

NATUHOUSE HEALTH, S.A

Los Estados Financieros han sido traducidos por la compañía excepto los siguientes informes:

- **CCAA Individuales:**
 - Diligencia de firmas de Cuentas Anuales e Informe de Gestión
 - Declaración de Responsabilidad del Consejo de Administración

- **CCAA Consolidadas:**
 - Informe Anual de Gobierno Corporativo
 - Diligencias de firmas de Cuentas Anuales e informe de Gestión
 - Declaración de Responsabilidad del Consejo de Administración

En caso de discrepancia, prevalecerá la versión en castellano

The Financial Statements have been translated by the company except for the following reports:

- **Financial Report:**
 - Diligence of signatures of Annual Accounts and Management Report
 - Statement of Responsibility of the Boards of Directors

- **Consolidated Financial Report:**
 - Annual Corporate Governance Report
 - Diligence of signatures of Annual Accounts and Management Report
 - Statement of Responsibility of the Boards of Directors

In case of discrepancy , Spanish version will prevail

Audit Report on Financial Statements
issued by an Independent Auditor

NATURHOUSE HEALTH, S.A.
Financial Statements and Management Report
for the year ended
December 31, 2020

AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Naturhouse Health, S.A.:

Report on the financial statements

Opinion

We have audited the financial statements of Naturhouse Health, S.A. (the Company), which comprise the balance sheet as at December 31, 2020, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2020 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2.1 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Measurement and disclosure of transactions with related parties

Description As explained in note 18 to the accompanying financial statements, the Company maintains a significant volume of transactions with related parties, including sales revenues, services rendered, and other operating revenues, which include primarily royalties for the assignment of trademarks and management support services.

In accordance with the regulatory tax framework for transfer pricing, the Company prepares transfer pricing documentation annually with the support of its tax advisors.

Due to significance of the amount of the transactions, the potential impact that they may have on the evaluation and interpretation of users of the Company's financial information as well as the importance of compliance with prevailing audit accounting regulations, we determined the valuation and disclosure of these related-party transactions as a key audit matter.

Our response With regard to this matter, our audit procedures included:

- ▶ Understanding the process for measuring and recording transactions with related parties as well as the design of relevant controls implemented by the Company's management in this area.
- ▶ Reviewing, in collaboration with our tax specialists, the most recent transfer pricing report prepared by the Company's management with the support of its tax advisors, of whom we have also evaluated their competence, capacity and objectivity.
- ▶ Analyzing, in collaboration with our tax specialists, the supporting documentation for the most significant transactions carried out with related-parties during the year.
- ▶ Obtaining confirmations of balances and transactions with related parties.
- ▶ Reviewing the disclosures included in the notes to the financial statements in accordance with the applicable financial reporting framework.

Matter-of-emphasis paragraph

We draw your attention to the event included in Note 3 to the accompanying financial statements, which describes the currently known effects that the situation brought on by the COVID-19 crisis have had on the Company's operations during the period, the measures taken by the directors and management to address it, as well as the uncertainty scenario on which the Company's main estimates have been made. Our opinion was not modified with respect to this matter.

Other matter

On February 28, 2020 other auditors issued their audit report on the 2019 financial statements in which they expressed an unqualified opinion.

Other information: management report

Other information refers exclusively to the 2020 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that the non-financial statement and certain information included in the Corporate Governance Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2020 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2.1 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on March 1, 2021.

Term of engagement

The ordinary general shareholders' meeting held on June 22, 2020 appointed us as auditors for 3 years, commencing on December 31, 2020.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signature on the original in Spanish)

March 1, 2021

Naturhouse Health, S.A.

Financial Statements for the
year ended 31 December 2020 and
Management Report

Naturhouse Health, S.A.

BALANCE ON 31 DECEMBER 2020

(Euros)

ASSET	Explanatory notes	31/12/2020	31/12/2019	EQUITY AND LIABILITIES	Explanatory notes	31/12/2020	31/12/2019
NON-CURRENT ASSETS:				NET EQUITY:			
Intangible fixed assets	Note 6	914,997	1,213,804	Own funds			
Industrial property		796,951	1,030,015	Capital		3,000,000	3,000,000
Transfer rights		-	4,265	Issue premium		2,148,996	2,148,996
Software		118,046	179,524	Premium		8,633,968	5,833,700
Tangible fixed assets	Note 7	524,633	762,226	Legal and statutory		600,000	600,000
Technical facilities and other tangible fixed assets		524,633	762,226	Other reserves		8,033,968	5,233,700
Long-term investments in Group companies-	Note 9	8,335,766	8,378,044	Own Shares		(141,886)	(142,330)
Equity instruments,		8,335,766	8,378,044	Treasury Shares		(141,886)	(142,330)
Long-term financial investments	Note 10	242,921	337,011	Results for the financial year / Profit		5,724,539	14,200,268
Deferred tax assets	Note 15	97,685	39,630	Interim dividend		-	(11,400,000)
Non-current assets		10,116,002	10,730,715	Total net equity	Note 12	19,365,617	13,640,634
				NON-CURRENT LIABILITIES:			
				Deferred tax liabilities		237	-
				Non-current liabilities		237	-
CURRENT ASSETS:				CURRENT LIABILITIES:			
Inventory	Note 11	1,037,263	1,173,621	Short-term debts	Note 14	15,806	6,309
Trade and other accounts receivable		3,072,458	3,833,279	Other financial liabilities		15,806	6,309
Customer receivables for sales and services		142,257	256,931	Short-term debts with Group companies and associates	Note 16	640,664	989,154
Customers, group companies and associates	Note 16	502,108	881,552	Trade creditors and other receivables		1,329,799	1,840,217
Other debtors		27,200	60,662	Suppliers		196,930	306,018
Current tax assets	Note 15	2,400,610	2,629,870	Suppliers, group companies and associates	Note 16	670,999	885,489
Other credits with Public Administrations	Note 15	283	4,264	Various creditors		176,480	213,716
Short-term accruals		111,501	98,510	Staff		14,769	22,279
Cash and cash equivalents		7,146,328	818,046	Other debts with Public Administrations	Note 15	270,621	412,715
Total current assets		11,367,550	5,923,456	Short-term accruals		131,429	177,857
Total assets		21,483,552	16,654,171	Total current liabilities		2,117,698	3,013,537
				TOTAL NET EQUITY AND LIABILITIES		21,483,552	16,654,171

Notes 1 to 23 and Annex I in the explanatory notes attached are an integral part of the balance sheet at 31 December 2020.

Naturhouse Health, S.A.

PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDING
31 DECEMBER 2020
(Euros)

	Explanatory notes	Year 2020	Year 2019
CONTINUING OPERATIONS			
Net amount of revenue	Note 17.1	12,785,613	19,245,694
- Sales		11,388,667	17,209,451
- Provision of services		1,396,946	2,036,243
Supplies	Note 17.2	(4,081,547)	(6,026,571)
- Consumption of merchandise:		(4,081,547)	(6,026,571)
Other operating income		2,877,004	3,436,432
- Ancillary and other current operating income		2,733,465	3,436,432
- Operating subsidies included in the profit for the financial year	Note 17.4	143,539	-
Personnel costs		(5,238,375)	(7,544,503)
- Wages, salaries and similar expense		(4,318,939)	(6,168,378)
- Social security contributions	Note 17.4	(919,436)	(1,376,125)
Other operating costs		(4,659,747)	(6,475,627)
- External services		(3,979,412)	(5,838,251)
- Taxes		(191,252)	(189,467)
- Losses, deterioration and variation of provisions for commercial operations	Note 10	(275,513)	(195,601)
- Other current operating expenses		(213,570)	(252,308)
Amortisation of fixed assets	Notes 6 and 7	(440,276)	(495,113)
Impairment losses and income from disposal of fixed assets	Note 7	(171,758)	495,835
- Impairment and other losses		(171,758)	-
- Income from disposals and other		-	495,835
Other results		4,233	-
- Exceptional expenses and income		4,233	-
Operating Profit / (Loss)		1,075,147	2,636,147
Financial income	Notes 9 and 17.5	5,185,404	13,214,403
- Income from shares in equity instruments, group companies and associates		5,185,364	13,214,342
- Other income from marketable securities and other financial instruments		40	61
Financial expenses	Note 17.5	(22,006)	(42,851)
- Due to debts with Group companies		-	(15,700)
- Debts with third parties		(22,006)	(27,151)
Impairment losses and income from disposal of financial instruments	Note 9	(242,278)	(901,728)
Financial Profit / (Loss)		4,921,120	12,269,824
Pre-tax Profit / (Loss)		5,996,267	14,905,971
- Corporate Tax	Note 15	(271,728)	(705,703)
Results for the financial year / Profit		5,724,539	14,200,268

Notes 1 to 23 and Annex I in the explanatory notes attached are an integral part of the profit and loss account for the financial year ending 31 December 2020.

Naturhouse Health, S.A.
STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDING 31
DECEMBER 2020
(Euros)

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

	Year 2020	Year 2019
PROFIT AND LOSS ACCOUNT BALANCE (I)	5,724,539	14,200,268
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)	-	-
TRANSFERS TO THE PROFIT AND LOSS ACCOUNT (III)	-	-
RECOGNISED INCOME AND EXPENSE (I+II+III)	5,724,539	14,200,268

Notes 1 to 23 and Annex I in the explanatory notes attached are an integral part of the statement of recognised income and expense for the financial year ending 31 December 2020.

Naturhouse Health, S.A.
Statement of changes in equity for the financial year ending 31 December 2020
(Euros)

B) STATEMENT OF CHANGES IN TOTAL EQUITY

	Explanatory notes	Capital	Issue Premium	Legal Reserve	Voluntary Premium	Own Shares	Results for the financial year	Interim Dividend	Total
Balance at 31 December 2018		3,000,000	2,148,996	600,000	6,336,309	(64,186)	15,686,941	(13,200,000)	14,508,060
Total recognised income and expense		-	-	-	-	-	14,200,268	-	14,200,268
Distribution of profit for the 2018 financial year:									
- Distribution of dividends	Note 12	-	-	-	-	-	(15,686,941)	13,200,000	(2,486,941)
Transactions with shareholders									
- Transactions with shares (net)		-	-	-	-	(78,144)	-	-	(78,144)
- Distribution of dividends	Note 12	-	-	-	(1,113,059)	-	-	(11,400,000)	(12,513,059)
Other changes in equity		-	-	-	10,450	-	-	-	10,450
Balance at 31 December 2019		3,000,000	2,148,996	600,000	5,233,700	(142,330)	14,200,268	(11,400,000)	13,640,634
Total recognised income and expense		-	-	-	-	-	5,724,539	-	5,724,539
Distribution of profit for the 2019 financial year:									
- Distribution to reserves		-	-	-	2,800,268	-	(2,800,268)	-	-
- Distribution of dividends		-	-	-	-	-	(11,400,000)	11,400,000	-
Transactions with shareholders									
- Transactions with shares (net)		-	-	-	-	444	-	-	444
- Distribution of dividends		-	-	-	-	-	-	-	-
Other changes in equity		-	-	-	-	-	-	-	-
Balance at 31 December 2020		3,000,000	2,148,996	600,000	8,033,968	(141,886)	5,724,539	-	19,365,617

Notes 1 to 23 and Annex I in the explanatory notes attached are an integral part of the statement of changes in equity for the financial year ending 31 December 2020.

Naturhouse Health, S.A.

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDING
31 DECEMBER 2020
(Euros)

	Explanatory notes	Year 2020	Year 2019
Pre-tax result for the financial year		5,996,267	14,905,971
Adjustments to the result		(4,037,766)	(12,040,420)
- Amortisation of fixed assets	Notes 6 and 7	440,276	495,113
- Valuation restatements due to impairment	Note 10	275,513	195,601
- Income from derecognition or disposal of fixed assets	Note 7	171,758	(495,835)
- Impairment and income from derecognition or disposal of financial instruments	Note 9	242,278	901,728
- Financial income	Note 17.5	(5,185,364)	(13,214,403)
- Financial expenses	Note 17.5	22,006	42,851
- Other income and expenses		(4,233)	34,525
Changes in working capital		(177,431)	(737,861)
- Inventory	Note 11	136,358	(158,834)
- Debtors and other accounts receivable		256,048	(210,438)
- Other current assets		(12,991)	(9,306)
- Creditors and other receivables		(510,418)	(312,854)
- Other current liabilities		(46,428)	(46,429)
Other cash flows from operating activities		5,065,712	14,904,400
- Interest payments		(22,006)	(42,851)
- Receipt of dividends	Note 9	5,185,364	13,214,342
- Interest collected		40	61
- Sums received /(paid) for tax on profits	Note 15	(99,692)	1,725,988
- Other sums received (paid)		2,006	6,860
CASH FLOWS FROM OPERATING ACTIVITIES (I)		6,846,782	17,032,090
Payments for investments		(274,041)	(1,240,694)
- Intangible and tangible fixed assets	Notes 6 and 7	(74,041)	(322,525)
- Investments in related companies	Note 9	(200,000)	(918,169)
Sums received from divestments		94,090	1,689,888
- Other financial assets		94,090	11,440
- Tangible fixed assets	Notes 6 and 7	-	1,678,448
CASH FLOWS FROM INVESTMENT ACTIVITIES (II)		(179,951)	449,194
Sums received and paid for equity instruments		444	(78,144)
- Net acquisitions of own equity	Note 12	444	(78,144)
Sums received and paid for financial liability instruments		(338,993)	(2,175,338)
- Issuance and repayment of other debts		9,497	(41,492)
- Issuance and repayment of debts with group companies	Note 16	(348,490)	(2,133,846)
Dividend payments and remuneration on other equity instruments		-	(15,000,000)
- Dividend payments		-	(15,000,000)
CASH FLOWS FROM FINANCING ACTIVITIES (III)		(338,549)	(17,253,482)
NET INCREASE / DECREASE OF CASH OR CASH EQUIVALENTS (I+II+III)		6,328,282	227,802
Cash or cash equivalents at start of financial year		818,046	590,244
Cash or cash equivalents at end of financial year		7,146,328	818,046

Notes 1 to 23 and Annex I in the explanatory notes attached are an integral part of the cash flow statement for the financial year ending 31 December 2020.

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Annual Report for the financial year ending 31 December 2020

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ANNEX I

Management Report

Naturhouse Health, S.A.

Annual Report
for the financial year ending
31 DECEMBER 2020

1. Company activities

Naturhouse Health, S.A., (hereinafter, the "Company"), was founded for an indefinite period in Barcelona on 29th July 1991 with VAT number A-01115286. Its registered offices are at Calle Claudio Coello, 91 (Madrid).

The Company's corporate purpose, in accordance with its activity and articles of association, is the export and wholesale and retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics, as well as the preparation, promotion, creation, edition, dissemination, sale and distribution of all kinds of magazines, books and brochures and the marketing of dietary products, medicinal herbs and natural cosmetics. This activity is mainly carried out through its own shops and through franchisees. In addition to the operations carried out directly, the Company is the parent of a group of subsidiaries that engage in the same activity and which, together with it, make up Grupo Naturhouse Health (hereinafter, the "Group" or "Naturhouse Group").

At present, Naturhouse Group mainly operates in Spain, Italy, France and Poland.

On 29 July 2013, the merger by acquisition between the company Naturhouse Health S.A. as the acquiring company, and Kiluva Diet S.L.U. as the acquired company, was registered with the Companies Registry of Barcelona. The date from which the transactions were considered to be performed for accounting purposes for the account of the acquiring company was 1 January 2013. The explanatory notes that formed part of the financial statements for the 2013 financial year included detailed information concerning the merger process, as required under Royal Legislative Decree 4/2004 of 5 March, approving the consolidated text of the Spanish Corporate Tax Law.

On 9th April 2015, the Board of Directors of the Company, exercising the delegation of its Sole Shareholder of 2nd October 2014, requested official listing for trading on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia and the subsequent public stock offering on the Spanish Stock Market, which culminated successfully, consequently, the securities of the Company have been listed since 24th April 2015 (See Note 12).

2. Basis of presentation of the financial statements

2.1 Regulatory financial reporting framework applicable to the Company

These financial statements have been drawn up by the Directors in accordance with the regulatory financial reporting framework applicable to the Company, which is that set out in:

- a. the Spanish Corporate Law, Commercial Code and other commercial legislation.
- b. Spanish Generally Accepted Accounting Principles approved by Royal Decree 1514/2007 with the modifications introduced under Royal Decrees 1159/2010 and 602/2016, as well as the circulars issued by Comisión Nacional del Mercado de Valores and its sectorial adaptations.
- c. The mandatory rules approved by the Spanish Accounting and Auditing Institute (ICAC) developing the Spanish Generally Accepted Accounting Principles and the supplementary rules.
- d. Any other applicable Spanish accounting legislation.

2.2. True and fair view

The attached financial statements have been prepared from the Company's accounting records and are presented in accordance with the applicable regulatory financial reporting framework and, in particular, the accounting principles and standards contained therein, so as to show a true and fair view of the Company's equity, financial position and results, as well as the cash flows for the relevant financial year. These financial statements, which have been drawn up by the Company's Directors, are subject to approval at the Annual General Meeting, and are expected to be approved without any modifications.

The financial statements for the 2019 financial year were approved by the Annual General Meeting held 22 June 2020 and filed with the Companies Registry of Madrid.

2.3 Comparative effect with consolidated financial statements

The Company is a majority shareholder of several companies (Note 9). These financial statements refer to the individual Company and, therefore, do not show the variations that would occur in the different components of equity or the profit and loss account with the consolidation of the aforementioned Subsidiaries.

The Company prepares consolidated financial statements based on International Financial Reporting Standards (IFRS), which differ from the regulatory framework described in Note 2.1 under which these financial statements have been drawn up. In accordance with the consolidated financial statements drawn up under International Financial Reporting Standards (IFRS), the consolidated equity attributable to the Parent Company as of 31 December 2020 amounts to 25,963 thousand euros (16,452 thousand euros in 2019), consolidated profit amounts to 9,379 thousand euros (13,257 thousand euros in 2019) and the figure for assets and net turnover amounts to 42,577 and 55,081 thousand euros, respectively (37,561 and 81,667 thousand euros in 2019).

The Naturhouse Group's consolidated financial statements for the 2020 financial year have been drawn up by the Company's Directors at the meeting of its Board of Directors held on 26 February 2021.

2.4 Non-mandatory accounting principles applied

No non-mandatory accounting principles have been applied. Additionally, the Company's Directors have drawn up these financial statements taking into consideration all the mandatory accounting principles and rules that have a significant effect on these financial statements. There is no accounting principle which, being mandatory, has not been applied.

2.5 Critical aspects in assessing and estimating uncertainty

In preparing the attached financial statements, estimates made by the Company's Directors have been used to assess some of the assets, liabilities, income, expenses and commitments reported herein. These critical estimates basically refer to:

- Useful lives of intangible and tangible fixed assets (see Notes 5.1 and 5.2).
- Impairment losses of non-financial assets (Note 5.1).
- Estimate of impairments for defaults in accounts receivable and inventory obsolescence (see Notes 5.4 and 5.5).
- Estimate of Tax on Profits expense (Note 5.8).

- Evaluation of occurrence and quantification of litigation, commitments, contingent assets and liabilities at close (Note 5.9).

Although these estimates have been made on the basis of the best information available as of yearend 2020, it is possible that events that could take place in the future require them to be adjusted (upwards or downwards) in coming financial years, which would be done, where appropriate, prospectively, recognising the effects of the change in estimate in the profit and loss account for the financial year affected.

2.6 Grouping items

Certain items on the balance sheet, the profit and loss account, the statement of changes in equity and the cash flow statement are presented grouped together to facilitate the understanding thereof, while, to the extent that it is significant, the disaggregated information has been included in the corresponding notes of the explanatory notes.

2.7 Correction of errors

In drawing up the attached financial statements, no significant errors have been detected that have led to the restatement of the amounts included in the financial statements for the 2019 financial year.

2.8 Changes in accounting standards

When drawing up the attached financial statements, the same accounting standards have been applied as when drawing up the financial statements for the 2019 financial year.

2.9 Information comparison

The information contained in this annual report referring to the 2019 financial year is presented, for comparison purposes, with information from the 2020 financial year.

3. Exposure to risks associated with COVID-19

On 11 March 2020, the World Health Organization raised the public health emergency caused by the coronavirus outbreak (COVID-19) to an international pandemic. The evolution of events, both nationally and internationally, has led to an unprecedented health crisis, which has had an impact on the macroeconomic environment and on the evolution of businesses. During the 2020 financial year, a series of measures have been adopted to address the economic and social impact that this situation has created, which among other aspects have led to restrictions on people's mobility. In particular, the Government of Spain declared a state of emergency through Royal Decree 463/2020 of 14 March, which was lifted on 1 July 2020, and approved a series of extraordinary urgent measures to address the economic and social impact of COVID-19 through Royal Decree-Act 8/2020 of 17 March, and other legislation. As of the date these financial statements were prepared, the state of emergency declared by the Government of Spain is in force through Royal Decree 926/2020 of 25 October. Initially approved until 9 November 2020, it has been extended until 9 May 2021 through Royal Decree 956/2020 of 3 November.

COVID-19 has had an adverse effect on the Company's business, mainly during the second quarter of the year, due to the lockdown measures imposed and the subsequent restriction of the normal course of business at both the Company's own and franchisee points of sale. Similarly, as a result of the high level of uncertainty inherent in the economic crisis caused by the pandemic, the results of the Company's operations may continue to suffer in the financial years to come; it is not possible to estimate with certainty the moment in time and the degree to which the future economic recovery will drive demand for the Company's products and services to pre-COVID-19 levels.

Taking the above into account, the Company has identified the following risks, for which it has implemented the actions that are likewise listed below:

a) Liquidity risk

In order to ensure liquidity and meet all payment obligations arising from its activities, the Company has the liquid assets shown on its balance sheet as of 31 December 2020, as well as the lines of financing available in Note 14.

The Company manages its liquidity risk based on holding sufficient cash and marketable securities, as well as additional financing under various modalities with credit institutions in order to have sufficient capacity so as to settle market positions and manage the corresponding debt commitments and payment obligations in advance.

