupo Nutresa's alternative channels.

Consolidated gross profit for the term stood at COP 1,1 trillion, growing by 14,1% over the consolidated gross profit recorded in the first quarter of 2019. This was the combined result of positive sales dynamics, as well as higher costs of both imported and dollar-indexed commodities.

The operating profit over the term amounted to COP 256.641 million, that is 11,5% higher than the first quarter of 2019.

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In terms of profitability, the EBITDA totaled COP 376.134 million, representing a 17,5% increase, with a margin on sales of 14,1%. This was the result of work focused on rationalizing sales-expenses in order to have a more efficient and flexible structure.

In the post-operative items, financial income grew by 25,5% due to the Company's good cash position over the term. Financial expenses increased by 6,1% due to additional debt incurred for the acquisition of *Cameron's Coffee* in 2019 and from new loans for working capital obtained during the quarter.

Finally, the Company's consolidated net profit amounted to COP 190.294 million, with a 9,1% increase over the first quarter of 2019.

Separate Financial Statements

The Separate Financial Statements of Grupo Nutresa S. A. report COP 191.230 million in operating revenues, from which COP 125.648 million correspond to the profit obtained through the equity method of the investments in food companies and COP 65.582 million correspond to dividends from the investment portfolio. Furthermore, the net profit totaled COP 192.165 million.

The Consolidated and Separate Financial Statements, as of March 31, 2020, as well as the related financial indicators, are an integral part of this release.



The Issuer Acknowledgment awarded by *Bolsa de Valores de Colombia S.A.* (the Colombian Stock Exchange) is not a certification of the favorability of the registered securities nor of the issuer's solvency.



In collaboration with



CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT AS OF MARCH 31, 2020

	January- March 2020	% Revenues	January- March 2019	% Revenues	% Var.
Continuing operations					
Operating revenue	2.659.333		2.245.742		18,4%
Cost of goods sold	(1.526.792)	-57,4%	(1.253.514)	-55,8%	21,8%
Gross profit	1.132.541	42,6%	992.228	44,2%	14,1%
Administrative expenses	(118.843)	-4,5%	(104.388)	-4,6%	13,8%
Sales expenses	(706.386)	-26,6%	(625.569)	-27,9%	12,9%
Production expenses	(38.263)	-1,4%	(33.782)	-1,5%	13,3%
Exchange differences on operating assets and liabilities	(13.838)	-0,5%	3.810	0,2%	N/A
Other operating expenses, net	1.430	0,1%	(2.136)	-0,1%	-166,9%
Operating profit	256.641	9,7%	230.163	10,2%	11,5%
Financial income	4.300	0,2%	3.427	0,2%	25,5%
Financial expenses	(77.029)	-2,9%	(72.588)	-3,2%	6,1%
Dividends	65.582	2,5%	61.493	2,7%	6,6%
Exchange differences on non-operating assets and liabilities	16.393	0,6%	702	0,0%	N/A
Share of profit of associates and joint ventures	(6.316)	-0,2%	(377)	0,0%	N/A
Income before tax and non-controlling interest	259.571	9,8%	222.820	9,9%	16,5%
Current income tax	(76.490)	-2,9%	(43.888)	-2,0%	74,3%
Deferred income tax	8.406	0,3%	(2.661)	-0,1%	N/A
Profit after taxes from continuous operations	191.487	7,2%	176.271	7,8%	8,6%
Discontinued operations, after income tax	(95)	0,0%	(842)	0,0%	-88,7%
Net profit for the period	191.392	7,2%	175.429	7,8%	9,1%
Non-controlling interest	1.098	0,0%	992	0,0%	10,7%
Profit for the period attributable to controlling interest	190.294	7,2%	174.437	7,8%	9,1%
EBITDA	376.134	14,1%	320.118	14,3%	17,5%