Irrespective of the foregoing, the Company has done:

- Partial cancellation of the expected distribution of dividends on the profits of the previous financial year amounting to 2,800 thousand euros and the total cancellation of the distribution of dividends on the profits of the 2020 financial year.
- Presentation of Temporary Layoffs (ERTEs) due to force majeure affecting approximately 80% of the workforce.
- Renegotiation of lease contracts and review of the network of own stores with a view to maximizing the efficacy of the omnichannel interaction of the physical points of sale with the new e-commerce platform.

b) Credit risk

Credit risk is the risk that an entity, as opposed to a financial asset of the Company, causes a loss for the Company by not meeting its respective payment obligation. In this regard:

In general the Company maintains its cash and equivalent liquid assets at banks with high credit ratings.

Management has intensified the individualised monitoring of accounts receivable as a result of the situation created by COVID-19, without a significant increase in customer defaults becoming apparent, mainly due to the cash sales prioritisation policy followed by the Company.

The Company does not have a significant concentration of credit risk, with exposure spread over a large number of customers (franchised) and their individual amounts being insignificant.

Regardless of the fact that COVID-19 is an incremental credit risk factor, the Company's Financial Management has continued to give the highest priority to the proper control and supervision of the evolution of accounts receivable and the management of potential defaults. In this regard, the Company's policies, which include the prior requirement of bank guarantees or deposits from customers to guarantee their commitments are met, have enabled very effective management and control of the credit risk in the current environment.

Additionally, the Company has established a policy of accepting customers based on periodic liquidity and solvency risk assessments and the establishment of credit limits for debtors. Moreover, the Company conducts periodic analysis of the age of the debt with commercial customers in order to cover potential risks of default. In this regard, the Company has reassessed the valuation restatement due to impairment, which has resulted in an increase in the provision for bad debts of 276 thousand euros, thus standing at 482 thousand euros as of 31 December 2020 (206 thousand euros as of 31 December 2019).

The average collection period continues to be between 30 and 60 days, although, as has been explained, a very significant portion of sales is collected in advance or at the time it is performed.

c) Capital management

The Company's Management regularly reviews the capital structure. In this regard, the ratio of net financial debt to Operating Income before amortisation, impairment and other income as of 31 December 2020 and 31 December 2019 stands at -3.86 and 0.07, respectively. In calculating this ratio, the Company has considered the headings of the statement of financial position of net non-current and current debts in cash and cash equivalents as net financial debt. The variation in the same between both financial years is due to the increase in cash and cash equivalents as a consequence of the liquidity protection measures adopted by the Company during the financial year.

d) Interest rate and exchange rate market risk:

The Company's operating activities are largely independent with respect to changes in market interest rates.

The interest rate risk of the Company arises from long-term borrowings. Borrowings issued at variable rates expose the Company to interest rate risk on the cash flows. As of the close of the 2020 financial year and yearend 2019, 100% of the borrowings were at variable interest rates.

Finally, at the close of the 2020 financial year, the Company has cash resources of an amount that covers practically all current and non-current financial debt, consequently, the Directors believe that the exposure to interest rate risk is in no way significant.

e) Support and relief measures

The Company has implemented efficiency measures to reduce costs and non-strategic investments. In connection with other operating expenses, the Company has obtained savings, mainly focused on the cost of supplies and rentals. In the latter case, the Company has achieved waivers of lease payments in the financial year amounting to 52 thousand euros. Likewise, the Company has accelerated the rollout of its online sales channel, which has accelerated its process to rationalise non-strategic points of sale. In this way, Management trusts that its commitment to the omnichannel sale can benefit its network of own stores and Naturhouse franchisees by enabling greater efficacy and agility in the capacity to supply the end customer. Finally, in line with the Company's commitment to its Franchisee Network, the terms for supplying goods have been revised in order to increase the levels of sales on credit to customers with an adequate level of coverage through guarantees or deposits.

f) Non-current Asset valuation

In the first half of the financial year, COVID-19 has had an adverse impact on the Company due to the fact that the lockdown and control measures imposed in Spain have impeded the normal course of the sales business at own and franchisee points of sales until the lockdown and control measures are lifted.

In accordance with the applicable regulatory framework the Company Board has considered that the impact of COVID-19 is an objective indicator of signs of impairment on the following assets:

Investments in the assets of group, multi-group and associated companies.

As of 31 December 2020, the Company has carried out an analysis of the existence of objective evidence that reveals that there have been impairment losses in the equity investments in group, multi-group and associated companies as a result of COVID-19.

In accordance with the applicable regulatory framework (see Note 5.4), the amount of the valuation restatement will be the difference between the book value of said investments and the recoverable amount, understanding the latter to be the higher of the fair value less selling costs and the present value of the future cash flows arising from the investment, obtained from any of the following procedures:

- By estimating what is expected to be received as a result of the distribution of dividends made by the invested company and the disposal or derecognition of the investment in it, or;
- By estimating its participation in the cash flows that are expected to be generated by the invested company from both its ordinary activities and its disposal or derecognition.

However, in cases where better evidence has not been available due to the level of uncertainty and difficulty inherent in the current economic context, the equity of the invested companies has been taken into consideration, corrected for any unrealised capital gains that could be considered as of 31 December 2020.

Taking the foregoing into account, the Company has applied the indirect estimation method based on equity, considering that it provides sufficient evidence about the minimum recoverable value of investments in Group companies, with the exception of investments in the subsidiary Naturhouse Inc. and the holding in the associated company Ichem Sp. Z.o.o., investments for which the recoverable amount has been determined by estimating the Company's participation in the cash flows of their ordinary activities.

As a result of said analysis, the Company has fully impaired the investment in Naturhouse Inc.

In connection with the investment in Ichem Sp. Z.o.o., it should be noted that, as of 31 December 2020, the invested company has a net worth of approximately 13 million euros.

g) Going concern

Taking into consideration all the measures and impacts, as well as the fact that the Company has an equity balance and positive working capital amounting to 9,250 thousand euros and profits of the financial year and operating profit of 5,724 thousand euros and 1,075 thousand euros respectively, the Directors consider that there are no factors arising from the current uncertainty due to COVID-19 that could cast significant doubts on the Company's ability to continue its business under the going concern principle.

4. Distribution of profit

The proposed distribution of profit for the financial year drawn up by the Company's Directors, subject to approval at the Annual General Meeting, is as follows:

	Euros	
	2020	2019
Distribution basis:		
Profit for the financial year	5,724,539	14,200,268
	5,724,539	14,200,268
Distribution:		
To dividends	-	14,200,268
Other reserves	5,724,539	-
	5,724,539	14,200,268

As part of the measures described in Note 3 a), the Company's Directors modified the proposed distribution of financial year 2019 profit, with the final amount distributed as dividends totalling 11,400 thousand euros.

5. Valuation and registration rules

The main valuation and registration rules used by the Company in drawing up its financial statements, in accordance with the rules set out under Spanish Generally Accepted Accounting Principles, have been the following:

5.1 Intangible fixed assets

As a general rule, intangible assets are initially valued at their acquisition price or production cost. Subsequently, they are valued at cost less any accumulated amortization and, if applicable, impairment losses. These assets are amortized according to their useful life. When the useful life of these assets cannot be reliably estimated, they are amortised over a 10-year period.

Research and Development Expenses

The Company's activity, due to its nature, does not involve significant Research and Development expenses, not generating more R&D&I expenses than those relating to registering the brand and product formula with the appropriate department of health. The Company's policy is to directly record as expenses, the expenses incurred in both Research as well as Development, deeming that they do not meet the criteria for activation established and as they are not significant, given that the majority of these activities are performed directly by the Company's suppliers.

The expenses recorded in the profit and loss account for the 2020 financial year amounted to 32 thousand euros (12 thousand euros in the 2019 financial year).

Transfer rights

Correspond to the amounts paid by way of transfer of premises in acquiring new shops. Amortised by the straight-line method over a period of 5 to 10 years.

Industrial property

The amounts paid for acquiring property or right of use for the different manifestations of the same, or for expenses incurred in registering the brand developed by the Company are recorded in this

account. During the 2014 financial year, brands were acquired as stated in Note 6. The industrial property is amortized by the straight-line method over its useful life, which has been estimated at 10 years.

Software

Licenses for software acquired from third parties, or internally developed software, are capitalized on the basis of the costs incurred to acquire or develop them and to prepare them for use.

Software is amortized by the straight-line method over its useful life, at a rate of between 20% to 33% annually.

Software maintenance costs incurred during the financial year are recorded in the profit and loss account.

Impairment of intangible and tangible assets

Where there is an indication of impairment, the Company estimates, using the "impairment test", the possible existence of impairments reducing the recoverable value of such assets to an amount below their book value.

Assets subject to amortization are reviewed for impairments whenever events or changes in circumstances indicate that the book value may not be recoverable. An impairment loss is recognised by the amount that the asset book value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

5.2 Tangible fixed assets

Tangible fixed assets are initially valued at acquisition price or production cost and are subsequently reduced by accumulated amortization and impairment losses, if any, according to the criteria described in Note 5.1.

Expenses for enlargements, modernisation or improvements which lead to increased productivity, capacity or efficiency or which extend the useful life of assets, are capitalised as the greater cost of the corresponding assets.

Assets in construction is transferred to tangible fixed assets in use at the time that it is available to start operation or, where appropriate, once the corresponding test period has elapsed, with the amortisation thereof starting at such time.

Upkeep and maintenance costs are allocated to the profit and loss account for the financial year in which they are incurred.

The Company amortises its tangible fixed assets using the straight-line method, distributing the cost of the assets over the years of estimated useful life. The following table shows the estimated useful life for the 2020 and 2019 financial years for each fixed asset item:

	Years of estimated useful life
Other facilities, tools and furniture	8.33 - 30
Information processing equipment	3 - 4
Transportation elements	6.25 - 10

Profits or losses arising from the sale or withdrawal of an asset are determined as the difference between the net book value and the sale price, recognised under "Impairment and income from disposal of fixed assets" on the profit and loss account.

For fixed assets that require a period of more than one year to be serviceable, the capitalised costs include the financial expenses accrued prior to the asset being put into operating condition and which have been charged by the supplier or correspond to loans or other external financing, specific or generic, directly attributable to the acquisition or manufacture of the same. During the 2020 and 2019 financial years, there were no financial expenses capitalized as a higher value of an asset.

5.3. Leases

Leases are classified as financial leases whenever, from the conditions thereof, it is demonstrated that the risks and rewards of ownership of the asset under the contract are substantially transferred to the lessee. All other leases are classified as operating leases.

Financial leases

In financial leasing transactions in which the Company acts as the lessee, the cost of the leased assets is presented on the balance sheet according to the nature of the asset under the contract as well as, simultaneously, a liability for the same amount. This amount is the lower of the fair value of the leased asset and the present value at the start of the lease of the minimum amounts agreed, including the purchase option, when there are no reasonable doubts about the exercise of such. Contingent rent, the cost of services and taxes to be passed on to the lessor will not be included in this calculation. The total financial burden of the contract is allocated to the profit and loss account for the financial year in which it accrues, using the effective interest rate method. Contingent rents are recognised as an expense in the financial year in which they are incurred.

The assets recorded for these kinds of transactions are amortised using standards similar to those applied to tangible assets, according to the nature thereof.

Operating leases

The expenses arising from operating lease agreements are allocated to the profit and loss account for the financial year in which they accrue.

Any collection or payment that could be made on contracting an operating lease will be treated as an advance payment or collection to be allocated to income throughout the term of the lease, as the income from the asset leased is ceded or received.

5.4 *Financial Instruments*

Financial assets

The financial assets held by the Company are classified into the following categories:

- a. Loans and accounts receivable: financial assets arising from the sale of goods or the provision of services from the company's ordinary course of business, or those which, not having commercial substance, are not equity instruments or derivatives and the collections for which are fixed or determinable amounts and not traded on an active market.
- b. Equity investments in Group companies and associates: Group companies are considered to be those related to the Company through a relationship of control, and associates are companies over which the Company exercises significant influence.

Initial valuation

The financial assets are initially recorded at the fair value of the consideration paid plus the transaction costs that are directly attributable.

In the case of equity investments in Group companies that provide control over the subsidiary, the fees paid to legal advisers or other professionals related to the acquisition of the investment are directly allocated to the profit and loss account.

Subsequent valuation

These liabilities are subsequently valued at amortised cost.

Investments in Group companies and associates are valued at cost less, where appropriate, the cumulative amount of the impairment losses. These losses are calculated as the difference between the book value and the recoverable amount, understanding the latter as the higher of the fair value less selling costs and the present value of the future cash flows arising from the investment. Excepting better evidence on the recoverable amount, the equity of the investee is taken into consideration, adjusted for unrealised gains as of the valuation date (including goodwill, if any).

At yearend, at least, the Company performs an impairment test for the financial assets that are not recorded at fair value. It is considered that there is objective evidence of impairment when a financial asset's recoverable value is less than its book value. When this occurs, the impairment loss is recorded in the profit and loss account.

In particular, regarding the valuation adjustments relating to trade and other accounts receivable, the criterion used by the Company to calculate the corresponding valuation adjustments, if any, consists of conducting a specific analysis for each debtor based on the solvency thereof.

The Company derecognises financial assets when they expire or the rights to the cash flows for the financial asset concerned have been transferred and the risks and rewards inherent to their ownership have been substantially transferred. On the contrary, the Company does not derecognise financial assets, and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which the risks and rewards inherent to their ownership are substantially retained.

Financial liabilities

Financial liabilities are the debits and payables that the Company has and that have arisen from the purchase of goods and services in the ordinary course of business, or those that do not have commercial substance and cannot be considered as financial derivatives.

Debits and payables are initially valued at the fair value of the consideration received, adjusted for directly attributable transaction costs. These liabilities are subsequently valued at amortised cost.

The Company derecognise financial liabilities when the obligations generated are extinguished.

Equity instruments

An equity instrument represents a residual interest in the Company's Assets after deducting all of its liabilities.

The equity instruments issued by the Company are recorded in equity for the amount received, net of issue expenses.

The treasury shares acquired by the Company are recorded at the value of the consideration paid in exchange, directly as a reduction of Equity. The income arising from the purchase, sale, issue or

amortisation of own equity instruments are directly recognised Equity, in no case is any income recorded on the Profit and Loss Account.

5.5. Inventory

Stock is valued at the lower of the acquisition price, production cost or net realisable value.

The net realisable value represents the estimated selling price less all estimated costs to finish manufacture and the costs to be incurred in the marketing, sales and distribution processes.

In assigning value to its stock, the Company uses the weighted average price method.

The Company makes the appropriate value adjustments, recognising them as an expense in the profit and loss account when the net realisable value of the stock is less than the acquisition price (or production cost).

5.6 Cash and other equivalent liquid assets

Cash and cash equivalents include cash on hand, demand deposits with credit institutions and other short term highly liquid investments with an original maturity of three months or less.

5.7 Current and non/current assets

Current assets are considered to be those linked to the normal operating cycle which, in general, is considered to be one year; also other assets whose maturity, disposal or realisation is expected to occur in the short term from yearend, financial assets held for trading, except for financial derivatives whose settlement period exceeds one year and cash and cash equivalents. Assets that do not meet the aforementioned requirements are classified as non-current.

Similarly, current liabilities are those linked to the normal operating cycle, financial liabilities held for trading, except for financial derivatives whose settlement period exceeds one year and, in general, all obligations whose maturity or termination will occur in the short term, including in this category all obligations for which the Company does not hold, at yearend, an irrevocable right to meet the same in a period exceeding one year. Otherwise, they are classified as non-current.

5.8 Corporate Tax

Income tax expense or income comprises the part concerning current tax expense or income and the part corresponding to deferred tax expense or income.

Current tax is the amount that the Company pays as a result of tax settlements for the income tax concerning a financial year. Tax credits and other tax benefits, excluding withholdings and payments on account, as well as compensable tax losses from prior financial years and effectively applied in this year, result in a lower amount of current tax.

The deferred tax expense or income corresponds to the recognition and derecognition of deferred tax liabilities and assets. These include temporary differences, which are identified as the amounts expected to be payable or recoverable arising from the differences between the book value of assets and liabilities and their tax value, as well as the negative tax bases to be offset and the credits for tax deductions not applied. These amounts are recorded by applying the tax rate at which they are expected to be recovered or settled to the temporary difference or credit.

Deferred tax liabilities are recognised for all taxable temporary differences, except those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and is not a business combination.

On the other hand, deferred tax assets are only recognised to the extent that it is considered likely that the Company will have future taxable profits against which to make them effective.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity will also be recognised with a balancing entry in equity.

At each accounting close, the deferred tax assets recorded are reviewed and the appropriate adjustments to them made to the extent that there are doubts concerning the future recovery thereof. Likewise, at each accounting close, the deferred tax assets not recorded on the balance sheet are assessed and recognised to the extent that the recovery thereof becomes probable, with future tax benefits.

5.9 Provisions and contingencies

The Company's Directors make a distinction between the following in preparing the annual statements:

- a. Provisions: credit balances covering current obligations arising from past events, whose cancellation is likely, causing an outflow of resources, but the amount and/or timing of the cancellation is uncertain.
- b. Contingent liabilities: possible obligations arising as a result of past events, whose future existence is conditional on the occurrence, or otherwise, of one or more future events beyond the Company's control.

The statement of financial position includes all the provisions with respect to which it is estimated that the likelihood of having to meet the obligation is greater than it not being the case. Contingent liabilities are not recognised in the financial statements, but are disclosed in the notes of the explanatory notes, to the extent that they are not considered to be remote.

The provisions are valued at the current value of the best estimate possible of the amount required to settle or transfer the obligation, taking into consideration the information available on the event and its consequences, and reporting any adjustments arising from updating such provisions as a financial expense as they accrue.

The compensation received from a third party in settlement of the obligation, provided there are no doubts that such reimbursement will be received, is recorded as an asset, except in the event that there is a legal relationship whereby part of the risk has been externalised and by virtue of which the Company is not obliged to respond; in this situation, the compensation will be taken into consideration when estimating the amount by which, if appropriate, the relevant provision will be included.

5.10 Redundancies

In accordance with current legislation, the Company is required to pay redundancies to employees with whom, under certain conditions, it terminates their employment relationship. Therefore, redundancies that may be reasonably quantified are recorded as an expense in the financial year in which the decision to terminate employment is made and a valid expectation is created in third parties respecting the dismissal. In the financial statements attached, no provision for this item has been recorded, as none of them are estimated.

5.11 Income and expenses

Income and expenses are recognised on an accrual basis, that is, when the actual flow of goods and services that they represent occurs, regardless of when the monetary or financial flow arising from the same occurs.

Income is recognised to the extent that it is likely that the Company will obtain economic benefits and if the income can be reliably measured, regardless of when the payment is received. Income is

measured at the fair value of the consideration received or receivable. The following specific recognition criteria must also be met before recognising an income.

Sale of goods

Income from the sale of goods is recognised when the goods are delivered and ownership has been transferred, when all the following conditions are met:

- The Company has transferred to the buyer the main risks and rewards arising from ownership of the goods;
- The Company does not maintain any involvement in the current management of the goods sold, nor does it retain effective control over them;
- the amount of income can be reliably determined;
- it is likely that the Company will receive the economic benefits arising from the transaction;

The sale of goods is primarily carried out through the sale of products to the franchisee customer, or directly to end customers (consumers) through the shops owned by the Company. Likewise, one-time sales to other Group companies are made for marketing abroad.

There are no significant product returns either from the franchisee customer or the end customer.

Provision of services

The Company's income from the provision of services on the one side relates to the annual fee that the Company directly charges its franchisees, and in the other hand "master franchise" contracts, an amount that the Company charges a third party for such third party to directly operate the Naturhouse Group's franchises in a given country. This master franchise is usually signed for a period of 7 years and the amount varies between 50,000 and 300,000 euros, which is billed once in advance.

Likewise, this heading includes the income from royalties that the Company charges to Group companies and third parties in accordance with the terms and conditions included in the "master franchise" contracts it has signed.

Other operating income

Under this heading, the Company mainly recognises rebilling of expenses (management fees) to Group companies.

Interest and dividend income

Dividends from investments are recognised when the shareholder's right to receive payment has been established (provided it is likely that the Company will receive the economic benefits and that the amount of income can be reliably measured).

Interest income arising from a financial asset is recognised when it is likely that the Company will receive the economic benefits and the amount of income can be reliably measured. Interest income is accrued on a time proportion basis, depending on the principal outstanding and the effective interest rate applicable, which is the rate that allows the estimated future cash flows to be discounted over the expected life of the financial asset in order to accurately obtain such asset's net book value.

Expenses are recognised in the statement of income when a decrease in future economic benefits related to a reduction of an asset, or an increase of a liability occurs which can be reliably measured. This implies that the recording of expenses occurs simultaneously with the recording of a liability increase or asset reduction.

An expense is immediately recognised when a payment does not generate future economic benefits or when it does not meet the requirements for recognition as an asset.

Additionally, an expense is recognised when incurred in a liability and no asset is recorded, such as a liability for a guarantee.

5.12 Foreign currency transactions

The functional currency used by the Company is the euro. Therefore, transactions in currencies other than the euro are considered to be denominated in foreign currency and are recorded at the exchange rates prevailing at the transaction date.

At yearend, monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate at the date of the balance sheet. Any resulting profits or losses are directly allocated to the profit and loss account for the financial year in which they arise.

5.13 Transactions with related parties

The Company performs all its transactions with related parties at market values. The Company's Directors and its tax advisers consider that there are no significant risks in this regard that could lead to significant liabilities in the future.

5.14 Statement of Cash Flows

In the statement of cash flows, the following expressions are used in the following sense:

- Cash flows: inflows and outflows of cash and cash equivalents, including current investments with high liquidity and low risk of variations in value.
- Operating activities: the activities typically carried out, as well as other activities that cannot be classified as investment or financing activities.
- Investment activities: those regarding the acquisition, disposal or sale by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of the equity and liabilities that are not part of the operating activities.

5.15 Environmental assets

Assets that are constantly used in the Company's business, whose main purpose is to minimise environmental impact and protect and improve the environment, including the reduction or elimination of future pollution, are considered to be environmental assets.

Given the activity in which the Company engages, it has no liabilities, expenses, assets or provisions and contingencies of an environmental nature that could be significant in relation to the equity, financial position and results of the same. Therefore, no specific breakdowns are included in these financial statements with respect to information concerning environmental matters.

6. Intangible fixed assets

The changes in this heading on the balance sheet for the 2020 and 2019 financial years have been as follows:

Year 2020

Cost	Euros			
	31-12-2019	Additions	Disposals	31-12-2020
Industrial property	2,330,638	-	-	2,330,638
Transfer rights	50,000	-	-	50,000
Software	333,402	26,187	(4,123)	355,466
Total cost	2,714,040	26,187	(4,123)	2,736,104

Amortisations	Euros			
	31-12-2019	Allocations	Disposals	31-12-2020
Industrial property	(1,300,623)	(233,064)	-	(1,533,687)
Transfer rights	(45,735)	(4,265)	-	(50,000)
Software	(153,878)	(83,542)	-	(237,420)
Total amortisation	(1,500,236)	(320,871)	-	(1,821,107)

Total intangible assets	Euros	
	31-12-2020	31-12-2019
Cost	2,736,104	2,714,040
Amortisations	(1,821,107)	(1,500,236)
Net total	914,997	1,213,804

Year 2019

Cost	Euros			
	31-12-2018	Additions	Disposals	31-12-2019
Industrial property	2,330,638	-	-	2,330,638
Transfer rights	50,000	-	-	50,000
Software	262,217	177,841	(106,656)	333,402
Total cost	2,642,855	177,841	(106,656)	2,714,040

Amortisations	Euros			
	31-12-2018	Allocations	Disposals	31-12-2019
Industrial property	(1,067,561)	(233,062)	-	(1,300,623)
Transfer rights	(36,568)	(9,167)	-	(45,735)
Software	(195,324)	(55,217)	96,663	(153,878)
Total amortisation	(1,299,453)	(297,446)	96,663	(1,500,236)

Total intangible assets	Euros	
	31-12-2019	31-12-2018
Cost	2,714,040	2,642,855
Amortisations	(1,500,236)	(1,299,453)
Net total	1,213,804	1,343,402

Additions during the 2020 and 2019 financial years have mainly corresponded to software for the Company's new e-commerce department.

The main asset under intangible assets corresponds to a set of brands acquired in the 2014 financial year amounting to 2,331 thousand euros, the net book value of which amounts to 797 and 1,030 thousand euros as of 31 December 2020 and 31 December 2019, respectively. These brands are amortized by the straight-line method over a useful life of 10 years.

In accordance with the margins obtained in marketing these brands' products, the Company Board has considered that said brands do not present impairment indicators as of 31 December 2020.

At yearend 2020 and 2019, the Company had fully amortised intangible assets still in use, as detailed below:

Fully amortised intangible assets	Euros	
	Book Value (Gross)	
	31-12-2020	31-12-2019
Use rights	50,000	-
Software	130,571	68,252
	180,571	68,252

7. Tangible fixed assets

The changes in this heading on the balance sheet in the 2020 and 2019 financial years, as well as the most significant information affecting this heading, have been as follows:

Year 2020

Cost	Euros			
	31-12-2019	Additions	Disposals	31-12-2020
Other facilities, tools and furnishings	2,369,058	37,162	(380,587)	2,025,633
Information processing equipment	737,442	10,692	(27,073)	721,061
Transportation elements	262,405	-	-	262,405
Total cost	3,368,905	47,854	(407,660)	3,009,099

Amortisations	Euros			
	31-12-2019	Allocations	Disposals	31-12-2020
Other facilities, tools and furnishings	(1,675,787)	(84,384)	212,825	(1,547,346)
Information processing equipment	(688,928)	(27,588)	28,793	(687,723)
Transportation elements	(241,964)	(7,433)	-	(249,397)
Total amortisation	(2,606,679)	(119,405)	241,618	(2,484,466)

Total Tangible Fixed Assets	Euros	
	31-12-2020	31-12-2019
Cost	3,009,099	3,368,905
Amortization	(2,484,466)	(2,606,679)
Net total	524,633	762,226

Year 2019

Cost	Euros			
	31-12-2018	Additions	Disposals	31-12-2019
Other facilities, tools and furnishings	4,254,252	110,965	(1,996,159)	2,369,058
Information processing equipment	733,984	33,719	(30,261)	737,442
Transportation elements	262,405	-	-	262,405
Total cost	5,250,641	144,684	(2,026,420)	3,368,905

Amortisations	Euros			
	31-12-2018	Allocations	Disposals	31-12-2019
Other facilities, tools and furnishings	(2,339,240)	(140,369)	803,822	(1,675,787)
Information processing equipment	(658,701)	(49,865)	19,638	(688,928)
Transportation elements	(234,531)	(7,433)	-	(241,964)
Total amortisation	(3,232,472)	(197,667)	823,460	(2,606,679)

Total Tangible Fixed Assets	Euros	
	31-12-2019	31-12-2018
Cost	3,368,905	5,250,641
Amortization	(2,606,679)	(3,232,472)
Net total	762,226	2,018,169

The additions for the years 2020 and 2019 correspond, fundamentally, to installations in new own stores, as well as to improvements needed for the existing ones.

As of 31 December 2018 and under "Other facilities, furniture and tools", photovoltaic panels were included with a net book value amounting to 1,183 thousand euros. These fixed assets were amortised by the straight-line method as with any of the Company's fixed assets, but they did not directly affect the Company's activities.

During the 2019 financial year, the Company sold the aforementioned photovoltaic panels to a related company (Tartales, S.L.), for a sale price of 1,678 thousand euros. The book value of these assets at the date of sale was 1,136 thousand euros, thus having generated a profit of 542 thousand euros in said transaction, included under the heading "Impairment and income from disposal of fixed assets".

The heading "Impairment and income from disposal of fixed assets" on the attached profit and loss account for the 2020 financial year includes losses of 172 thousand euros as a result of derecognitions of assets relating to owned stores that have been transferred to franchisees or other third parties.

The fully amortized tangible fixed assets still in use at yearend 2020 amount to 2,085 thousand euros (2,039 thousand euros at yearend 2019).

Firm purchase commitments

As of yearend 2020, the Company does not have any firm commitments to purchase fixed assets.

Insurance policy

The Company continues its policy to take out insurance policies to cover the potential risks to which the different elements of its tangible fixed assets are subject. It is estimated that the cover taken out as of yearend 2020 is sufficient so as to cover the risks inherent in the Company's activities.

8. Leases

Operating leases

As of 31 December 2020 and 2019, the Company has contracted with lessors the following non-cancellable minimum lease payments in accordance with the current contracts in force, without taking into account the impact of common expenses, future increases in the CPI or future updates to rents agreed under contract:

Minimum operating lease payments	Euros	
	Nominal value	
	31-12-2020	31-12-2019
Less than 1 year	83,817	898,469
Between one and five years	1,629,990	1,972,690
More than five years	-	321,152
	1,713,807	3,192,311

The amount of operating lease payments recognised as an expense in the 2020 and 2019 financial years is as follows:

Operating lease payments	Euros	
	2020	2019
Office and warehouse rentals	355,686	352,591
Other rentals	893,964	1,152,198
	1,249,650	1,504,789

In its capacity as lessee, the most significant operating lease contracts held by the Company as of 31 December 2020 were the following:

- Leasing of a building in which the Madrid offices are located to a related party (Note 18). The lease contract was renewed in January 2014 until December 2023.
- Leasing of an industrial unit holding inventory owned by Naturhouse Health, S.A. and Kiluva Portuguesa- Nutricao e Dietetica, Lda. to a related party. The lease contract was signed in November 2018 until December 2023.

The lease contracts have been classified as operating leases because of the particular terms and conditions thereof.

9. Investments in Group companies (long and short term)

The account balance under "Long-term Investments in Group companies" at 31 December 2020 and 2019 is as follows:

	Euros	
	31-12-2020	31-12-2019
Equity instruments,	14,450,945	14,250,945
Provision for impairment losses on equity instruments	(6,115,179)	(5,872,901)
Total long-term investments in Group companies	8,335,766	8,378,044

9.1 Group company equity instruments

The changes under the headings "Equity instruments" and "Provision for impairment losses on equity instruments" for the 2020 and 2019 financial years are broken down in the following tables:

Year 2020

	Euros		
	31-12-2019	Additions Disposals	31-12-2020
Cost:			
Naturhouse, GmbH	288,000	-	288,000
Naturhouse, S.R.L.	193,937	-	193,937
Naturhouse Franchising Co Ltd.	118,832	-	118,832
Zamodiet México. S.A. de C.V.	855,225	-	855,225
Housediet, S.A.R.L	200,000	-	200,000
Kiluva Portuguesa – Nutrição e Dietetica. Lda.	2,800,000	-	2,800,000
Naturhouse, Sp zo.o.	676,427	-	676,427
S.A.S. Naturhouse	4,535,000	-	4,535,000
Ichem Sp. Zo.o	2,275,405	-	2,275,405
Naturhouse, Inc.	2,196,018	200,000	2,396,018
Name 17	112,102	-	112,102
Total cost	14,250,946	200,000	14,450,946
Impairment			
Naturhouse, GmbH	(288,000)	-	(288,000)
Naturhouse Franchising Co Ltd.	(82,194)	(9,371)	(91,565)
Zamodiet México, S.A. de C.V.	(855,225)	-	(855,225)
Kiluva Portuguesa – Nutrição e Dietetica. Lda.	(2,451,465)	34,546	(2,416,919)
Naturhouse, Inc.	(2,196,018)	(200,000)	(2,396,018)
Name 17	-	(67,453)	(67,453)
Total impairment	(5,872,902)	(242,278)	(6,115,180)
Net total	8,378,044	(42,278)	8,335,766

Year 2019

	Euros		
	31-12-2018	Additions	31-12-2019
Cost:			
Naturhouse, GmBh	288,000	-	288,000
Naturhouse, S.R.L.	193,937	-	193,937
Naturhouse Franchising Co Ltd.	118,832	-	118,832
Zamodiet México, S.A. de C.V.	855,225	-	855,225
Housediet, S.A.R.L	200,000	-	200,000
Kiluva Portuguesa – Nutrição e Dietetica. Lda.	2,800,000	-	2,800,000
Naturhouse, Sp zo.o.	676,427	-	676,427
S.A.S. Naturhouse	4,535,000	-	4,535,000
Ichem Sp. Zo.o	2,275,405	-	2,275,405
Naturhouse, Inc.	1,389,952	806,066	2,196,018
Name 17	-	112,102	112,102
Total cost	13,332,778	918,168	14,250,946
Impairment			
Naturhouse, GmBh	(288,000)	-	(288,000)
Naturhouse Franchising Co Ltd.	(82,194)	-	(82,194)
Zamodiet México, S.A. de C.V.	(855,225)	-	(855,225)
Kiluva Portuguesa – Nutrição e Dietetica. Lda.	(2,412,227)	(39,238)	(2,451,465)
Naturhouse, Inc.	(1,333,527)	(862,490)	(2,196,018)
Total impairment	(4,971,173)	(901,728)	(5,872,902)
Net total	8,361,605	16,439	8,378,044

The main changes in the 2020 financial year under the heading "Equity instruments in Group companies" have been as follows:

- **Capital increase in the United States, Naturhouse Inc.:** During the financial year 2020, the Company increased the share capital by 200 thousand euros, keeping 100% of the shares. This shareholding is completely impaired at year end 2020.

Information related to the direct and indirect financial shareholdings held by the Company are broken down in Annex I.

The dividends received by the Company from its subsidiaries have been as follows:

	Euros	
	2020	2019
Naturhouse, S.R.L.	1,750,000	2,426,734
Naturhouse, Sp zo.o.	943,789	278,894
S.A.S. Naturhouse	2,491,575	9,936,329
Ichem Sp. zo.o.	-	476,869
Kiluva Portuguesa – Nutrição e Dietetica, Lda.	-	95,516
	5,185,364	13,214,342

As of 31 December 2020, the Company has re-estimated the impairment of shareholdings in Group companies based on the underlying book value of the various investees, considering that this is the best evidence of the recoverable value.

As of 31 December 2020, the Company has fully impaired the accounts receivable held with Naturhouse, Gmbh, Naturhouse Inc and Naturhouse Franchising Co Ltd amounting to 99 thousand euros, 117 thousand euros and 257 thousand euros, respectively (Note 10).

10. Financial investments

As of 31 December 2020 and 2019, the existing balance under the heading "Long-term financial investments" is as follows:

	Euros	
	31-12-2020	31-12-2019
Other financial assets		
Long term deposits and guarantees	242,921	337,011
	242,921	337,011

The financial assets recorded under the heading "Long-term deposits and guarantees" primarily correspond to deposits associated with the leases described in Note 8.

Information concerning the nature and level of risk of financial instruments

The Company's activities are exposed to various financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and interest rate risk on cash flows.

1. Credit Risk

In general the Company maintains its cash and equivalent liquid assets at banks with high credit ratings. It also performs adequate monitoring of accounts receivable individually, in order to determine situations of potential insolvency.

The Company's principal financial assets are cash and cash equivalents, trade debtors and other accounts receivable and investments, which represent the Company's highest exposure to credit risk in connection with its financial assets.

The Company's credit risk is, therefore, mainly attributable to its trade debtors. The amounts are presented in the balance sheet net of provisions for bad debts, estimated by the Company's Directors based on experience from previous financial years and their assessment of the current economic environment. The breakdown of impairment losses recognised under "Trade Receivables for Sales and Services" on the balance sheet as of 31 December 2020 is as follows:

	Euros	
	31-12-2020	31-12-2019
Provision for bad debts	(481,906)	(206,393)

The Company does not have a significant concentration of credit risk, with exposure spread over a large number of customers (franchised) and their individual amounts being insignificant. During the 2020 financial year, the Company recognised a loss in the financial year amounting to 275,513 euros (195,601 euros in the 2019 financial year).

However, the Company's Financial Management considers this risk to be a key aspect in daily business management, focusing all efforts on the appropriate control and monitoring of the development of accounts receivable and arrears, especially in sectors of activity with increased risk of default. Additionally, it is one of the Company's policies to obtain guarantees or deposits from customers in order to ensure compliance with their commitments.

Additionally, the Company has established a policy of accepting customers based on periodic liquidity and solvency risk assessments and the establishment of credit limits for debtors. Moreover, the Company conducts periodic analysis of the age of the debt with commercial customers in order to cover potential risks of default.

The average collection period varies, depending on the country, between 30 and 60 days, although a very significant portion of sales are collected in advance at the time it is performed. Significant balances with third parties overdue for more than 180 days are fully provisioned.

2. Liquidity risk

In order to ensure liquidity and meet all payment obligations arising from its activities, the Company has the liquid assets shown on its balance and on its statement of financial position, as well as available financing detailed in Note 14.

In this regard, the Company performs liquidity risk management, based on maintaining sufficient cash and marketable securities, the availability of financing through an adequate number of credit facilities and sufficient capacity to settle market positions.

On the other hand, it has always sought to utilize the liquid assets available for anticipative payment obligation and debt commitment management if needed.

The Company's financial liabilities as of 31 December 2020 are not significant and have maturities in 2021 (see Note 14).

3. Market risk in the interest rate and the exchange rate:

The Company's operating activities are largely independent with respect to changes in market interest rates.

The interest rate risk of the Company arises from long-term borrowings. Borrowings issued at variable rates expose the Company to interest rate risk on the cash flows. As of yearend 2020, the Company has no long-term borrowings.

In addition, as of yearend 2020 and 2019, the Company has an amount available in liquid assets that is much higher than its financial debt, consequently, the Directors consider that its exposure to interest rate risk is not significant in any case.

Thus, the Company has not considered it necessary to cover interest rate fluctuations, consequently, it has not maintained derivative instruments during the 2020 and 2019 financial years.

With regard to exchange rate risk, the Group does not operate significantly internationally in countries with currencies other than the euro and, therefore, its exposure to exchange rate risk from foreign currency transactions is not significant.

11. Inventory

The composition of the Company's stock at 31 December 2020 and 2019 is as follows:

	Euros	
	31-12-2020	31-12-2019
Commercial stocks	1,037,263	1,173,621
	1,037,263	1,173,621

The Company has not made any adjustments for impairment since the net realizable value of the inventories is higher than its acquisition price, which is why no losses have been made under this item in the years 2020 and 2019.

12. Equity and Own Funds

Share Capital

On 9 April 2015, the Board of Directors of the Company, exercising the delegation of the Sole Shareholder dated 2 October 2014, unanimously agreed to the public new stock offering on the Stock Market.

On 24 April 2015, the Comisión Nacional del Mercado de Valores admitted to trading 15 million shares of the Company's share capital, with a nominal value of 5 euro cents each, which were sold by Kiluva, S.A. at the price of 4.8 euros. Subsequently, on 22 May 2015, the Green Shoe option was executed, expanding the number of shares admitting to trading by 1,097,637, reaching a total of 16,097,637 shares.

As of 31 December 2020, the Company's share capital is represented by 60 ordinary shares of 0.05 euros nominal value each, fully subscribed and paid.

In accordance with communications on the number of corporate actions made before the Comisión Nacional del Mercado de Valores, the shareholders with significant holdings in the Company's share capital, both directly as well as indirectly, higher than 3% of the share capital, as of 31 December 2020 are as follows:

Shareholder	%
Kiluva, SA	72.60
Ferev Uno Strategic Plans	4.33

The Directors of the Company have no knowledge of other shares equal to or higher than 3% of the Company's share capital or voting rights, or that are lower than the percentage established, allowing significant influence to be exercised over the Company.

Distribution of profit and dividends

On 29 April 2019, 30 July 2019 and 5 November 2019, the Board of Directors approved an interim distribution of dividends amounting to 3,600 thousand euros, 4,200 thousand euros, and 3,600 thousand euros, respectively, for the profit for the 2019 financial year.

As part of the measures described in Note 3 a), the Company's Directors modified the initial proposed distribution of profit (see Note 4), with the final amount distributed as dividends for the 2019 financial year totalling 11,400 thousand euros.

Legal reserve

In accordance with Consolidated Text of Capital Company Law, an amount equal to 10% of the annual profit must be assigned to the legal reserve until said reserve reaches an amount of 20% of the Company's share capital.

The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased capital. With the exception of that mentioned above, and while it does not exceed 20% of the share capital, said reserve may only be used to offset losses, provided that there are no sufficient other reserves available for this purpose.

As of 31 December 2020, this reserve has been completely established.

Treasury Shares

As of yearend 2020 and 2019, the Company held company shares in accordance with the following breakdown:

Year	Number of shares	Euros		
		Nominal value	Average acquisition price	Total acquisition cost
2020	50,520	2,526	2.81	141,886
2019	50,520	2,526	2.82	142,330

As of 31 December 2020, the Company's shares held by it represent 0.084% of the Company's share capital, totalling 50,520 shares with a cost of 141.886 thousand euros and an average acquisition price of 2.81 euros per share.

The movement in company shares during the 2020 financial years has been as follows:

Number of shares	2020	2019
Start of the financial year	50,520	14,000
Sales	(14,782)	(161,313)
Purchases	14,782	197,833
Yearend	50,520	50,520

13. Provisions and contingencies

Provisions

As of 31 December 2020 and 2019, the Company did not have any provisions recorded.

Contingencies

The Company's Directors consider that there are no contingencies that could lead to unregistered liabilities or that could have a significant impact on the attached financial statements.

14. Amounts owed to credit institutions and other financial liabilities

The account balance under "Short-term debts" and "Short-term debts" at 31 December 2020 and 2019 respectively is as follows:

31 DECEMBER 2020

	Amount Initial or Limit	Euros		
		Maturity		Total
		Current	Non Current	
Amounts owed to credit institutions:				
Financial leases	79,538	-	-	-
Bill discounting facilities	1,000,000	-	-	-
Subtotal of debts to credit institutions:	1,079,538	-	-	-
Other financial liabilities	-	15,806	-	15,806
	1,079,538	15,806	-	15,806

31 DECEMBER 2019

	Euros			
	Amount Initial or Limit	Maturity		Total
		Current	Non Current	
Amounts owed to credit institutions:				
Financial leases	79,538	-	-	-
Bill discounting facilities	1,000,000	-	-	-
Subtotal of debts to credit institutions:	1,079,538	-	-	-
Other financial liabilities	-	6,309	-	6,309
	1,079,538	6,309	-	6,309

Outstanding instalments for financial leases at year end 2019 have been paid in full during the 2020 financial year.

Likewise, the Company has bill discounting facilities with a limit of 1,000 thousand euros, which as of 31 December 2020 and 31 December 2019 has not been drawn on.

15. Public Administrations and Tax Situation

The composition of balances with Public Administrations at 31 December 2020 and 2019 is as follows:

	Euros			
	Debit balances		Credit balances	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019
Current balances:				
Company tax (refund) receivable	2,400,610	2,629,870	-	-
Tax Authorities, debtor/creditor due to IVA (VAT)	283	4,264	33,250	24,334
Social Security agencies, creditor	-	-	142,193	278,588
Tax Authorities, creditor due to income tax	-	-	95,178	109,793
Total current balances	2,400,893	2,634,134	270,621	412,715

15.1 Reconciliation of accounting profit and taxable base

Corporate Tax is calculated from the book income or accounting profit, obtained by the application of generally accepted accounting principles, which does not necessarily need to coincide with taxable income, understood as the tax base.