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

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2020-1>

STATEMENT OF FINANCIAL POSITION AS OF MARCH 31, 2020

	March 2020	December 2019	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	578.829	497.947	16,2%
Trade and other receivables, net	1.355.381	1.166.248	16,2%
Inventories	1.321.073	1.248.128	5,8%
Biological assets	96.842	96.632	0,2%
Other assets	356.174	251.397	41,7%
Non-current assets held for sale	2.610	2.610	0,0%
Total current assets	3.710.909	3.262.962	13,7%
Non-current assets			
Trade and other receivables, net	24.602	25.409	-3,2%
Investments in associated and joint ventures	195.447	193.360	1,1%
Other financial non-current assets	2.224.803	3.511.768	-36,6%
Property, plant and equipment, net	3.536.783	3.400.057	4,0%
Right-of-use assets	896.574	878.552	2,1%
Investment properties	79.401	79.489	-0,1%
Goodwill	2.478.655	2.309.739	7,3%
Other intangible assets	1.343.011	1.248.973	7,5%
Deferred tax assets	686.449	654.496	4,9%
Other assets	80.867	80.436	0,5%
Total non-current assets	11.546.592	12.382.279	-6,7%
TOTAL ASSETS	15.257.501	15.645.241	-2,5%
LIABILITIES			
Current liabilities			
Financial obligations	464.550	527.196	-11,9%
Right-of-use liabilities	145.747	147.242	-1,0%
Trade and other payables	1.341.476	1.235.133	8,6%
Tax charges	235.930	214.542	10,0%
Employee benefits liabilities	160.008	191.864	-16,6%
Provisions	2.033	1.948	4,4%
Other liabilities	74.454	29.912	148,9%
Total current liabilities	2.424.198	2.347.837	3,3%
Non-current liabilities			
Financial obligations	3.074.884	2.680.014	14,7%
Right-of-use liabilities	772.638	745.313	3,7%
Trade and other payables	158	158	0,0%
Employee benefits liabilities	190.792	189.295	0,8%
Deferred tax liabilities	1.017.103	984.035	3,4%
Provisions	13.520	13.238	2,1%
Other liabilities	0	487	-100,0%
Total non-current liabilities	5.069.095	4.612.540	9,9%
TOTAL LIABILITIES	7.493.293	6.960.377	7,7%
SHAREHOLDER EQUITY			
Equity attributable to the controlling interest	7.704.735	8.627.950	-10,7%
Non-controlling interest	59.473	56.914	4,5%
TOTAL SHAREHOLDER EQUITY	7.764.208	8.684.864	-10,6%
TOTAL LIABILITIES AND EQUITY	15.257.501	15.645.241	-2,5%

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SEPARATE FINANCIAL STATEMENTS
INCOME STATEMENT AS OF MARCH 31, 2020

	January- March 2020	% Revenues	January- March 2019	% Revenues	% Var.
Portfolio dividends	65.582	34,3%	61.493	34,8%	6,6%
Share of profit for the period of subsidiaries	131.886	69,0%	115.868	65,5%	13,8%
Share of profit for the period of associates	(6.238)	-3,3%	(413)	-0,2%	N/A
Gross profit	191.230	100,0%	176.948	100,0%	8,1%
Administrative expenses	(1.428)	-0,7%	(1.130)	-0,6%	26,4%
Exchange differences on operating assets and liabilities	(23)	0,0%	-	0,0%	-
Other operating expenses, net	773	0,4%	524	0,3%	47,5%
Operating profit	190.552	99,6%	176.342	99,7%	8,1%
Financial income	1	0,0%	4	0,0%	-75,0%
Financial expenses	(347)	-0,2%	(330)	-0,2%	5,2%
Exchange differences on non-operating assets and liabilities	7	0,0%	17	0,0%	-58,8%
Income before tax	190.213	99,5%	176.033	99,5%	8,1%
Current income tax	140	0,1%	(1)	0,0%	N/A
Deferred income tax	1.812	0,9%	298	0,2%	N/A
Net profit for the period	192.165	100,5%	176.330	99,7%	9,0%
Earnings per share	417,64		383,22		9,0%

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STATEMENT OF FINANCIAL POSITION AS OF MARCH 31, 2020

	March 2020	December 2019	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	60	54	11,1%
Trade and other receivables	65.925	25.733	156,2%
Other current assets	935	150	N/A
Total current assets	66.920	25.937	158,0%
Non-current assets			
Trade and other receivables	567	565	0,4%
Investments in subsidiaries	5.723.165	5.167.033	10,8%
Investments in associated	145.381	150.658	-3,5%
Other financial non-current assets	2.206.878	3.497.287	-36,9%
Deferred tax assets	2.223	1.847	20,4%
Right-of-use assets	81	104	-22,1%
Other non-current assets	7	6	16,7%
Total non-current assets	8.078.302	8.817.500	-8,4%
TOTAL ASSETS	8.145.222	8.843.437	-7,9%
LIABILITIES			
Current liabilities			
Trade and other payables	309.704	89.014	N/A
Tax charges	2.012	877	129,4%
Right-of-use liabilities	85	98	-13,3%
Employee benefits liabilities	1.591	1.880	-15,4%
Total current liabilities	313.392	91.869	N/A
Non-current liabilities			
Trade and other payables	158	158	0,0%
Employee benefits liabilities	2.109	1.737	21,4%
Deferred tax liabilities	5.245	6.582	-20,3%
Right-of-use liabilities	0	10	-100,0%
Total non-current liabilities	7.512	8.487	-11,5%
TOTAL LIABILITIES	320.904	100.356	N/A
SHAREHOLDER EQUITY	7.824.318	8.743.081	-10,5%
TOTAL LIABILITIES AND EQUITY	8.145.222	8.843.437	-7,9%

INDICATORS

Consolidated	March 2020	December 2019
Indebtedness - Net debt/EBITDA (12 months)	2,37	2,27
Solvency - Assets/Liabilities	2,04	2,25
Liquidity - Current Assets/Current Liabilities	1,53	1,39

Separate	March 2020	December 2019
Indebtedness - Net debt/EBITDA	-	-
Solvency - Assets/Liabilities	25,38	88,12
Liquidity - Current Assets/Current Liabilities	0,21	0,28

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