The reconciliation of the Company's accounting profit for the financial year ending 31 December 2020 and 31 December 2019 with the Corporate Tax taxable base is as follows:

Year 2020

	Euros		
	Increases	Decreases	Amount
Accounting profit for the period (before tax)	-	-	5,996,267
Permanent differences:			
Arising in the financial year	424,938	(5,219,910)	(4,794,972)
Arising in previous financial years	51,272	-	51,272
Temporary differences:			
Arising in the financial year	-	(945)	(945)
Arising in previous financial years	275,513	(45,673)	229,840
Total tax base	751,723	(5,266,528)	1,481,462

Year 2019

	Euros		
	Increases	Decreases	Amount
Accounting profit for the period (before tax)	-	-	14,905,971
Permanent differences:			
Arising in the financial year	1,280,564	(13,214,342)	(11,933,778)
Arising in previous financial years	51,272	-	51,272
Temporary differences:			
Arising in the financial year	-	(945)	1,182,281
Arising in previous financial years	1,183,226	(49,918)	(49,918)
Total tax base	2,515,062	(13,265,205)	4,155,828

Permanent differences in the 2020 financial year mainly correspond to the exemption on dividends received from Group companies in application of Article 21 of the Corporate Tax Act as of 31 December 2020 and 2019 (Note 10), impairments on investments in Group companies and non-deductible donations, fines and donations made by the Company.

On the other hand, temporary differences correspond to the limitation of the accounting amortization that was not tax deductible in the tax periods starting in the 2013 and 2014 financial years. In this regard, the Company had to make a positive adjustment corresponding to 30% of the amortization recognised for said fixed assets, having to charge these non-deductible amounts in the next 10 years back to the losses due to impairment of credits arising from possible bad debts.

In addition, during the 2020 financial year, the Company has paid instalment payments of the Corporate Tax corresponding to October and December of the 2020 financial year amounting to 1,703 thousand euros. On this basis, at yearend the company holds a balance to be recovered from the Tax Authorities amounting to 1,374 thousand euros, which has been registered as a current tax asset. Additionally, as of yearend 2020, an amount of 955 thousand euros corresponding to the Corporate Tax settlement for the 2019 financial year was also pending collection (Note 23).

15.2 The reconciliation between income and expenses for Corporation Tax

Reconciliation between accounting profit and Corporate Tax expense is as follows:

	Euros	
	2020	2019
Accounting profit before tax	5,996,267	14,905,971
Permanent differences	(4,743,700)	(11,882,506)
Instalment 25%	313,142	755,866
Deductions	(41,414)	(50,163)
Total tax expense recognised on the profit and loss account	271,728	705,703

15.3 Breakdown of corporate tax expense or income

The breakdown of the amount recorded for corporate tax corresponding to the 2020 and 2019 financial years is as follows:

	Euros	
	2020	2019
Current tax:		
Continuing operations	328,952	988,794
Deferred tax:		
Continuing operations	(57,224)	(283,091)
Total tax expense	271,728	705,703

15.4 Deferred tax assets

Deferred tax assets, registered -

Deferred tax assets basically correspond to temporary differences between accounting and tax amortisations of the Company's fixed assets.

The deferred tax assets indicated above have been recorded on the attached balance sheet as the Company's Directors consider, in line with the best estimates of the Company's future results, including certain tax planning measures, that it is likely that these assets will be recovered.

Deferred tax assets, not registered -

At yearend 2020 and 2019, there are no deferred tax assets that are not registered on the attached balance sheet.

15.5 Years pending approval and auditing actions

In accordance with the currently applicable legislation, settlement of taxes cannot be considered final until the tax authorities have inspected the accounts or the statutory period of limitation expires (currently four years). The Company has the last four financial years open for inspection for all applicable taxes.

In the opinion of the Company's Directors, as well as its tax advisers, there are no tax exposures of significant amounts that could arise, in the event of an inspection, from possible differing interpretations of the tax regulations applicable to the operations carried out by the Company.

16. Balances with related parties

In addition to the subsidiaries, associates companies, the "key personnel" in the Company's Management (members of its Board of Directors and the Directors, together with their close relatives) are considered to be "related parties" to the Company, as are the entities over which the key personnel in Management may exercise significant influence or have control.

The balances held with group companies and companies related to shareholders or members of the Board of Directors are shown below.

Year 2020

Company	Euros		
	Current		
	Debtor balance	Creditor balance	
	Commercial debts	Other financial liabilities	Commercial transactions
Other Group Companies			
S.A.S. Naturhouse	44,269	-	2,279
Kiluva Portuguesa Lda	2,657	640,664	-
Naturhouse Franchising Ltd. Co.	49,580	-	-
Naturhouse Sp Zoo	1,361	-	-
Naturhouse, S.R.L.	388,393	-	-
Associates			
Zamodiet, S.L.	-	-	8,272
Indusen, SA	-	-	169,815
Giro Fibra S,A,	-	-	18,904
Ichem, Sp. Zo.,o.	-	-	447,288
Laboratorios Abad, S.L.U.	-	-	241
Tartales, SLU	15,848	-	-
Parent Company			
Kiluva, SA	-	-	24,200
	502,108	640,664	670,999

Year 2019

Company	Euros		
	Current		
	Debtor balance	Creditor balance	
	Commercial debts	Other financial liabilities	Commercial transactions
Other Group Companies			
S.A.S. Naturhouse	201,676	-	6,596
Kiluva Portuguesa Lda	61,146	904,484	-
Naturhouse Franchising Ltd. Co.	256,878	-	-
Naturhouse Sp Zoo	263,551	-	-
Naturhouse, S.R.L.	98,271	-	-
Associates			
Zamodiet, S.L.	-	-	8,272
Indusen, SA	-	-	273,841
Giro Fibra S,A,	-	-	56,436
Ichem, Sp. Zo.,o.	-	-	511,558
Laboratorios Abad, S.L.U.	-	-	241
Tartales, SLU	-	84,670	28,545
Parent Company			
Kiluva, SA	-	-	-
	881,552	989,154	885,489

The other current financial liabilities as of 31 December 2020 held with Kiluva Portuguesa Lda correspond to the balance drawn down with said company through cashpooling accounts that accrue interest at market rates.

17. Income and expenses

17.1 Net amount of revenue

The breakdown of net revenues for the years of 2020 and 2019 of the Company is detailed below:

	Euros	
	2020	2019
Sales	11,388,667	17,209,451
Provision of services	1,396,946	2,036,243
	12,785,613	19,245,694

"Provision of services" mainly includes royalties billed to the subsidiaries Naturhouse S.R.L., Naturhouse Sp Zo.o, S.A.S. Naturhouse, as well as income from royalties billed to franchisees and income from master franchises in other countries.

The main activities developed by the Company are described in Note 1 of these explanatory notes. A segmentation of activities has not been carried out due to considering that there are activities differentiated by significant amounts which involve the identification of business segments. Moreover, neither the Company nor the Group use information with a distinction between activities in their management.

The distribution of net turnover corresponding to the 2020 and 2019 financial years, distributed by geographical market, is as follows:

	Euros	
	2020	2019
Domestic Market	11,006,184	17,479,380
Export Market	1,779,429	1,766,314
Total sales	12,785,613	19,245,694

17.2 Supplies

The amount recorded under "Consumption of Merchandise" for the years 2020 and 2019 has the following composition:

	Euros	
	2020	2019
Purchases	(3,945,189)	(6,185,405)
Changes in stocks (Note 11)	(136,358)	158,834
Total supplies	(4,081,547)	(6,026,571)

17.3 Breakdown of purchases by origin

The details of the purchases made by the Company during 2020 and 2019, by source, is as follows:

	Euros			
	2020		2019	
	Domestic	Intracommunity	Domestic	Intracommunity
Purchases	1,881,540	2,063,649	3,077,699	3,107,706

17.4 Social security contributions

The account balance for "Social costs" for the 2020 and 2019 financial years has the following composition:

	Euros	
	2020	2019
Social Security paid by the company	862,083	1,206,431
Other social expenses	57,353	169,694
	919,436	1,376,125

As part of the measures described in Note 3 a), the Company has presented in the 2020 financial year Temporary Layoffs (ERTEs) due to force majeure affecting approximately 80% of the workforce, for which it has obtained subsidies for Social Security contributions amounting to 143,539 euros, which have been recognised in the profit and loss account as "Operating subsidies included in the profit for the financial year".

17.5 Financial income and expenses

The financial income and expenses for the 2020 and 2019 financial years have been as follows:

	Euros			
	2020		2019	
	Financial Incomes	Financial Expenses	Financial Incomes	Financial Expenses
Due to debts with Group companies	-	-	-	(15,700)
Debts with third parties	-	(22,006)	-	(27,151)
Shares in equity instruments, Group companies and associates/Dividends	5,185,364	-	13,214,342	-
Marketable securities and other financial instruments with third parties	40	-	61	-
	5,185,404	(22,006)	13,214,403	(42,851)

18. Transactions with related companies

The transactions carried out by the Group with related companies during the 2020 and 2019 financial years are as follows:

Company	Euros	
	2020	2019
Sales, provision of services and other revenues>		
Group companies		
Naturhouse Franchising Ltd	49,580	71,432
Naturhouse S.R.L.	1,256,884	1,904,820
Naturhouse, Sp zo.o.	706,030	882,088
Kiluva Portuguesa – Nutricao e Dietetica Lda.	375,543	406,232
Naturhouse GmbH	24,084	25,212
S.A.S. Naturhouse	1,789,682	2,517,861
Naturhouse Inc.	(2,955)	5,379
Total revenues	4,198,848	5,813,024
Sales of fixed assets		
Parent Company		
Kiluva, SA	-	-
Related Companies		
Tartales, SLU (Note 7)	-	1,678,488
Total sales of fixed assets	-	1,678,488
Purchases:		
Group companies		
S.A.S. Naturhouse	3,206	5,655
Naturhouse S.R.L.	9,299	135
Naturhouse Sp. Zo.o	-	5,192
Kiluva Portuguesa – Nutricao e Dietetica Lda.	-	168,386
Related Companies		
Laboratorios Abad, S.L.U.	22,936	59,107
Indusen, SA	876,235	1,210,690
Ichem Sp. Zo.o	1,910,881	2,737,599
Girofibra, SL	154,517	304,687
Total purchases	2,977,074	4,491,451
Services received:		
Parent Company		
Kiluva, SA	20,000	-
Group companies		
Naturhouse Franchising Ltd	-	183,836
Naturhouse, GmbH	120,000	120,000
Related Companies		
U.D. Logroñés, SAD	187,500	265,700
Healthhouse Sun, S.L.	9,734	8,718
Luair, S.L.U. (directly or indirectly)		411,470
Leasing and Insurance		
Tartales, SLU	596,530	536,732
Casewa, S.A.U.	108,080	103,020
Total services received	1,041,844	1,629,476
Financial expenses		
S.A.S. Naturhouse	3,462	9,799
Naturhouse, S.R.L.	-	5,901
Total financial expenses	3,462	15,700

Likewise, the Company received from its subsidiaries and associates a total dividend amounting to 5,185 thousand euros during the 2020 financial year (13,214 thousand euros during the 2019 financial year) (note 9).

The Directors of the Company and its tax advisers, consider that the transfer prices are adequately justified on the basis of a report issued by the above parties, and therefore consider that there are no significant risks, in this sense, that they could lead to significant liabilities in the future.

As of the date of drawing up these financial statements, the Parent Company has updated the transfer pricing report corresponding to the 2019 financial year together with its tax advisors, which includes the main transactions that the Company performs with its related companies:

- Royalties from the sale of brands
- Support services to the management (management fees).
- Sale of products
- Purchase of products
- Financial operation: Liquid asset management

The report does not include limitations, cautions or significant safeguards, except for the characteristics inherent to this type of work. Furthermore, in order to examine whether the prices agreed between the related parties as a result of the above-described transactions comply with applicable regulations and in order to determine its suitability to market values, the following methodology has been used depending on each kind of transaction:

- Obtaining comparable examples, i.e. comparing the circumstances of transactions related to the circumstances of transactions between independent persons or entities that may be comparable (comparable uncontrolled price method "CUP").
- On the other hand, the transactional net margin method ("TNMM") has also been applied. Under this method, the objective profitability indicators obtained by independent entities performing the same activity under similar circumstances has been analysed.
- Finally, the resale price method ("RPM") has also been used, where a margin is subtracted from the selling price of a good or service applied by the reseller itself, in identical or similar operations with independent persons or entities, or, in the absence thereof, the margin that independent persons or entities apply to comparable transactions, performing, where applicable, the necessary corrections for equivalence and taking into account the particularities of the transaction.

In the particular case of product purchases from related companies, the analysis provides a comparison of the gross margin on sales (both through owned as well as franchised centres) in purchases from related companies compared to that obtained in purchases made from comparable independent companies, among others. Based on these analyses it was determined that these operations are in accordance with the market value.

This report has been issued in relation to transactions with affiliate companies in 2019. The Directors believe that there have been no relevant or significant changes in transfer pricing during the 2020 financial year, consequently, they believe that they are duly backed up.

19. Remuneration and other benefits for the Board of Directors and Senior Management

During 2020 the current Directors of the Company accrued compensation in fixed allowance and fees for attending meetings of the Board of Directors amounting to 316 thousand Euros (316 thousand Euros). Likewise, a member of the Board of Directors has provided services to the Company amounting to 63 thousand euros during the 2020 financial year (61 thousand euros during the 2019 financial year). In addition, the members of the Board of Directors with executive positions have received the remuneration stated in the following paragraph. On the other hand, in the current financial year and in the financial year of 2019, no member of the Board of Directors has any advances, guarantees or other commitments in the area of pensions or life insurance contracted with the Directors. The current Directors of the Company were appointed during the year 2014, except for one of them who was appointed during the year 2017 to replace another member who stood down from their position.

The compensation received in the year 2020 by the senior executives of the Company amounted to 2,040 thousand euros for salaries and wages and services (1,447 thousand euros were received by members of the Board of Directors in the development of their executive positions). The Senior Management of the Company has received no remuneration for other services. In the 2019 financial year, the remuneration received by the Company's Senior Management amounted to 2,218 thousand euros (1,488 thousand euros received by members of the Board of Directors in the development of their executive positions).

At the close of the 2020 and 2019 financial years, the Company's Senior Management body is composed of the following persons:

Categories	2020		2019	
	Men	Women	Men	Women
Senior Management	6	1	6	1

As of yearend 2020 and 2019, there were no advances, loans granted, life insurance or pension obligations.

The Board of Directors consists of six men and one woman at the end of 2020 (six men and one woman at the end of 2019).

The Company has signed a civil liability policy for directors and executives to cover the members of the Board of Directors, the CEO and all directors of the Naturhouse Group with a cost amounting to 5 thousand euros in 2020 (5 thousand euros in 2019).

20. Information relating to conflicts of interest by the Directors

As of year-end 2020, neither the members of the Board of Naturhouse Health, S.A. nor any persons related to them as defined by the refunded Spanish Corporate Law, have communicated to the other members of the Board of Directors any situation involving direct or indirect conflict that they or persons related to them, as defined by Spanish Corporate Law, may have with the Company's interests.

21. Environmental information

Given the activities in which the Company is engaged, it has no liabilities, expenses, assets, provisions or contingencies of an environmental nature that could be significant in relation to the assets, financial position and results of the Company. For this reason, specific breakdowns are not included in these consolidated notes.

22. Other information

22.1 Personnel

The average number of employees during the years 2020 and 2019, broken down by category, is as follows:

Categories	Number of employees	
	2020	2019
Senior Management	7	8
Rest of Senior Staff	7	5
Administrative and technical staff	13	14
Commercial, sales' staff and operators	123	180
	150	207

Likewise, the gender distribution of the Company at the end of the years 2020 and 2019, broken down by category, is as follows:

Categories	2020		2019	
	Men	Women	Men	Women
Senior Management	6	1	7	1
Rest of Senior Staff	5	-	6	-
Administrative and technical staff	8	8	7	7
Commercial, sales' staff and operators	6	78	16	157
	25	87	36	165

As of 31 December 2020 and 2019, there were no people employed with disabilities equal to or above 33%.

22.2 Audit fees

During the 2020 and 2019 financial years, the fees for audit services and other services provided by the auditor of the Company's financial statements, have been as follows:

	Services Provided by the Lead Auditor	
	EY	Deloitte
	Year 2020	Year 2019
The Company's audit services (individual and consolidated)	100,400	117,000
Other verification services (*)	1,500	1,500
Total auditing and related services	101,900	118,500
Tax services	-	-
Other services	3,600	-
Total Professional Services	105,500	118,500

(*) The Other verification services section includes a report on agreed procedures (same item as in the 2019 financial year).

22.3 Information on the average payment period to suppliers

The information required by the Third Additional Provision of Law 15/2010 of 5th July (as amended by the Second Final Provision of Law 31/2014 of 3rd December) is detailed below, drawn up according to the ICAC Resolution of 29th January 2016 on the information to be included in the explanatory notes to financial statements in connection with the average payment period to suppliers in commercial operations.

	Days	
	31-12-2020	31-12-2019
Average payment period to suppliers	46.26	39.13
Ratio of paid operations	45.20	37.64
Ratio of operations pending payment	56.95	53.91

	Euros	
	31-12-2020	31-12-2019
Total payments made	9,405,914	14,529,376
Total outstanding payments	928,418	1,471,344

In accordance with the ICAC Resolution, in order to calculate the average payment period to suppliers, commercial operations corresponding to delivering goods or providing services accrued from the date of entry into force of Law 31/2014 of 3 December have been taken into account.

For the sole purpose of providing the information required by this Resolution, suppliers includes trade creditors for debts with suppliers of goods or services included under "Trade creditors and other accounts payable" and "Suppliers, related companies" of the current liabilities of the consolidated balance sheet.

"Average payment period to suppliers" is understood to be the time that elapses from the delivery of goods or the provision of services by the supplier and material payment for the operation.

The maximum legal payment period applicable to the Company in the 2016 financial year under Law 3/2014 of 29 December, establishing measures to combat late payment in commercial transactions, is 30 days, although this may be extended by agreement between the parties without, in any case, a period of longer than 60 calendar days being agreed.

22.4 Modification or termination of contracts

There has been no conclusion, modification or early termination of any contract between the Company and any of its shareholders, Directors or persons acting on their behalf that affects transactions falling outside the Company's ordinary course of business or that has not been carried out under normal conditions.

22.5 Guarantees

As of 31 December 2020, the Company had commercial bank guarantees granted amounting to 512,367 euros, of which 488,958 euros are guarantees granted to the subsidiary Naturhouse, Inc., which allow it to operate in large shopping centres in the United States.

23. Subsequent events

On 20 January 2021, the Company recovered 955 thousand euros corresponding to Corporate Tax for the 2019 financial year, which was pending return by the Tax Authorities.

With the exception of the above, there have been no significant subsequent events between the close of 31 December 2020 and the date these financial statements were drawn up.

Madrid, 26 February 2021

ANNEX I TO THE NATURHOUSE HEALTH, S.A. 31 DECEMBER 2020						
Group company equity instruments in the 2020 financial year						
Company	Euros					
	Capital	Premium and other Net equity	Net profit for the period	Holding %		Shareholder
				Direc t	Indirec t	
Housediet S.A.R.L. ⁽¹⁾ 75 rue Beaubourg 75003 Paris (France)	200,000	117,654	(2,104)	100 %	-	Naturhouse Health S.A.
Kiluva Portuguesa – Nutrição e Dietética, Lda ⁽¹⁾ Avenida Dr. Luis SA, 9 9ª Parque Ind Montserrate Fração "M" Abruhneira 2710 Sintra (Portugal)	49,880	1,179,158	115,750	28%	-	Naturhouse Health S.A.
Ichem Sp. ⁽²⁾ ul. Dostawcza 12 93-231 Lodz (Poland)	174,244	11,821,563	1,161,044	25%	-	Naturhouse Health S.A.
Naturhouse Belgium S.P.R.L. ⁽¹⁾ Rue Du Pont-Gotissart 6 Nijvel, Waals Brabant, 1400 Belgium	100,000	(808,483)	(254,904)	-	100%	S.A.S. Naturhouse
Naturhouse Franchising Co, Ltd ⁽¹⁾ 33 church road, Ashford Middlesex (Great Britain)	333,990	(180,850)	(51,709)	33%	-	Naturhouse Health S.A.
Naturhouse, Gmbh ⁽¹⁾ Rathausplatz, 5 91052 Erlangen (Germany)	500,000	(633,148)	9,989	56%	-	Naturhouse Health S.A.
Naturhouse, Sp. zo.o. ⁽²⁾ Ul/Dostawcza , 12 93-231 Lodz (Poland)	82,088	1,471,633	1,412,162	100 %	-	Naturhouse Health S.A.
Naturhouse S.R.L. ⁽²⁾ Viale Panzacchi, n° 19 Bologna (Italy)	100,000	929,496	2,325,873	100 %	-	Naturhouse Health S.A.
Naturhouse Inc. ⁽¹⁾	2,037,953	(1,832,056)	(352,245)	100 %	-	Naturhouse Health S.A.

1395 Brickellave 800 STE Miami FL (USA) Nutrition Naturhouse Inc. ⁽³⁾	-	-	-	-	100%	S.A.S. Naturhouse
Rue de la Gauchetière Ouest Montreal Quebec (Canada) Naturhouse d.o.o. (1)	100,366	(235,862)	(38,527)	-	100%	Naturhouse Sp. zo.o.
Ilica 126, City of Zagreb (Croatia) S.A.S. Naturhouse ⁽²⁾	100,000	2,612,809	5,861,531	100 %	-	Naturhouse Health S.A.
12, Rue Philippe Lebon Zone de Jarlard, 81000 Albi, France Zamodiet México S.A. de C.V. ⁽¹⁾	985,793	(957,176)	-	79%	-	Naturhouse Health S.A.
Boulevard Interlomas, nº 5 L4 Lomas Anahuac (Mexico) Name 17 S.A. de C.V.	192,698	(88,851)	(16,301)	51%	-	Naturhouse Health S.A.
Doctor Balmis, 222 Mexico City (Mexico)						

(1) Financial statements not required to undergo external audit or not available as of 31 December 2019.

(2) Audited financial statements as of 31 December 2020.

(3) Company being formed, pending formalisation.

Group company equity instruments in the 2019 financial year						
Company	Euros					
	Capital	Premium and other Net equity	Net profit for the period	Holding %		Shareholder
				Direct	Indirect	
Housediet S.A.R.L. ⁽¹⁾ 75 rue Beaubourg 75003 Paris (France)	200,000	134,628	(2,593)	100%	-	Naturhouse Health S.A.
Kiluva Portuguesa –Nutrição e Dietética, Lda ⁽¹⁾ Avenida Dr. Luis SA, 9 9ª Parque Ind Montserrat Fragão "M" Abruheira 2710 Sintra (Portugal)	49,880	993,893	222,048	28%	-	Naturhouse Health S.A.
Ichem Sp. ⁽²⁾ ul. Dostawcza 12 93-231 Lodz (Poland)	186,854	11,476,792	974,703	25%	-	Naturhouse Health S.A.
Naturhouse Belgium S.P.R.L. ⁽¹⁾ Rue Du Pont-Gotissart 6 Nijvel, Waals Brabant, 1400 Belgium	100,000	(408,186)	(200,094)	-	100%	S.A.S. Naturhouse
Naturhouse Franchising Co, Ltd ⁽¹⁾ 33 church road, Ashford Middlesex (Great Britain)	352,609	(124,554)	(96,341)	33%	-	Naturhouse Health S.A.
Naturhouse, Gmbh ⁽¹⁾ Rathausplatz, 5 91052 Erlangen (Germany)	500,000	(587,236)	(40,140)	56%	-	Naturhouse Health S.A.
Naturhouse, Sp. zo.o. ⁽²⁾ Ul/Dostawcza , 12 93-231 Lodz (Poland)	88,094	1,621,064	1,107,401	100%	-	Naturhouse Health S.A.
Naturhouse S.R.L. ⁽²⁾ Viale Panzacchi, n° 19 Bologna (Italy)	100,000	432,956	3,725,084	100%	-	Naturhouse Health S.A.
Naturhouse Inc. ⁽¹⁾ 1395 Brickellave 800 STE Miami FL (USA)	1,265,524	(1,219,918)	(794,236)	100%	-	Naturhouse Health S.A.
Nutrition Naturhouse Inc. ⁽³⁾	-	-	-	-	100%	S.A.S. Naturhouse

Rue de la Gauchetière Ouest Montreal Quebec (Canada) Naturhouse d.o.o. ⁽¹⁾ Ilica 126, City of Zagreb (Croatia)	101,754	(194,710)	(42,523)	-	100%	Naturhouse Sp. zo.o.
S.A.S. Naturhouse ⁽²⁾ 12, Rue Philippe Lebon Zone de Jarlard, 81000 Albi, France	100,000	(3,409,597)	8,538,215	100%	-	Naturhouse Health S.A.
Zamodiet México S.A. de C.V. ⁽¹⁾ Boulevard Interlomas, nº 5 L4 Lomas Anahuac (Mexico)	930,047	(903,049)	-	79%	-	Naturhouse Health S.A.
Name 17 S.A. de C.V. Doctor Balmis, 222 Mexico City (Mexico)	221,204	(64,730)	(40,861)	51%	-	Naturhouse Health S.A.

(1) Financial statements not required to undergo external audit or not available as of 31 December 2019.

(2) Audited financial statements as of 31 December 2019.

(3) Company being formed, pending formalisation.

Management Report
REPORT CORRESPONDING TO THE YEAR
ENDING
31 DECEMBER 2020

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1. Situation and Business Development

Naturhouse Health S.A. is a company dedicated to the dietetic and nutrition sector with its own exclusive business model based on the Naturhouse method. As of yearend 2020, it had a network of 430 centres.

The company closed the year 2020 with a positive result of 5.7 million net profit.

2020 has been a year marked by the pandemic caused by the CoVid-19 virus having an impact on the world economy and leaving no sector unaffected.

Due to this pandemic, the company has faced a difficult challenge to continue operating and maintaining positive results, making cost control decisions in the most significant items, particularly including starting a temporary layoff (ERTE) process, and managing to minimise the impact as far as possible on the business, advertising and leases.

Likewise, in its decision to digitalise the business, the company has continued to develop the online sales business that was started in 2020 in the company's main markets, continuing with the decision to capture younger market value, as well as providing a service in areas where there is no physical presence through a store.

The Annual General Meeting was held on 22 June 2020, approving the following;

- Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Consolidated Explanatory Notes and the Consolidated Management Report for the Consolidated Naturhouse Health, S.A. Group and subsidiaries for the financial year ending 31 December 2019.
 - The proposed distribution of profit and management of the Naturhouse Health, S.A. Board of Directors for the 2019 financial year. Authorisation for the distribution of unrestricted voluntary reserves.
 - Approval of the Non-Financial Information Statement of the Consolidated Group of Naturhouse Health, S.A. and subsidiaries for the 2019 financial year
 - Approval of the management of the Board of Directors corresponding to the year 2019.
 - Approval of the appointment of Ernst & Young as the company's auditors for at least the 2020, 2021 and 2022 financial years.
 - Remuneration of the company's Board of Directors.
- 7.1 Advisory vote on the Annual Report on Remuneration of Naturhouse Health, S.A. Board Directors for the 2019 financial year.
- 7.2 Approval of the remuneration policy for Naturhouse Health, S.A. Board Directors for the 2020 financial year.

7.3 Approval of the remuneration for the Naturhouse Health, S.A. Board of Directors for the 2020 financial year.

- Delegation of powers to supplement, develop, execute, remedy and formalise the resolutions adopted by the General Meeting.

2. Evolution of the main figures of the individual profit and loss account

Individual Profit and Loss Account

	Explanatory notes	Year 2020	Year 2019
CONTINUING OPERATIONS			
Net amount of revenue	Note 17.1	12,785,613	19,245,694
- Sales		11,388,667	17,209,451
- Provision of services		1,396,946	2,036,243
Supplies	Note 17.2	(4,081,547)	(6,026,571)
- Consumption of merchandise:		(4,081,547)	(6,026,571)
Other operating income		2,877,004	3,436,432
- Ancillary and other current operating income		2,733,465	3,436,432
- Operating subsidies included in the profit for the financial year	Note 17.4	143,539	-
Personnel costs		(5,238,375)	(7,544,503)
- Wages, salaries and similar expense		(4,318,939)	(6,168,378)
- Social security contributions	Note 17.4	(919,436)	(1,376,125)
Other operating costs		(4,659,747)	(6,475,627)
- External services		(3,979,412)	(5,838,251)
- Taxes		(191,252)	(189,467)
- Losses, deterioration and variation of provisions for commercial operations	Note 10	(275,513)	(195,601)
- Other current operating expenses	Notes 6 and 7	(213,570)	(252,308)
Amortisation of fixed assets		(440,276)	(495,113)
Impairment losses and income from disposal of fixed assets	Note 7	(171,758)	495,835
- Impairment and other losses		(171,758)	-
- Income from disposals and other		-	495,835
Other results		4,233	-
- Exceptional expenses and income		4,233	-
Operating Profit / (Loss)		1,075,147	2,636,147
Financial income	Notes 9 and 17.5	5,185,404	13,214,403
- Income from shares in equity instruments, group companies and associates		5,185,364	13,214,342
- Other income from marketable securities and other financial instruments		40	61
Financial expenses	Note 17.5	(22,006)	(42,851)
- Debts with group companies		-	(15,700)
- Debts with third parties		(22,006)	(27,151)
Impairment losses and income from disposal of financial instruments	Note 9	(242,278)	(901,728)
Financial result - Benefits		4,921,120	12,269,824
Pre-tax Profit / (Loss)		5,996,267	14,905,971
- Corporate Tax	Note 15	(271,728)	(705,703)
Profit / (Loss) for the financial year		5,724,539	14,200,268

- The net turnover is composed of two main aspects:

1. Sale of goods Corresponds to the sale of products through the Naturhouse channel (either through franchising, online, master franchising or centres of our property). Represents the bulk of revenues with 89% in 2020.

2. Prevision of service;

- a. €600 annual fee paid by each franchise to subsidiaries of the Group. This represents 1.92% of net turnover for the 2020 financial year.

- b. In the 2020 financial year, 0.47% of total turnover has been recognised as income from the Master Franchise upfront fee. These are master franchise contracts that have been signed since 2016; the income is accrued over the 7 year term of the master contract.
 - c. Fee for direct supply to suppliers by the master franchisee; corresponds to the fee of 10% of purchases made directly by the master franchises from suppliers approved by Naturhouse Health, S.A. This represents 6,58% of net turnover in the 2020 financial year.
- Net turnover in the 2020 financial year amounted to 12,785,613 euros, which represents a 33.57% decrease in sales compared to the 2019 financial year, arising mainly from the impact of the pandemic globally.
- The gross margin on net turnover remains stable with respect to the figures for 2019.
- "Other operating income" corresponds to income from activities that fall outside the Naturhouse business, which in 2020 mainly includes management fees to the Group's subsidiaries amounting to 2.562.801 euros.
 - In 2020 there is an average workforce of 150 employees in the Company, of which 123 are direct employees of the Naturhouse centres under self-management and commercial offices that control the smooth running of all the centres, both franchises and the Group's own centres, and the remaining 27 of staff corresponds to general management, administration and accounting, logistics, marketing and technical staff. Personnel Expenses represents 40% of net revenues. In March 2020, the company initiated the procedures to start Temporary Layoffs.
 - "Other operating expenses" has been reduced by 28% with respect to 2018, mainly due to:
 - *External services* Discounts on rents have been obtained from the landlords of our stores, decrease in advertising, total cancellation of business trips.
- "Impairment and other losses" includes the result of the disposal of fixed assets due to the closure of some of our centres.

The 60% decrease in net profit over the 2020 financial year is due to the decrease in turnover in the 2020 financial year, as well as fewer dividends received from Naturhouse Group companies.

3. Individual Statement

ASSET	31/12/2020	31/12/2019
NON-CURRENT ASSETS:		
Intangible fixed assets	914,997	1,213,804
Industrial property	796,951	1,030,015
Transfer rights	-	4,265
Software	118,046	179,524
Tangible fixed assets	524,633	762,226
Technical facilities and other tangible fixed assets	524,633	762,226
Long-term investments in Group companies	8,335,766	8,378,044
Equity instruments	8,335,766	8,378,044
Long-term financial investments	242,921	337,011
Deferred tax assets	97,685	39,630
Non-current assets	10,116,002	10,730,715
CURRENT ASSETS:		
Inventory	1,037,263	1,173,621
Trade and other accounts receivable	3,072,458	3,833,279
Customer receivables for sales and services	142,257	256,931
Customers, group companies and associates	502,108	881,552
Other debtors	27,200	60,662
Current tax assets	2,400,610	2,629,870
Other credits with Public Administrations	283	4,264
Short-term accruals	111,501	98,510
Cash and cash equivalents	7,146,328	818,046
Total current assets	11,367,550	5,923,456
Total assets	21,483,552	16,654,171

EQUITY AND LIABILITIES	31/12/2020	31/12/2019
NET EQUITY:		
Own funds		
Capital	3,000,000	3,000,000
Issue premium	2,148,996	2,148,996
Premium	8,633,968	5,833,700
Legal and statutory	600,000	600,000
Other reserves	8,033,968	5,233,700
Treasury Shares	(141,886)	(142,330)
Treasury Shares	(141,886)	(142,330)
Profit / (Loss) for the financial year	5,724,539	14,200,268
Interim dividend	-	(11,400,000)
Total net equity	19,365,617	13,640,634
NON-CURRENT LIABILITIES:		
Deferred tax liabilities	237	-
Non-current liabilities	237	-
CURRENT LIABILITIES:		
Short-term debts	15,806	6,309
Other financial liabilities	15,806	6,309
Short-term debts with Group companies and associates	640,664	989,154
Trade creditors and other receivables	1,329,799	1,840,217
Suppliers	196,930	306,018
Suppliers, group companies and associates	670,999	885,489
Various creditors	176,480	213,716
Staff	14,769	22,279
Other debts with Public Administrations	270,621	412,715
Short-term accruals	131,429	177,857
Total current liabilities	2,117,698	3,013,537
TOTAL NET EQUITY AND LIABILITIES	21,483,552	16,654,171

- In 2020, there is a decrease of approximately 0.24 million euros in "Tangible assets" as a result of the divestment and reorganisation of our own centres.
- The reduction of 0.094 million euros in "Long-term financial investments" is due to the reduction in deposits for the leases of own stores within the reorganization of the same.
- Under "Customers, group companies and associates", this is the debt balance resulting from the supply of products and bills for services from the company to Naturhouse Group subsidiaries.
- "Current tax assets" includes the amount paid to the Tax Authorities as an advance corporate tax payment for the 2019 and 2020 financial years. The amount advanced for corporate tax for the 2019 financial year has been partially returned in February 2021, with the return of the amount for the 2020 financial year outstanding.
- As of year end 2020, the company held a balance in own shares and company shares of €141,886, represented by a total of 50,520 shares at an average acquisition price of €2.81/share, as a result of the development of the liquidity contract signed with Renta 4 in January 2019.
- The heading "Short-term debts with Group and associated companies" includes loans of Naturhouse Health, S.A. subsidiaries to centralise the liquid assets of some subsidiaries with the parent company.
- "Short-term accruals" in liabilities includes income for master franchises collected during the 2016, 2017 and 2018 financial years (Malta, Hungary, India, Ireland and Austria), which are accrued for the duration of the master franchise agreement, i.e. seven years.
- The average payment period of the Spanish companies included under the Naturhouse Group has been 46.26 days, within the maximum period set out under the regulations on late payments.

4. Financial risk management and use of hedging instruments

The Company's activities are exposed to various financial risks: market risk (including foreign exchange and interest rate risk), credit risk, liquidity risk and interest rate risk on cash flows.

Market risk in the interest rate and the exchange rate:

The Company's operating activities are largely independent with respect to changes in market interest rates. The interest rate risk of the Group arises from long-term borrowings. As of 31 December 2020, 100% of borrowings were at variable interest rates. However, the Company has not considered it necessary to cover such interest rate fluctuations because the external financing of the Group is unimportant, so it has not contracted hedging instruments during the years in question

Regarding the exchange rate risk, the Company does not operate internationally outside the Euro Currency to any great extent, so its exposure to exchange rate risk on foreign currency operations is not significant.

Credit Risk

In general the Company maintains its cash and equivalent liquid assets at banks with high credit ratings. It also performs adequate monitoring of accounts receivable individually, in order to determine situations of potential insolvency.

The Company's credit risk is primarily attributable to its trade receivables. There is no significant concentration of credit risk, with exposure spread over a large number of customers.

Liquidity risk

In order to ensure liquidity and be able to meet all payment obligations arising from its activities, the Company has abundant credit lines and financing with credit institutions. It has maintained a proactive policy on the management of liquidity risk, focusing primarily on the preservation of same, maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to liquidate market positions.

Likewise, in order to protect liquidity, the company has partially cancelled the 2019 dividend and the total distribution of the dividend against profits for 2020, presented Temporary Layoffs (ERTEs) and renegotiated leases, maximising the profitability of the centres together with online sales.

5. Risk Factors

Spanish authorities may adopt laws and regulations that impose new obligations entailing an increase in operating costs.

The competitive environment: The company competes with self-administered weight loss schemes and other commercial programmes from other competitors, along with other suppliers and food retailers that operate in this market. This competition and any future increases in same involving the development of pharmaceuticals and other technological and scientific advances in the field of weight loss could have a negative impact on the business, operating results and financial position of the Company.

6. R + D + i activities

The method used by the Company in relation to research and development of new products is as follows:

It is in the commercial, technical and marketing department where the initial need to consider extending the range of products that Naturhouse offers arises, or simply modify one of the existing offers. This need is transferred to one or more of our current suppliers, according to the product format (sachets, vials or capsules). Suppliers develop and submit proposals according to incoming needs, and if these are covered from a commercial, technical and economic point of view, we proceed to launch the new product or format. Therefore the Company does not generate increased costs in R + D + i in the registration of the brand and the formula in the corresponding department for health.

The company's main supplier is the Polish company Ichem Sp. zo.o, as it accounts for 50% of total consolidated purchases to 31 December 2020. Naturhouse Health, S.A. holds 24.9% of its capital. The benefits sought with this holding are:

1. Faster launching of new products, sharing know-how in R & D
2. Ensure supply and reduce dependence on third party manufacturers outside the Group
3. Ensure product quality while maintaining high levels of competitiveness

By doing this Naturhouse Health SA is able to differentiate itself from its competitors because it is present throughout the entire value chain of the nutritional supplement industry, from R & D and product manufacturing to the final sale and client consultation.

Besides Ichem, the Group is affiliated with two other large groups of suppliers, those suppliers in which Kiluva S.A., majority shareholder of Naturhouse Health S.A., has stakes (Indusen, Girofibra, Laboratorios Abad and Zamodiet), which represent approximately 25% of total purchases in 2020, and those suppliers that are not affiliated, Naturhouse Health and Kiluva S.A., representing 25% of total purchases in 2020.

7. Treasury Shares

As of 31 December 2020, the Parent Company holds a total of 50,520 treasury shares. No affiliate company owns any shares or holdings of the Parent Company.

8. Subsequent events

On 20 January 2021, the Tax Agency formalised the refund of 955 thousand euros pending on the advance corporate tax payment for the 2019 financial year.

9. Capital structure and significant shareholdings

As of 31 December 2020, the Naturhouse Group has no restriction on the use of capital resources that, directly or indirectly, have affected or may significantly affect the operations, except those that are legally established.

As of 31st December 2020, the share capital is represented by 60,000,000 shares. The Group's main shareholders are Kiluva, S.A. with a 72.60% stake and Ferev Uno Strategic Plans, S.L. with 4.33%.

10. Shareholder agreements and restrictions on transferability and vote

There is no shareholders agreement or statutory restrictions on the free transferability of the shares of the Parent Company and there are no statutory restriction or regulatory restrictions on voting rights.

11. Administrative Body, Board

The Parent Company's administrative body is made up of a Board of Directors composed of 7 members: Mr. Félix Revuelta Fernández, Mr. Kilian Revuelta Rodríguez, Ms. Doña Vanesa Revuelta Rodríguez, Mr. Rafael Moreno Barquero, Mr. José María Castellanos, Mr. Pedro Nuevo Iniesta and Mr. Ignacio Bayón Marine.

12. Significant agreements

No significant agreements are recorded in terms of changes in the control of the Parent Company or between the Parent Company and its Manager and Directors or employees concerning compensation for resignation or dismissal.

13. Annual Corporate Governance Report

The annual corporate governance report that is part of the management report can be found on the website of the National Securities Market Commission (CNMV) and on the website of the Naturhouse Group.

14. Corporate Social Responsibility Report

The Corporate Social Responsibility report, including the Non Financial Information Report, that is part of the management report can be found on the website of the National Securities Market Commission (CNMV) and on the website of the Naturhouse Group.

www.cnmv.es

www.naturhouse.com

Madrid, 26 February 202

DILIGENCIA DE FIRMA DE LAS CUENTAS ANUALES E INFORME DE GESTIÓN DE NATURHOUSE HEALTH, S.A. CORRESPONDIENTES AL EJERCICIO CERRADO EL 31 DE DICIEMBRE DE 2020

Diligencia que levanta el Secretario No-Consejero del Consejo de Administración de Naturhouse Health, S.A. ("Naturhouse Health" o la "Sociedad"), Alfonso Barón Bastarreche y con el Visto Bueno del Sr. Presidente Don Félix Revuelta Fernández, para hacer constar que:

1. Las cuentas anuales (balance, cuenta de pérdidas y ganancias, estados de cambios en el patrimonio neto, estado de flujos de efectivo y memoria), el estado de información no financiera, el informe de gestión del Naturhouse Health, S.A. y el informe anual de gobierno corporativo, correspondientes al ejercicio cerrado el 31 de diciembre de 2020, adjuntos a la presente como Anexo, (en adelante, las Cuentas Anuales, el Estado de Información No Financiera, el Informe de Gestión y el Informe Anual de Gobierno Corporativo) se corresponden íntegramente con los formulados por el Consejo de Administración de la Sociedad en su reunión celebrada en el día de hoy, 26 de febrero de 2021, habiendo sido aprobados por unanimidad de todos los miembros del Consejo, y sin que ninguno de ellos haya manifestado expresa reserva o disconformidad respecto de ningún aspecto de tales documentos, y con los entregados a los auditores de cuentas de cara a la emisión de su informe de auditoría.

2. A pesar de la unanimidad habida en la formulación, en las Cuentas Anuales y el Informe de Gestión solo figuran las firmas del Presidente Don Félix Revuelta Fernández y del Consejero Don Ignacio Bayón Marine, únicos que han asistido presencialmente a la reunión, no figurando por tanto las firmas de los siguientes miembros del Consejo de Administración:

- Dña. Vanessa Revuelta Rodríguez
- D. Kilian Revuelta Rodríguez
- D. Rafael Moreno Barquero
- D. José María Castellanos Ríos
- D. Pedro Nueno Iniesta

en todos los casos, por imposibilidad manifiesta, dado que la reunión del Consejo en que se han formulado las Cuentas Anuales y el Informe de Gestión y el Informe Anual de Gobierno Corporativo se ha realizado por videoconferencia, con motivo del Estado de Alarma decretado por el Gobierno de España, el pasado 25 de octubre de 2020 (RD 926/2020) y aprobado inicialmente hasta 9 de noviembre de 2020, y que mediante el Real Decreto 956/2020, de 3 de noviembre, ha sido prorrogado hasta el 9 de mayo de 2021, para la gestión de la situación de crisis sanitaria ocasionada por el COVID-19. La presente diligencia se extiende, expresamente, y con el visto bueno del Sr. Presidente Don Félix Revuelta Fernández a los efectos previstos en el artículo 253.2 de la Ley de Sociedades de Capital. En Madrid, a 26 de febrero de 2021.

SECRETARIO NO-CONSEJERO

D. Alfonso Barón Bastarreche

Vº. Bº. PRESIDENTE

D. Félix Revuelta Fernández

Vº. Bº. CONSEJERO INDEPENDIENTE

D. Ignacio Bayón Marine

Declaración de responsabilidad del Consejo de Administración de Naturhouse Health, S.A. conforme al artículo 8 apartado b) del capítulo I del Real Decreto 1362/2007, de 19 de octubre por el que se desarrolla la Ley 24/1988, de 28 de julio, del Mercado de Valores, en relación con los requisitos de transparencia relativos a la información sobre los emisores cuyos valores estén admitidos a negociación en un mercado secundario oficial o en otro mercado regulado de la Unión Europea.

Con fecha 26 de febrero de 2021 se han formulado las Cuentas Anuales de Naturhouse Health, S.A. correspondientes al ejercicio anual terminado el 31 de diciembre de 2020 -comprensivas del Balance, Cuenta de Pérdidas y ganancias, estado de flujos de efectivo y estado de cambios en el patrimonio neto y la Memoria- y el Informe de Gestión, constan en 55 hojas de papel común, por una sola cara, numeradas correlativamente de la 1 a la 55, siendo firmadas de la 1 a la 54 por el Secretario del Consejo de Administración y la hoja número 55 por la totalidad de los consejeros asistentes a la reunión. El Informe de Anual de Gobierno Corporativo está contenido en 64 hojas de papel común, por una sola cara, numeradas correlativamente del 1 a la 64.

Las Cuentas Anuales y el Informe Anual de Gobierno Corporativo son firmados por el Secretario del Consejo de Administración y por los consejeros asistentes presencialmente, que fueron el Presidente, Don Félix Revuelta Fernández y Don Ignacio Bayón Marine, haciéndose constar que el resto de consejeros, que asistieron telemáticamente a la reunión, formularon las cuentas anuales y el informe de gestión, pero que no han podido firmarlas debido a la situación sanitaria provocada por el estado de alarma.

VºBº

**Presidente
del Consejo de Administración**



Félix Revuelta Fernández

**El Secretario
del Consejo de Administración**



Alfonso Barón Bastarreche

Audit Report on Financial Statements
issued by an Independent Auditor

NATURHOUSE HEALTH, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2020

AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Naturhouse Health, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Naturhouse Health, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2020, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2020 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Measurement and disclosure of transactions with related parties

Description As described in note 20 to the accompanying consolidated financial statements, the Group maintains a significant volume of transactions with related parties, primarily product purchases and transactions between Naturhouse Group companies which, although eliminated on consolidation, have a significant impact on taxation in the main countries in which the Group operates.

In accordance with the regulatory tax framework for transfer pricing, the Group prepares transfer pricing documentation annually with the support of its tax advisors.

Due to significance of the amount of the transactions, the potential impact that they may have on the evaluation and interpretation of users of Group companies' financial information as well as the importance of compliance with prevailing audit accounting regulations in the different jurisdictions where the Group operates, we determined the valuation and disclosure of these related-party transactions as a key audit matter.

Our response With regard to this matter, our audit procedures included:

- ▶ Understanding the process for measuring and recording transactions with related parties as well as the design of controls implemented by the Group's management in this area.
- ▶ Reviewing, in collaboration with our tax specialists, the most recent transfer pricing report prepared by the Group's management with the support of its tax advisors, of whom we have also evaluated their competence, capacity and objectivity.
- ▶ Analyzing, in collaboration with our tax specialists, the supporting documentation for the most significant transactions carried out with related-parties during the year.
- ▶ Obtaining confirmations of balances and transactions with related parties.
- ▶ Reviewing the disclosures included in the notes to the consolidated financial statements in accordance with the applicable financial reporting framework.

Matter-of-emphasis paragraph

We draw your attention to the event included in Note 4 to the accompanying consolidated financial statements, which describes the currently known effects that the situation brought on by the COVID-19 crisis have had on the operations during the period, the measures taken by the directors and management to address it, as well as the uncertainty scenario on which the Group's main estimates have been made. Our opinion was not modified with respect to this matter.

Other matter

On February 28, 2020 other auditors issued their audit report on the 2019 consolidated financial statements in which they expressed an unqualified opinion.

Other information: consolidated management report

Other information refers exclusively to the 2020 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that the consolidated non-financial statement and certain information included in the Corporate Governance Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b. Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2020 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on March 1, 2021.

Term of engagement

The ordinary general shareholders' meeting held on June 22, 2020 appointed us as auditors for 3 years, commencing on December 31, 2020.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signature on the original in Spanish)

March 1, 2021

Naturhouse Health, S.A. and Subsidiaries

Consolidated Annual Accounts for the
year ended 31 December 2020,
prepared in accordance with the
International Financial Reporting
Standards adopted in the European
Union (IFRS-EU) and Consolidated
Management Report

Naturhouse Health, S.A. and Subsidiaries
Consolidated Profit and Loss Account for the 2020 financial year
(Thousands of Euros)

ASSETS	Explanatory notes	31/12/2020	31/12/2019	EQUITY AND LIABILITIES	Explanatory notes	31/12/2020	31/12/2019
NON-CURRENT ASSETS:				NET EQUITY:			
Intangible fixed assets	Note 8	972	1,296	Capital and reserves-			
Tangible fixed assets	Note 9	3,998	9,618	Subscribed capital	Note 14	3,000	3,000
Non-current financial assets	Note 11.1	696	828	Issue premium		2,149	2,149
Investments in associates -				Reserves		13,452	11,175
Investments recognised using the equity method	Note 11.2	3,276	3,152	Own shares	Note 14	(142)	(142)
Deferred tax assets	Note 18.3	197	138	Conversion differences	Note 14	(1,875)	(1,587)
Total non-current assets		9,139	15,032	Profit / (Loss) for the financial year		9,379	13,257
				Interim dividend		-	(11,400)
				EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		25,963	16,452
				NET EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	Note 14	65	62
				Total net equity		26,028	16,514
				NON-CURRENT LIABILITIES:			
				Non-current provisions	Note 15	1,224	1,107
				Non-current debts	Note 16	5,441	7,757
				Deferred tax liabilities	Note 18.5	154	9
				Total non-current liabilities		6,819	8,873
CURRENT ASSETS:				CURRENT LIABILITIES:			
Inventory	Note 12	3,256	4,124	Current provisions	Note 15	479	-
Trade receivables for sales and provision of services		3,798	3,355	Current debts	Note 16	1,592	2,662
Customers, related companies	Note 20.1	236	151	Trade creditors and other receivables	Note 17	4,144	5,091
Current tax assets and other credits with public administrations	Note 18.1	4,006	3,639	Suppliers, related companies	Note 20.1	2,627	3,243
Other current assets		531	955	Current tax liabilities and other debts with public administrations	Note 18.1	888	1,178
Cash and cash equivalents	Note 13	21,611	10,305	Total current liabilities		9,730	12,174
Total current assets		33,438	22,529	TOTAL EQUITY AND LIABILITIES		42,477	37,561
Total Assets		42,577	37,561				

Notes 1 to 24 in the explanatory notes and Annex I attached are an integral part of the consolidated statement of financial position as of 31 December 2020.

Naturhouse Health, S.A. and Subsidiaries

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE 2020 FINANCIAL YEAR
(Thousands of Euros)

	Explanatory notes	Financial year 2020	Financial year 2019
Net amount of revenue	Note 19.1	55,081	81,667
Supplies	Note 19.2	(15,876)	(23,841)
Gross Margin		39,205	57,826
Other operating income		1,157	685
Personnel costs	Note 19.3	(12,376)	(19,331)
Other operating expenses	Note 19.5	(10,607)	(16,061)
Operating income before amortizations, impairments and other results		17,379	23,119
Amortization of fixed assets	Notes 8 and 9	(3,258)	(4,291)
Impairment losses and income from disposal of fixed assets	Note 9	(1,146)	489
Other results		250	(138)
OPERATING RESULT		13,225	19,179
Financial income	Note 19.4	24	134
Other financial income		24	134
Financial expenses	Note 19.4	(185)	(258)
Debts with third parties		(185)	(258)
Exchange differences	Note 19.4	153	(61)
Financial result		(8)	(185)
Result in entities valued by the equity method	Note 11.2	297	243
Consolidated profit before tax		13,514	19,237
Corporate Tax	Note 18.2	(4,127)	(6,031)
NET PROFIT OR LOSS FROM CONTINUING OPERATIONS		9,387	13,206
NET CONSOLIDATED PROFIT / (LOSS)		9,387	13,206
Profit or loss attributable to third party shareholders	Note 14	(8)	51
NET PROFIT OR LOSS FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE PARENT COMPANY		9,379	13,257
Profit per share (in Euros per share):			
- Basic	Note 14	0.16	0.22
- Diluted	Note 14	0.16	0.22

Notes 1 to 24 in the explanatory notes and Annex I attached are an integral part of the consolidated profit and loss account for the 2020 financial year.

Naturhouse Health, S.A. and Subsidiaries
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 2020 FINANCIAL YEAR
(Thousands of Euros)

	Financial year 2020	Financial year 2019
A- PROFIT AND LOSS ACCOUNT BALANCE	9,387	13,206
B- OTHER COMPREHENSIVE INCOME RECOGNISED DIRECTLY IN EQUITY		
Items not to be transferred to income:	-	-
Items that can later be transferred to income:		
Differences due to the conversion of financial statements in foreign currency	(288)	(561)
TOTAL CONSOLIDATED COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR (A+B+C)	9,099	12,645
Total Comprehensive Income attributable to:		
- The Parent Company	9,091	12,696
- Minority shareholders	8	(51)
TOTAL CONSOLIDATED COMPREHENSIVE INCOME	9,099	12,645

Notes 1 to 24 in the explanatory notes attached and Annex I are an integral part of the consolidated statement of comprehensive income for the 2020 financial year.

Naturhouse Health, S.A. and Subsidiaries

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 2020 FINANCIAL YEAR
(Thousands of Euros)**

	Share capital	Issue premium	Reserves	Own shares	Conversion differences	Profit or loss for the financial year attributable to the Parent Company	Interim dividend	Minority interests	Total Equity
Balance at 31 December 2018	3,000	2,149	12,602	(64)	(1,026)	15,373	(13,200)	6	18,840
Recognised income and expenses	-	-	-	-	(561)	13,257	-	(51)	12,645
Distribution of profit for the 2018 financial year	-	-	-	-	-	-	-	-	-
- Distribution to reserves	-	-	(314)	-	-	314	-	-	-
- Distribution of dividends	-	-	(1,113)	-	-	(15,687)	13,200	-	(3,600)
Transactions with shareholders:	-	-	-	-	-	-	-	-	-
- Transactions with shares (net)	-	-	-	(78)	-	-	-	-	(78)
- Distribution of dividends	-	-	-	-	-	-	(11,400)	-	(11,400)
Other changes in equity	-	-	-	-	-	-	-	107	107
Balance at 31 December 2019	3,000	2,149	11,175	(142)	(1,587)	13,257	(11,400)	62	16,514
Recognised income and expenses	-	-	-	-	(288)	9,379	-	8	9,099
Distribution of profit for the 2019 financial year	-	-	-	-	-	-	-	-	-
- Distribution to reserves	-	-	1,857	-	-	(1,857)	-	-	-
- Distribution of dividends	-	-	420	-	-	(11,400)	11,400	-	420
Transactions with shareholders:	-	-	-	-	-	-	-	-	-
- Transactions with shares (net)	-	-	-	-	-	-	-	-	-
- Distribution of dividends	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	-	-	-	-	-	(5)	(5)
Balance at 31 December 2020	3,000	2,149	13,452	(142)	(1,875)	9,379	-	65	26,028

Notes 1 to 24 in the explanatory notes and Annex I attached are an integral part of the consolidated statement of changes in equity for the 2020 financial year

Naturhouse Health, S.A. and Subsidiaries

Annual Report for the Consolidated Financial Statements for the 2020 financial year
(Thousands of Euros)

	Explanatory notes	Financial year 2020	Financial year 2019
CASH FLOWS FROM OPERATING ACTIVITIES		14,580	19,677
Pre-tax result for the financial year		13,514	19,237
Adjustments to the result:		4,711	3,947
- Amortization of fixed assets (+)	Notes 8 and 9	3,258	4,291
- Variation in provisions (+/-)		596	203
- Income from derecognition or disposal of fixed assets (+/-)	Notes 8 and 9	1,146	(489)
- Financial income (-)	Note 19.4	(24)	(134)
- Financial expenses (+)	Note 19.4	185	258
- Exchange rate differences (+/-)	Note 19.4	(153)	61
- Participation in entities valued by the equity method net of dividends (+/-)	Note 11.2	(297)	(243)
Changes in working capital		(799)	(1,517)
- Inventory (+/-)	Note 12	868	305
- Debtors and other accounts receivable (+/-)		(528)	792
- Other current assets (+/-)		424	(268)
- Creditors and other accounts payable (+/-)		(1,563)	(2,346)
Other cash flows from operating activities		(2,846)	(1,990)
- Interest payments (-)		(185)	(258)
- Receipt of dividends (+)	Note 11.2	-	477
- Interest receivable (+)		24	134
- Sums received /(paid) for tax on profits (+/-)		2,685	(2,343)
CASH FLOWS FROM INVESTMENT ACTIVITIES		112	846
Payments for investments (-)		(201)	(886)
- Intangible and tangible assets	Notes 8 and 9	(201)	(886)
- Other financial assets		-	-
- Payments from related companies	Note 11.2	-	-
Sums received from divestments (+)		313	1,732
- Intangible and tangible assets	Note 9	181	1,678
- Other financial assets		132	54
CASH FLOWS FROM FINANCING ACTIVITIES		(3,386)	(18,465)
Sums received and paid for equity instruments		-	(78)
- Net disposals (acquisitions) of the Parent Company's equity	Note 14.f	-	(78)
Sums received and paid for financial liability instruments		(3,386)	(3,387)
- Repayment and net amortization of:			
Amounts owed to credit institutions and other debts (-)		(3,386)	(3,387)
Dividend payments and remuneration on other equity instruments		-	(15,000)
- Dividends (-)	Note 5	-	(15,000)
EFFECT OF VARIATIONS IN EXCHANGE RATES		-	-
INCREASE/DECREASE (NET) IN CASH AND CASH EQUIVALENTS		11,306	2,058
Cash or cash equivalents at start of financial year		10,305	8,247
Cash or cash equivalents at year end		21,611	10,305

Notes 1 to 24 in the explanatory notes and Annex I attached are an integral part of the consolidated statement of cash flows for the 2020 financial year.

Consolidated Statement of Financial Position to 31 December 2019

Consolidated Profit and Loss Account for the 2020 financial year

Consolidated Statement of Comprehensive Income for the 2020 financial year

Consolidated Statement of Changes in Equity for the 2020 financial year

Consolidated Statement of Cash Flows for the 2020 financial year

Annual Report for the Consolidated Financial Statements for the 2020 financial year

Explanatory notes to the consolidated financial statements for the 2020 financial year

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Management Report

Naturhouse Health, S.A. and Subsidiaries

Explanatory Notes to the Financial Statements for the 2020 financial year

1. Nature and corporate purpose of the Group companies

Naturhouse Health, S.A., (hereinafter, the "Company" or the "Parent Company"), was founded for an indefinite period in Barcelona on 29th July 1991 with VAT number A-01115286. Its registered offices are at Calle Claudio Coello, 91 (Madrid).

The Company's corporate purpose, in accordance with its activity and articles of association, is the export and wholesale and retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics, as well as the preparation, promotion, creation, edition, dissemination, sale and distribution of all kinds of magazines, books and brochures and the marketing of dietary products, medicinal herbs and natural cosmetics. This activity is mainly carried out through its own shops and through franchisees. In addition to the operations carried out directly, the Parent Company is the parent of a group of subsidiaries that engage in the same activity and which, together with it, make up Grupo Naturhouse Health (hereinafter, the "Group" or "Naturhouse Group"). Note 3 and Annex I detail the main data related to the subsidiaries in which the Parent Company, directly or indirectly, has a holding that have been included in the scope of the consolidation.

At present, Naturhouse Group mainly operates in Spain, Italy, France and Poland.

The Parent Company's securities have been listed on the stock market in Spain since 24 April 2015.

2. Basis of presentation of the consolidated financial statements

a) Basis of presentation

The consolidated financial statements for Naturhouse Health, S.A. and Subsidiaries, which have been obtained from the accounting records kept by the Parent Company and the other entities making up the Group, were prepared by the Directors of the Parent Company on 26 February 2021.

These consolidated financial statements for the financial year ending 31 December 2020 have been prepared in accordance with the provisions of the International Financial Reporting Standards, as approved by the European Union (EU-IFRS), in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and the European Council, as well as taking into consideration all the accounting principles and standards and valuation criteria that are mandatory, as well as the Commercial Code, the circulars of the CNMV, Spanish Corporate Law and other corporate legislation applicable.

They have been prepared from the Parent Company's individual accounts and those of each of the consolidated companies (detailed in Annex I) and they accurately present the assets, financial position, results of the Group, changes in consolidated equity and consolidated cash flows under EU-IFRS and other regulatory financial reporting frameworks applicable.

The financial consolidated statements for the 2019 financial year were approved by the Annual General Meeting held 22 June 2020 and filed with the Companies Registry of Madrid.

Under the IFRS , these consolidated financial statements include the Group's following consolidated statements:

- Statement of Financial Position
- Profit and Loss Account
- Statement of Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows

Since the accounting principles and valuation criteria used in preparing the Group's consolidated financial statements for the 2020 financial year (EU-IFRS) on occasion differ from those used by the Group companies (local regulations), during the consolidation process all the adjustments and reclassifications required to standardise such principles and criteria and to adapt them to the International Financial Reporting Standards adopted by the European Union have been introduced.

The consolidated financial statements have been prepared based on the principle of uniformity of recognition and valuation. In the event of new regulations being applicable which modify existing valuation principles, this will be applied in accordance with the standard's own transition criterion.

Certain amounts in the consolidated profit and loss account and consolidated statement of financial position have been grouped together for clarity, duly broken down in the notes to the consolidated financial statements.

The distinction presented in the consolidated statement of financial position between current and non-current items has been made according to the receipt or extinction of assets and liabilities before or after one year.

Additionally, the consolidated financial statements include all the information considered necessary for a fair presentation in accordance with current corporate legislation in Spain.

Finally, the figures contained in all the financial statements forming part of the consolidated financial statements (consolidated statement of financial position, consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows) and the notes to the consolidated financial statements are expressed in thousands of euros, unless otherwise stated.

Also, in order to present the different items making up the consolidated financial statements in a standardised manner, the valuation standards and principles used by the Parent Company have been applied to all the companies included within the scope of the consolidation.

b) Adoption of the International Financial Reporting Standards

Naturhouse Group's consolidated financial statements are presented in accordance with the International Financial Reporting Standards, in accordance with the provisions of Regulation (EC) No. 1606/2002 of the European Parliament and the Council of 19 July 2002. In Spain, the obligation to present consolidated financial statements under the IFRS adopted by the European Union was also regulated in Final Provision Eleven of Law 62/2003 of 30 December on fiscal and administrative measures and social order.

The main accounting policies and valuation standards adopted by Naturhouse Group are presented in Note 6.

C) Changes in accounting policies and effective breakdowns of information in the year 2020

New accounting standards came into effect in the 2020 financial year, therefore, they have been taken into consideration in the preparation of the attached consolidated financial statements. The following standards have been applied in these consolidated financial statements, but they did not have a significant impact on the figures and breakdown therein:

New standards, amendments and interpretations		Mandatory application for financial years from:
Revised version of the IFRS Conceptual Framework	The revised version of the Conceptual Framework establishes a number of fundamental concepts that guide the IASB in developing the rules, and helps to ensure that the rules are consistent and that similar transactions are treated in the same way. In addition, it helps entities to develop their accounting policies when there are no specific regulations applicable to a transaction. The revised Conceptual Framework includes a new chapter on valuation, improves definitions and guidelines, and clarifies important areas such as prudence and the valuation of uncertainty.	1 January 2020
Amendments to IFRS 3 - Business combinations	<p>The amendments change the definition of business in IFRS 3 to help entities determine whether a transaction should be recorded as a business combination or as the acquisition of an asset group. This distinction is important, as the acquirer only recognises goodwill when a business is acquired.</p> <p>The new definition of business emphasises that the product of a business is to provide goods and services to customers, that generate investment income (such as dividends or interest) or that generate other income from ordinary activities; while the previous definition focused on providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.</p>	1 January 2020
Amendments to IAS 1 and IAS 8 - Definition of material:	The amendments to the definition of material are made to make it easier to make judgements as to what is material. The definition of material helps entities to decide whether the information should be included in the consolidated annual financial statements, or, where appropriate, the consolidated abridged interim financial statements. These amendments clarify said definition and include guidelines on how it should be applied. In addition, the explanations accompanying the definition have been improved and it has been ensured that the definition of material is consistent across all rules. These amendments have no impact on the Group's consolidated abridged interim financial statements.	1 January 2020

New standards, amendments and interpretations		Mandatory application for financial years from:
Amendments to IFRS 9, IAS 39 and IFRS 17: Reforms to the reference interest rate	The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and measurement provide a series of practical solutions, which apply to all hedging relationships that are directly affected by the reforms to the reference interest rate. A hedging relationship is affected if the reforms give rise to uncertainties about the timing and/or amount of the cash flows arising from the reference interest rate, both for the hedged item and for the hedging instrument. These amendments have no impact on the Group's consolidated abridged interim financial statements.	1 January 2020
Amendment to IFRS 16 Covid-19-related rent concessions	This amendment permits, as a practical solution, the lessee to choose not to recognise rent concessions arising due to Covid-19 as a modification of the lease. If applicable, if the lessee so chooses, they can recognise the concessions by applying the criteria of IFRS 16 Leases as if said concessions were not a modification. This practical solution can only be applied to rent concessions that have been a direct consequence of Covid-19, consequently, a series of conditions must be met.	1 June 2020

d) Accounting policies issued not in force for the 2020 financial year

At the date of preparing these consolidated financial statements, the following standards and interpretations had been published by the International Accounting Standard Board (IASB) but had not yet entered into force, either because their effective date is later than the date of these consolidated financial statements, or because they have not yet been adopted by the European Union (EU-IFRS):

New rules, amendments and interpretations not yet approved for use in the European Union		IASB application date
Amendments to IFRS 4 Insurance policies - deferral of IFRS 9	Currently, with IFRS 4 Insurance policies, the date of application of IFRS 9 Financial Instruments for entities that apply said standard is 1 January 2021. The IASB has decided to delay the entry into force, for these entities, to periods starting 1 January 2023.	1 January 2021
IFRS 17 Insurance policies (published in May 2017)	Replaces IFRS 4. Includes the principles for the recognition, valuation, presentation and breakdown of insurance contracts with the aim of the entity providing relevant and reliable information that allows users of the financial information to determine the effect that insurance contracts have on the financial statements.	1 January 2023
IAS 1 Presentation of financial statements.	Classification of liabilities as current or non-current	1 January 2023

New rules, amendments and interpretations not yet approved for use in the European Union		IASB application date
Amendments to: -IFRS 3 Business combinations -IAS 16 Property, plant and equipment -IAS 37 Provisions, contingent liabilities and contingent assets -Annual improvements 2018 - 2020	These amendments, issued by the IASB in May 2020, are intended to replace the reference to the 1989 Conceptual Framework with a reference to the 2018 framework, without significantly changing the requirements. These amendments, issued by the IASB in May 2020, prohibit deducting from the asset acquisition cost the amount of the sales obtained from the asset while it is being brought to the location and conditions necessary for it to be able to operate in the manner envisaged by Management. Instead, these amounts will be recognised on the income statement. These amendments, issued by the IASB in May 2020, detail the costs that entities have to include when assessing whether a contract is onerous or making a loss. The amendments propose a "direct cost approach". As part of the 2018-2020 annual improvements to the IFRS, the IASB has published amendments to IFRS 9 and IAS 40.	1 January 2022
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Reforms to the reference interest rate - phase 2	In August 2020, the IASB published the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Reforms to the reference interest rate - phase 2. These amendments provide temporary relief in financial reporting while inter-bank offered rates (IBORs) are replaced by risk-free interest rates (RFRs).	They are applicable in the EU from 1 January 2021

The Parent Company's Directors have not considered the early application of the aforementioned Standards and Interpretations and, in any case, their application will be considered by the Group once approved, where appropriate, by the European Union.

In any case, the Parent Company's Directors are evaluating the potential impacts of the future application of these standards and consider that their entry into force will not have a significant effect on the consolidated annual accounts of the Group:

e) Functional currency

These consolidated financial statements are presented in euros as this is the presentation currency and, in turn, the functional currency of the primary economic environment in which the majority of the companies that comprise the Group operate. Foreign operations are accounted for in accordance with the policies described in Note 6.I.

f) Responsibility for the information and accounting estimates and judgements made

The preparation of the consolidated financial statements under IFRS requires the Parent Company's Directors to perform certain accounting estimates and to consider certain elements of judgement. These are continually evaluated and are based on historical experience and other factors, including expectations of future events, which have been considered reasonable under the circumstances. While the estimates have been made on the best information available as of the date of preparing these consolidated financial statements, in accordance with IAS 8, any amendment in the future to these estimates would be applied prospectively from such time, recognising the effect of the change in the estimate made in the consolidated profit and loss account for the financial year in question.

The main estimates and judgements considered in preparing the consolidated financial statements are as follows:

- Useful lives of intangible and tangible fixed assets (see Notes 6.a and 6.b).
- Impairment losses of non-financial assets (see Note 6.c).
- Evaluation of occurrence and quantification of litigation, commitments, contingent assets and liabilities at close (see Note 6.h).
- Estimate of impairments for defaults in accounts receivable and inventory obsolescence (see Notes 6.e and 6.f).
- Estimate of income tax expenses and recoverability of deferred tax assets (see Notes 6.k).

g) Information comparison

The information contained in this consolidated report referring to the 2019 financial year is presented, for comparison purposes, with information from the 2020 financial year.

h) Relative importance

When determining the information to be broken down in the consolidated notes on the different items of the consolidated financial statements or other matters, the Group has taken into consideration the relative importance in relation to these consolidated financial statements for the 2020 financial year.

3. Consolidation criteria

The accounting closing date of the individual financial statements for all the companies included within the scope of the consolidation is the same as that of the Parent Company. Additionally, in order to present the different items comprising these consolidated financial statements in a standardised manner, accounting standardisation criteria have been applied, using the Parent Company's accounting criteria as the basis. The preparation of the consolidated financial statements has been based on applying the following methods:

a) Subsidiaries and associates

"Subsidiaries" are those over which the Parent Company has the capacity to exercise effective control, this capacity is generally manifested, but not exclusively, by the direct or indirect ownership of over 50% of the voting rights of the subsidiaries or, if this percentage is lower or null, there are agreements with other shareholders thereof which give the Company control. Under IFRS 10, control is understood as the power to direct an entity's financial and operating policies so as to obtain benefits from its activities. The most important information on these companies is provided in Annex I of these Notes.

The subsidiaries' financial statements are consolidated with those of the Parent Company by using the full integration method. Consequently, all balances and effects of transactions made between the consolidated companies have been eliminated in the consolidation process. If necessary, adjustments are made to the subsidiaries' financial statements in order to adapt the accounting policies used to those used by the Group.

Additionally, the following must be considered for the participation of third parties:

- The assets of its subsidiaries are presented under "Equity attributable to third-party shareholders" in the consolidated statement of financial position in the chapter on the Group's Equity (see Note 14).
- The income from the financial year is presented under "Income attributable to third-party shareholders" in the consolidated profit and loss account (Note 14).

The consolidation of income generated by the companies acquired during a financial year is made by only taking into consideration those relating to the period between the date of acquisition and the relevant yearend. In parallel, the consolidation of income generated by the companies disposed of during a financial year is made by only taking into consideration those relating to the period between the start of the financial year and the date of disposal.

Furthermore, as is usual practice, the accompanying consolidated financial statements do not include the tax effect which, if appropriate, may arise as a result of the incorporation of the consolidated companies' income and reserves to the Parent Company, as it is considered that no transfers of reserves not taxed at source will be made, and because of considering that these will be used as sources of financing in each company.

Companies over which Naturhouse Health, S.A. has a significant influence or joint control are consolidated by participation method in cases where the requirements of IFRS 11 to be classified as "joint operations" are not met.

The equity method consists in the inclusion in the line of the consolidated balance sheet "Investments in associated companies - Investments accounted for using the equity method" of the value of net assets and goodwill, if there are any, corresponding to the shareholding held in the associated company. The net result obtained each year corresponding to the percentage of shareholding in these companies is reflected in the consolidated income statements as "Results in entities valued using the equity method".

b) Conversion of financial statements in currencies other than the euro

The financial statements of subsidiaries whose records are in currencies other than the euro included in the consolidation process are converted by applying the closing rate to all their assets and liabilities, except for equity, which is valued at the historical exchange rate. The income, in turn, is converted at the average exchange rate for the financial year. The difference arising from applying the conversion process described above is recorded on the Consolidated Statement of Comprehensive Income as "Conversion differences".

c) Variations in the scope of the consolidation

During the 2020 financial year, there have been no variations in the scope of consolidation of the Naturhouse Group.

On 11 June 2019, the Company subscribed to the share capital increase carried out by Name 17, S.A. de C.V., through which it acquired 51% of the shares for 112 thousand euros, and therefore the control of the said Company. The business combination recognised under IFRS 3 was recorded in the annual financial statements for the financial year ending 31 December 2019.

4. **Exposure to risks associated with COVID-19**

On 11 March 2020, the World Health Organization raised the public health emergency caused by the coronavirus outbreak (COVID-19) to an international pandemic. The evolution of events, both nationally and internationally, has led to an unprecedented health crisis, which has had an impact on the macroeconomic environment and on the evolution of businesses. During the 2020 financial year, a series of measures have been adopted to address the economic and social impact that this situation has created, which among other aspects have led to restrictions on people's mobility. In particular, the Government of Spain declared a state of emergency through Royal Decree 463/2020 of 14 March, which was lifted on 1 July 2020, and approved a series of extraordinary urgent measures to address the economic and social impact of COVID-19 through Royal Decree-Act 8/2020 of 17 March, and other legislation. As of the date these financial statements were prepared, the state of emergency declared by the Government of Spain is in force through Royal Decree 926/2020 of 25 October. Initially approved until 9 November 2020, it has been extended until 9 May 2021 through Royal Decree 956/2020 of 3 November.

COVID-19 has had an adverse effect on the Group's businesses, mainly during the second quarter of the year, due to the lockdown measures imposed and the subsequent restriction of the normal course of business at both its own and Group franchisee points of sale. Similarly, as a result of the high level of uncertainty inherent in the economic crisis caused by the pandemic, the results of the Group's operations may continue to suffer in the financial years to come; it is not possible to estimate with certainty the moment in time and the degree to which the future economic recovery will drive demand for the Group's products and services to pre-COVID-19 levels.

Taking the above into account, the Group has identified the following risks, for which it has implemented the actions that are likewise listed below:

a) *Liquidity risk*

In order to ensure liquidity and meet all payment obligations arising from its activities, the group has the liquid assets shown on its consolidated statement of financial position as of 31 December 2020, as well as the lines of financing available in Note 16.

The Group manages its liquidity risk based on holding sufficient cash and marketable securities, as well as additional financing under various modalities with credit institutions in order to have sufficient capacity so as to settle market positions and manage the corresponding debt commitments and payment obligations in advance.

Irrespective of the foregoing, the Group has adopted the following liquidity protection measures and improvement of its ability to access sources of financing in the current economic environment:

- Partial cancellation of the expected distribution of dividends on the profits of the previous financial year amounting to 2,800 thousand euros (note 14 b) and the total cancellation of the distribution of dividends on the profits of the 2020 financial year.
- Presentation of Temporary Layoffs (EREs) due to force majeure in Spain, France and Italy affecting approximately 80% of the Group's workforce.
- Renegotiation of lease contracts and review of the network of own stores with a view to maximizing the efficacy of the omnichannel interaction of the physical points of sale with the Group's new "ecommerce" platform.

b) Credit risk

Credit risk is the risk that an entity, as opposed to a financial asset of the Group, causes a loss for the Group by not meeting their respective payment obligation. In this regard:

In general, the Group holds its liquid assets and cash equivalents in financial institutions with high credit ratings.

Management has intensified the individualised monitoring of accounts receivable as a result of the situation created by COVID-19, without a significant increase in customer defaults becoming apparent, mainly due to the cash sales prioritisation policy followed by the Group.

The Group does not have a significant concentration of credit risk, with exposure spread over a large number of customers, markets and areas and their individual amounts being insignificant. However, COVID-19 may trigger some financial difficulties for some customers, which has prompted a reassessment of the estimate of the adjustment for expected losses under IFRS 9, which has resulted in an increase in the adjustment for expected losses of 13 thousand euros, placing the same at 31 December 2020 at 24 thousand euros (11 thousand euros at 31 December 2019).

Regardless of the fact that COVID-19 is an incremental credit risk factor, the Group's Financial Management has continued to give the highest priority to the proper control and supervision of the evolution of accounts receivable and the management of potential defaults, particularly in markets with higher risk. In this regard, the Group's policies, which include the prior requirement of bank guarantees or deposits from customers to guarantee their commitments are met, have enabled very effective management and control of the credit risk in the current environment.

Additionally, the Group has established a policy of accepting customers based on periodic liquidity and solvency risk assessments and the establishment of credit limits for debtors. On the other hand, the Group conducts regular analyses of the key factors in the adjustment for expected losses to cover possible risks of default.

The average collection period continues to be, depending on the country, between 30 and 60 days, although, as has been explained, a very significant portion of sales is collected in advance or at the time it is performed.

c) Capital management

The Group continues to manage its capital to ensure that Group companies will be able to continue operating under an adequate level of profitability. The Group's capital structure includes debt, which is, in turn, composed of loans and credit facilities, cash and liquid assets, detailed in Note 16, and own funds, including capital and reserves as discussed in Note 14. In this regard, the Group is committed to maintaining leverage levels in line with the objectives of growth, solvency and profitability.

The Parent Company's Management, which is responsible for financial risk management, periodically reviews the capital structure. In this regard, the ratio of net financial debt to Operating Income before amortisation, impairment and other income as of 31 December 2020 and 31 December 2019 stands at -0.84 and -0.03, respectively. In calculating this ratio, the Parent Company has considered the headings of the consolidated statement of financial position of net non-current and current debts in cash and cash equivalents as net financial debt. The variation in the same between both financial years is due to the increase in cash and cash equivalents as a consequence of the liquidity protection measures adopted by the Group during the financial year.

d) Market risk in the interest rate and the exchange rate:

The Group's operating activities are largely independent with respect to variations in market interest rates.

The interest rate risk of the Group arises from long-term borrowings. Borrowings issued at variable rates expose the Group to interest rate risk on the cash flows. As of the close of the 2020 financial year and yearend 2019, 100% of the borrowings were at variable interest rates.

Finally, at the close of the 2020 financial year, the Group has cash resources of an amount that covers practically all current and non-current financial debt, including the debt relating to lease contracts recognised in accordance with IFRS 16, consequently, the Directors believe that the exposure to interest rate risk is in no way significant.

e) Support and relief measures

The Group has implemented efficiency measures to reduce costs and non-strategic investments. In connection with other operating expenses, the Group has obtained savings, mainly focused on the cost of supplies and rentals. In the latter case, the Group has achieved waivers of lease payments due to COVID-19 amounting to 67 thousand euros. Likewise, the Group has accelerated the rollout of its online sales channel, which has accelerated its process to rationalise non-strategic points of sale. In this way, Management trusts that its commitment to the omnichannel sale can benefit its network of own stores and Naturhouse franchisees by enabling greater efficacy and agility in the capacity to supply the end customer. Finally, in line with the Group's commitment to its Franchisee Network, the terms for supplying goods have been revised in countries such as France and Italy in order to increase the levels of sales on credit to customers with an adequate level of coverage through guarantees or deposits.

f) Non-current Asset valuation

In the first half of the financial year, COVID-19 has had an adverse impact on the Entity due to the fact that the lockdown and control measures imposed in the main countries in which the Group operates have impeded the normal course of the sales business at own and franchisee points of sales until the corresponding lockdown and control measures are lifted in each country.

In accordance with the provisions of IAS 36 *Impairment of assets*, the Group has considered that the impact of COVID-19 is an objective indicator of signs of impairment on the following assets:

Own stores

The Group defines each of its own points of sale as Cash-Generating Units (CGU), since these constitute the smallest asset groups that generate cash inflows that are largely independent of the inflows produced by other assets or asset groups.

The main assets associated with each CGU are the rights of use of the leases associated with the commercial spaces at each point of sale, which are recognised on the consolidated statement of financial position in accordance with IFRS 16 *Leases*. The other assets in each CGU are insignificant and most are relocatable to other points of sale.

In order to come to a conclusion as to the existence of potential impairments, the Group has conducted a preliminary analysis with a view to identifying the points of sale with less profitability that have had their business expectative deteriorate as a result of the effects of COVID-19. After identifying these points of sale, the cash flow projections for each CGU have been estimated. As a result of the analysis carried out, impairment of rights of use of 861 thousand euros as of 31 December 2020 has been revealed (see note 6 c)) corresponding mainly to centres that were planned to be closed in the short term. Likewise, impairment of the tangible fixed assets (mainly facilities) associated with these points of sale of 86 thousand euros as of 31 December 2020 has been revealed.

Investments recognised using the equity method

As of 31 December 2020, the Group has carried out an analysis of the existence of objective evidence of potential impairment losses in the investment in Ichem Sp. Zo.o. (Ichem), recognised using the equity method, as a consequence of the effects of COVID-19.

In accordance with the applicable regulatory framework (see Note 6.c), the amount of the valuation restatement will be the difference between the book value of said investment and the recoverable amount, understanding the latter to be the higher of the fair value less selling costs and the present value of the future cash flows arising from the investment, obtained from any of the following procedures:

- By estimating what is expected to be received as a result of the distribution of dividends made by the invested company and the disposal or derecognition of the investment in it, or;
- By estimating its participation in the cash flows that are expected to be generated by the invested company from both its ordinary activities and its disposal or derecognition.

Taking the foregoing into account, the Group has determined the recoverable amount through the value in use based on the estimated future cash flows from its ordinary activities, discounted at a rate that reflects current market valuations with respect to the value of money and the specific risks associated with the investment.

The Group prepares cash flow forecasts for a period of 5 years, incorporating the best available estimates as respects income and expenses, using sector forecasts, Ichem's historical results and future expectations (the entity's budgets, business plans etc.) as well as macroeconomic indicators that reflect the current and foreseeable market situation. Likewise, another projected estimate to be considered has been the margin depending on the nature of the business-product.

The Group's management considers that the weighted average sales growth rate for the next 5 years is consistent with past experience, taking into account the expansion plans and the evolution of macroeconomic indicators (inflation, GDP etc.).

Additionally, a residual value is calculated based on the normal cash flow of the last year in the projection, to which a perpetual growth rate is applied that under no circumstances exceeds the growth rates of previous years. The cash flow used to calculate the residual value takes into account the investments that are necessary for future business continuity at the estimated growth rate.

For discounted cash flows, the weighted average cost of capital is used, which is determined before taxes and is adjusted for country risk, the corresponding business risk and other variables dependent on the current market situation. The average discount rate in the 2020 financial year stands at 14.75%.

As a result of the impairment test carried out, the recoverable value of the investment in Ichem exceeds its book value, consequently, it has not been necessary to carry out any valuation restatements due to impairment.

It should finally be noted that, as of 31 December 2020, the invested company has a net worth of approximately 13 million euros.

g) Going concern

Taking into consideration all the aforementioned measures and impacts, as well as the fact that the Parent Company has an equity balance and the Group has positive working capital amounting to 23,708 thousand euros and consolidated profits of the financial year and operating profit of 9,379 thousand euros and 13,225 thousand euros respectively, the Directors consider that there are no factors arising from the current uncertainty due to COVID-19 that could cast significant doubts on the Group's ability to continue its business under the going concern principle.

5. Distribution of the result

The proposal for the distribution of the individual result of Naturhouse Health, S.A. for the year 2020 formulated by the Directors of the Parent Company, subject to the approval of the General Shareholders' Meeting, is as follows:

	Thousands of Euros	
	2020	2019
Distribution basis:		
Profit for the financial year	5,725	14,200
	5,725	14,200
Distribution:		
To dividends	-	14,200
To reserves	5,725	-
	5,725	14,200

As part of the measures described in Note 4 a), the Parent Company's Directors modified the proposed distribution of profit for the 2019 financial year, with the final amount distributed as dividends totalling 11,400 thousand euros.

6. Valuation standards

As stated in Note 2, the Group has applied accounting policies in accordance with IFRS and interpretations published by IASB (International Accounting Standards Board) and the IFRS Interpretations Committee (IFRS IC) and adopted by the European Commission for application in the European Union (EU-IFRS).

a) Intangible assets

As a general rule, intangible assets are initially valued at their acquisition price or production cost. Subsequently, they are valued at cost less any accumulated amortization and, if applicable, impairment losses under the criteria described in Note 6.c. These assets are amortized according to their useful life.

Research and Development

The Group's activity, due to its nature, does not involve significant Research and Development expenses, not generating more R&D&I expenses than those relating to registering the brand and product formula with the appropriate department of health. The Group's policy is to directly record as expenses, the expenses incurred in both Research as well as Development, deeming that they do not meet the criteria for activation established by IAS 38 and as they are not significant, given that the majority of these activities are performed directly by the Group's suppliers.

The expenses recorded in the consolidated profit and loss account for the 2020 financial year amounted to 32 thousand euros (12 thousand euros in the 2019 financial year).

Transfer rights

Correspond to the amounts paid by way of transfer of premises in acquiring new shops. Amortised by the straight-line method over a period of 5 to 10 years.

Industrial property

The amounts paid for acquiring property or right of use for the different manifestations of the same, or for expenses incurred in registering the brand developed by the Group are recorded in this account. During the 2014 financial year, brands were acquired as stated in Note 8. The industrial property is amortized by the straight-line method over its useful life, which has been estimated at 10 years.

Software

Licenses for software acquired from third parties, or internally developed software, are capitalized on the basis of the costs incurred to acquire or develop them and to prepare them for use.

Software is amortized by the straight-line method over its useful life, at a rate of between 20% to 33% annually.

Software maintenance costs incurred during the financial year are recorded in the consolidated profit and loss account.

b) Tangible fixed assets

Tangible fixed assets are initially valued at acquisition price or production cost and are subsequently reduced by accumulated amortization and impairment losses, if any, according to the criteria described in Note 6.c.

Upkeep and maintenance costs for the different elements making up the tangible fixed assets are allocated to the consolidated profit and loss account for the financial year in which they are incurred. On the contrary, the amounts invested in improvements contributing to increased capacity or efficiency or extended useful life for these assets are recorded as a higher cost thereof.

Replacements or renewals of complete fixed asset elements are accounted for as assets, with the resulting accounting derecognition of the elements replaced or renewed.

Financial expenses, incurred during the construction or production period prior to commissioning the assets, are capitalized, with both the sources of specific financing intended expressly for acquiring the fixed asset element, as well as the sources of generic financing in accordance with the guidelines established for qualifying assets in IAS 23. During the 2020 and 2019 financial years, there were no financial expenses capitalized as a higher value of an asset.

The years of useful life estimated by the Group for each group of elements are listed below:

	Years of estimated useful life
Buildings	33.33
Other facilities, tools and furniture	8.33 - 30
Information processing equipment	3 - 4
Transportation elements	6.25 - 10

The total tangible fixed assets is amortized by the straight-line method based on the years of estimated useful life.

"Assets in construction" includes the additions made to technical facilities and transport elements that are not yet operational. The transfer of assets in construction to assets in operation is performed when the assets are ready to become operational.

An item in tangible fixed assets is derecognised when sold or when no future economic benefits are expected from the continuing use of the asset. Profits or losses derived from the disposal or derecognition of an item of tangible fixed assets are determined as the difference between the profit from the sale and the book value of the asset, and are recognised in the consolidated profit and loss account.

The investments made by the Group in leased (or assigned) premises, which are not separable from the leased (or assigned) asset, are amortized by the straight-line method over their useful life, which corresponds to the lesser of the duration of the lease (or transfer) contract including the renewal period when there is evidence to support that it will occur, and the asset's economic life.

c) Impairment of non-current assets

Where there is an indication of impairment, the Group estimates, using the "impairment test", the possible existence of impairments reducing the recoverable value of such assets to an amount below their book value.

Assets subject to amortization are reviewed for impairments whenever events or changes in circumstances indicate that the book value may not be recoverable. An impairment loss is recognised by the amount that the asset book value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

The analysis carried out in this regard is broken down in note 4.f).

d) Leases

In accordance with IFRS 16 Leases, the Group recognises an asset for the right of use and a lease liability for all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease, unless there is another systematic basis that is more representative of the time frame in which the economic benefits of the leased asset are consumed.

Assets for the right of use include the initial valuation of the corresponding lease liability, the lease payments made on or before the start date and any initial direct costs. Subsequently, the accumulated depreciation and impairment losses are measured at cost (note 4f.).

The lease liability is initially measured at the current value of the lease payments that are not paid on the start date, discounted using the rate implicit in the lease. If this rate cannot be easily determined, the Group uses its incremental borrowing rate. The book value of the lease liability increases when the interest on said liability is reflected (using the effective interest method) and decreases when the lease payments made are reflected.

The Group determines the lease term to be the non-cancellable term of the contract, together with any period covered by an extension (or termination) option, the exercise of which is discretionary for the Group, if there is reasonable certainty that it is going to be exercised (or it is not going to be exercised).

e) Financial instruments

Financial assets and liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The financial assets held by the Group are classified, based on the characteristics of the contractual cash flows of the financial asset and the business model of the entity to manage its financial assets, as follows:

- Loans and accounts receivable.
- Financial assets available for sale.

The classification depends on the financial asset's nature and function and is determined at the time of initial recognition.

1. Loans and accounts receivable.

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. Loans and accounts receivable (including trade debtors and other accounts receivable, cash and bank balances etc.) are valued at amortized cost using the effective interest rate method, less any impairment loss.

Interest income is recognised by applying the effective interest rate, except for short term accounts receivable with terms under 12 months, as in this case the effect of discounting is not significant.

The effective interest rate method is used to calculate the amortized cost of a debt instrument and to allocate interest income over the relevant period. The effective interest rate is that which allows the estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) to be accurately discounted over the expected life of the debt instrument or, where appropriate, for a shorter period until reaching the net book value at the time of initial recognition.

The Group recognizes a provision for expected losses in its operations, sale of goods to franchisees and master franchisees, which have not been collected in advance or bank guarantees have not been obtained. Said provision estimate is based on the historical experience of loss of credit, adjusted for specific factors of the debtors, general economic conditions and the individual evaluation carried out by the Management.

2. Financial assets: fair value through profit or loss

This includes equity instruments that were acquired with the purpose of continuation and with the objective of monetising the investment on a date not initially foreseen.

As of 31 December 2020, the Group does not have significant financial assets that are classified as valued at fair value through profit or loss.

Initial valuation

The financial assets are initially recorded at the fair value of the consideration paid plus the transaction costs that are directly attributable.

Subsequent valuation

Loans, receivables and investments held to maturity are valued at their amortized cost using the effective interest rate method. In the consolidated statement of financial position, loans and accounts receivable with maturities under 12 months from the date of the same are classified as current.

For financial assets valued at fair value through profit or loss, variations in said fair value are recognised in the profit or loss.

The Group derecognises financial assets when they expire or the rights to the cash flows for the financial asset concerned have been transferred and the risks and rewards inherent to their ownership have been substantially transferred. On the contrary, the Group does not derecognise financial assets, and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which the risks and rewards inherent to their ownership are substantially retained.

Financial liabilities

Financial liabilities are the debits and payables that the Group has and that have arisen from the purchase of goods and services in the ordinary course of business, or those that do not have commercial substance and cannot be considered as financial derivatives.

Debits and payables are initially valued at the fair value of the consideration received, adjusted for directly attributable transaction costs. These liabilities are subsequently valued at amortized cost, considering the effective interest rate.

The Group derecognise financial liabilities when the obligations generated are extinguished.

f) Stock

Stock is valued at the lower of the acquisition price, production cost or net realisable value.

The net realisable value represents the estimated selling price less all estimated costs to finish manufacture and the costs to be incurred in the marketing, sales and distribution processes.

In assigning value to its stock, the Group uses the weighted average price method.

The Group makes the appropriate value adjustments, recognising them as an expense in the consolidated profit and loss account when the net realisable value of the stock is less than the acquisition price (or production cost).

g) Cash and other equivalent liquid assets

Cash and cash equivalents include cash on hand, demand deposits with credit institutions and other short term highly liquid investments with an original maturity of three months or less.

h) Provisions and contingencies

The Group's Directors make a distinction between the following in preparing the annual consolidated statements:

- a. Provisions: credit balances covering current obligations arising from past events, whose cancellation is likely, causing an outflow of resources, but the amount and/or timing of the cancellation is uncertain.
- b. Contingent liabilities: possible obligations arising as a result of past events, whose future existence is conditional on the occurrence, or otherwise, of one or more future events beyond the Group's control.

The consolidated statement of financial position attached includes all the provisions with respect to which it is estimated that the likelihood of having to meet the obligation is greater than it not being the case.

Contingent liabilities are not recognised in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements, unless they are considered to be remote.

The provisions are valued at the current value of the best estimate possible of the amount required to settle or transfer the obligation, taking into consideration the information available on the event and its consequences, and reporting any adjustments arising from updating such provisions as a financial expense as they accrue.

The compensation received from a third party in settlement of the obligation, provided there are no doubts that such reimbursement will be received, is recorded as an asset, except in the event that there is a legal relationship whereby part of the risk has been externalised and by virtue of which the Group is not obliged to respond; in this situation, the compensation will be taken into consideration when estimating the amount by which, if appropriate, the relevant provision will be included.

i) Redundancies

In accordance with current legislation, the Group is required to pay redundancies to employees with whom, under certain conditions, it terminates their employment relationship. Therefore, redundancies that may be reasonably quantified are recorded as an expense in the financial year in which the decision to terminate employment is made. In the consolidated financial statements attached, no provision for this item has been recorded with a significant amount.

j) Commitments to staff

The long term benefits liability recognised in the consolidated statement of financial position attached represents the current value of the obligations assumed at the date of closure by the Italian subsidiary Naturhouse, S.R.L. (see Note 15). The Group recognises as an expense or accrued income by way of long term benefits the net cost of the services provided during the financial year, as well as that corresponding to any reimbursements and the effect of any reduction or settlement of commitments assumed.

k) Corporate tax and deferred taxes

The expense or revenue for Spanish corporate tax and similar taxes applicable to the foreign consolidated entities is recognised in the consolidated profit and loss account, except when it is a consequence of a transaction whose results are directly recorded in the consolidated equity, in which case the tax concerned is also recorded in the equity.

The tax on profits represents the sum of the current tax payment and the variation in deferred tax assets and liabilities recognised.

The current tax expense is calculated on the consolidated companies' taxable base for the financial year. The consolidated taxable base differs from the net profit or loss presented in the consolidated profit and loss account as it excludes income or expense items that are taxable or deductible in other financial years and it also excludes items that will never become taxable or deductible. The Group's liability by way of current tax is calculated using tax rates approved on the date of the consolidated statement of financial position.

The deferred tax assets and liabilities include temporary differences, which are identified as the amounts expected to be payable or recoverable for the differences between the book value of assets and liabilities and their tax value, as well as the negative tax bases to be offset and the credits for tax deductions not applied. These amounts are recorded by applying the tax rate at which they are expected to be recovered or settled to the temporary difference or credit.

The deferred tax assets identified with temporary differences are only recognised if it is deemed likely that the consolidated entities will have sufficient future taxable profits against which to utilize them, not deriving from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The remaining deferred tax assets (negative tax bases and deductions to be offset) are only recognised if it is deemed likely that the consolidated entities will have sufficient future taxable profits against which to utilize them.

Each time the accounts are closed, the deferred tax (both assets as well as liabilities) is reviewed in order to check whether it is still current, making the appropriate adjustments to them according to the results of the analyses performed.

The Naturhouse Group has recognised deferred tax liabilities for tax on profits in the retained earnings of subsidiaries amounting to 145 thousand euros in the 2020 financial year. Unrecognised temporary differences for this item amount to 82 thousand euros as it is expected that they will be reinvested in the subsidiaries.

l) Foreign currency

The Group's consolidated financial statements are presented in euros, which is the Parent Company's functional currency. When preparing the financial statements of each individual entity in the Group, the transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the exchange rates prevailing on the date of the transaction. At the close of each financial year, the monetary items denominated in foreign currencies are converted at the rates prevailing on that date. Non-monetary items recognised at fair value and denominated in foreign currencies are converted at the rates prevailing on the date when the fair value was determined. Non-monetary items valued at historical cost in a foreign currency are not re-converted.

Exchange differences in monetary items are recognised in the consolidated profit and loss account in the period in which they occurred.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are converted into euros at the exchange rates prevailing at the close of each financial year. Income and expense items are converted at the average exchange rates for the period, except if the rates significantly fluctuate during such period, in which case those prevailing on the dates of the transactions will be used. Exchange differences, if any, are recognised in other comprehensive income and are accumulated in assets (allocating them to external shareholders, as appropriate).

m) Recognition of income

Revenues are recognized in such a way that the transfer of goods or services provided to customers is shown at an amount that reflects the consideration to which the Group expects to be entitled in exchange for said goods or services. Income is measured at the fair value of the consideration received or receivable.

Sale of goods

The Company uses an income recognition approach for the sale of goods based on five steps:

- Identify the contract or contracts with a customer.
- Identify the obligations of the contract.

- Determine the price of the transaction.
- Distribute the price of the transaction between the obligations of the contract.
- Recognize income when the entity complies with each of the obligations.

The main activity of the Group corresponds to the sale of goods (dietary products), mainly, through the sale of the product to the franchised client or to the final customer (consumer), this being the performance obligation acquired and for which the price of the transaction is determined.

The recognition of income in these activities is not complex and this occurs upon the fulfilment of said contractual performance obligation in accordance with the conditions of transfer of ownership of the merchandise sold. On the other hand, in own stores, the performance obligations of product sales and dietary advice are equally satisfied at a specific moment and time and their price is not variable nor are there guarantee commitments or second free visits with customers, nor any other type of commitment acquired with them, for which reason the Group considers that, in any case, the performance obligations are met under the same conditions as the current method of income recognition.

Provision of services

The Group's income from the provision of services mainly relates to the annual fee that the Group directly charges its franchisees, as well as "master franchise" contracts, an amount that the Group charges a third party for such third party to directly operate the Group's franchises in a given country. This master franchise is usually signed for a period of 7 years and the amount varies between 50,000 and 300,000 euros, which is billed once in advance.

The performance obligations assumed by the Group in contracts with franchisees and "master franchisees" are based, mainly, on the assignment of the right to use and exploit the brand and the subsequent commitment to supply and sell Naturhouse branded products (whose recognition is defined as stipulated in the section "Sale of goods").

Master franchise income is recorded in the "Trade payables and other accounts payable" heading of the current balance sheet and its recognition in the income statement occurs linearly for the period of the contract (7 years in most cases).

Other operating income

The Group mainly recognises rebilling of expenses to related companies or third party franchisees in this heading.

Interest and dividend income

Dividends from investments are recognised when the shareholder's right to receive payment has been established (provided it is likely that the Group will receive the economic benefits and that the amount of income can be reliably measured).

Interest income arising from a financial asset is recognised when it is likely that the Group will receive the economic benefits and the amount of income can be reliably measured. Interest income is accrued on a time proportion basis, depending on the principal outstanding and the effective interest rate applicable, which is the rate that allows the estimated future cash flows to be discounted over the expected life of the financial asset in order to accurately obtain such asset's net book value.

n) Recognition of expenses

Expenses are recognised in the consolidated statement of income when a decrease in future economic benefits related to a reduction of an asset, or an increase of a liability occurs which can be reliably

measured. This implies that the recording of expenses occurs simultaneously with the recording of a liability increase or asset reduction.

An expense is immediately recognised when a payment does not generate future economic benefits or when it does not meet the requirements for recognition as an asset.

Additionally, an expense is recognised when incurred in a liability and no asset is recorded, such as a liability for a guarantee.

The Group's main expenses relate to Supplies (purchase of finished products from its suppliers), Other Operating Expenses (leases, advertising, transport, services received from its majority shareholder, and independent professional services, primarily) and Personnel Expenses (salaries, social security contributions and redundancies).

As stated in Note 20.2, the majority of the purchases of finished products are made with related parties.

ñ) Transactions with related parties

The Group conducts its business transactions with related parties (sales, services provided, purchases, services received and leases), as defined in IAS 24, at market prices (see Note 20.2).

The Parent Company's Directors and its tax advisers consider that there are no significant risks in this regard that could lead to significant liabilities in the future.

Transactions with related parties not conducted at market prices are accounted for at their fair value. During the 2020 and 2019 financial years, this situation has not arisen.

o) Environmental information

Assets that are constantly used in the Group's business, whose main purpose is to minimise environmental impact and protect and improve the environment, including the reduction or elimination of future pollution, are considered to be environmental assets.

These assets are valued, as with any other tangible assets, at acquisition price or production cost.

The Group amortizes these elements on a straight-line basis, according to the years of estimated useful life remaining for the different elements.

The environmental expenses for managing the environmental impact of the Group's operations, as well as the prevention of pollution related to the operation thereof and/or treatment of waste and disposals, are allocated to the consolidated profit and loss account based on an accrual basis, regardless of when the resulting monetary or financial flow occurs.

The Group's activity, by its nature, has no significant environmental impact.

p) Segment information

The business segments broken down in the consolidated notes are included consistently based on the internal information available to the Parent Company's Directors. The operating segments are components of Naturhouse Group involving business activities where income is generated and expenses incurred, including ordinary income and expenses from transactions with other Group components. Regarding the segments, the financial information is regularly broken down and the operating income reviewed by the Parent Company's Director in order to decide which resources should be allocated to the segments and to evaluate their performance.

In the Group's consolidated financial statements, the Parent Company's Directors have considered the following segments: Spain, Italy, France, Poland and Other countries (see Note 23).

q) Consolidated statement of cash flows

In the consolidated statement of cash flows, the following expressions are used:

- Cash flows: inflows and outflows of cash and cash equivalents, including short-term investments with high liquidity and low risk of variations in value.
- Operating activities: the usual activities of the Group's business operations, as well as other activities that cannot be classified as investment or financing activities.
- Investment activities: those regarding the acquisition, disposal or sale by other means of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of the equity and liabilities that are not part of the operating activities.

r) Earnings per share

The basic earnings per share are calculated as the quotient of the net profit or loss for the financial year attributable to the Parent Company and the weighted average number of ordinary shares outstanding during the period, excluding the Parent Company's average number of shares held by the Group companies.

On the other hand, the diluted earnings per share are calculated as the quotient of the net profit or loss for the financial year attributable to ordinary shareholders adjusted for the effect attributable to the potential dilutive ordinary shares and the weighted average number of ordinary shares outstanding during the financial year, adjusted by the weighted average number of ordinary shares that would be issued if all potential ordinary shares were converted into the Parent Company's ordinary shares. To this end, it is considered that the conversion takes place at the start of the financial year or when the potential ordinary shares are issued, if the latter were issued during the current financial year.

7. **Exposure to risk**

Financial risks

As stated in Note 4 above, the Group's activities are exposed to various financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and interest rate risk on cash flows.

1. Credit Risk

In general, the Group holds its liquid assets and cash equivalents in financial institutions with high credit ratings. It also performs adequate monitoring of accounts receivable individually, in order to determine situations of potential insolvency.

The Group's principal financial assets are cash and cash equivalents, trade debtors and other accounts receivable and investments, which represent the Group's highest exposure to credit risk in connection with its financial assets.

The Group's credit risk is, therefore, mainly attributable to its trade debtors. The amounts are presented in the consolidated statement of financial position net of provisions for bad debts, estimated by the Group's Directors based on experience from previous financial years and their assessment of the current economic environment. The breakdown of impairment losses recognised under "Trade Receivables for Sales and Services" on the consolidated statement of financial position attached as of 31 December 2020 is as follows:

	Thousands of Euros	
	31-12-2020	31-12-2019
Impairment of credits (expected loss)	(24)	(11)

The Group does not have a significant concentration of credit risk, with exposure spread over a large number of customers, markets and areas and their individual amounts being insignificant.

However, the Group's Financial Management considers this risk to be a key aspect in daily business management, focusing all efforts on the appropriate control and monitoring of the development of accounts receivable and arrears, especially in sectors of activity with increased risk of default. Additionally, it is one of the Group's policies to obtain guarantees or deposits from customers in order to ensure compliance with their commitments.

Additionally, the Group has established a policy of accepting customers based on periodic liquidity and solvency risk assessments and the establishment of credit limits for debtors. Moreover, the Group conducts periodic analysis of the age of the debt with commercial customers in order to cover potential risks of default.

The average collection period varies, depending on the country, between 30 and 60 days, although a very significant portion of sales is collected in advance or at the time it is performed.

2. Liquidity risk

In order to ensure liquidity and meet all payment obligations arising from its activities, the Group has the liquid assets shown on its statement of financial position, as well as available financing detailed in Note 16.

In this regard, the Group performs liquidity risk management, based on maintaining sufficient cash and marketable securities, the availability of financing through an adequate number of credit facilities and sufficient capacity to settle market positions.

On the other hand, it has always sought to utilize the liquid assets available for anticipative payment obligation and debt commitment management.

3. Market risk in the interest rate and the exchange rate:

The Group's operating activities are largely independent with respect to variations in market interest rates.

The interest rate risk of the Group arises from long-term borrowings. Borrowings issued at variable rates expose the Group to interest rate risk on the cash flows. As of yearend 2020 and 2019, 100% of the borrowings were at variable interest rates.

However, as of year end 2020 and 2019, the Group has an amount available in liquid assets that is equivalent to its debt, including its obligations under leases, consequently, the Directors consider that its exposure to interest rate risk is not significant in any case.

This way, the Company has not considered it necessary to cover such interest rate fluctuations, consequently, it did not take out derivative instruments during the 2020 and 2019 financial years.

With regard to exchange rate risk, the Group does not operate significantly internationally in countries with currencies other than the euro and, therefore, its exposure to exchange rate risk from foreign currency transactions is not significant, except for its exposure to the Zloty (Poland), which represents 13% and 9% of the Group's sales and assets, respectively.

Capital management

The Group manages its capital to ensure that Group companies will be able to continue as profitable businesses. The Group's capital structure includes debt, which is, in turn, composed of loans and credit facilities, cash and liquid assets, detailed in Note 16, and own funds, including capital and reserves as discussed in Note 14. In this regard, the Group is committed to maintaining leverage levels in line with the objectives of growth, solvency and profitability.

The Parent Company's Management, which is responsible for financial risk management, periodically reviews the capital structure.

The net financial debt ratio to Operating Income before amortization, impairment and other income as of 31st December 2020 and 2019 is at -0.84 and -0.03, respectively. In calculating this ratio, the Parent Company has considered the headings of the consolidated statement of financial position of net non-current and current debts in cash and cash equivalents as net financial debt. The variation in the same between both financial years is due to the increase in cash and cash equivalents as a consequence of the liquidity protection measures adopted by the Group during the financial year.

8. Intangible fixed assets

The changes in this heading in the consolidated statement of financial position for the financial years 2020 and 2019 were as follows:

Cost	Thousands of Euros				
	Transfer rights	Industrial property	Software	Other intangible assets	Total
Balance at 31 December 2018	22	2,352	338	83	2,795
Additions	-	-	217	5	222
Withdrawals	-	-	(111)	-	(111)
Balance at 31 December 2019	22	2,352	444	88	2.906
Additions	-	-	39	46	85
Withdrawals	-	-	7	(122)	(129)
Balance at 31 December 2020	22	2,352	476	12	2.862

Accumulated amortization	Thousands of Euros				
	Transfer rights	Industrial property	Software	Other intangible assets	Total
Balance at 31 December 2018	(5)	(1,071)	(234)	(73)	(1,383)
Allocations	(12)	(235)	(78)	(2)	(327)
Applications	-	-	100	-	100
Balance at 31 December 2019	(17)	(1,306)	(212)	(75)	(1,610)
Allocations	-	(233)	(157)	(267)	(657)
Applications	-	-	43	334	377
Balance at 31 December 2020	(17)	(1,539)	(326)	(8)	(1,890)

Net book value	Thousands of Euros	
	31-12-2020	31-12-2019
Transfer rights	5	5
Industrial property	813	1,046
Software	150	232
Other intangible assets	4	13
Total Intangible Assets	972	1,296

During the 2020 and 2019 financial year, the main additions corresponded to software for the Parent Company's new E-commerce department. There have been no other significant additions in intangible assets during the 2020 and 2019 financial years.

The main asset under intangible assets basically corresponds to a set of brands acquired in the 2014 financial year amounting to 2,331 thousand euros, the net book value of which amounts to 797 and 1,030 thousand euros as of 31 December 2020 and 31 December 2019, respectively. These brands are amortized by the straight-line method over a useful life of 10 years.

In accordance with the margins obtained in marketing these brands' products, the Group Board has concluded that said brands do not present impairment indicators as of 31 December 2020.

As of yearend 2020, the Group had fully amortized intangible assets still in use amounting to 90 thousand euros (90 thousand euros in the 2019 financial year).

The intangible assets located outside of Spain as of 31 December 2020 and 2019 are not significant (see Note 23).

9. Tangible fixed assets

The movement during the 2020 and 2019 financial years in the different tangible fixed asset accounts and their corresponding accumulated amortizations were as follows:

Cost	Thousands of Euros						Total
	Land and natural assets	Buildings	Other facilities, tools and furniture	Information processing equipment	Transportation elements	Assets in construction and advances	
Balance at 31 December 2018	100	314	6,015	311	75	24	6,839
Additions	-	12,394	547	51	147	20	13,159
Withdrawals	(100)	(2,701)	(2,675)	(49)	(56)	(20)	(5,601)
Conversion differences	-	-	-	-	-	-	-
Balance at 31 December 2019	-	10,007	3,887	313	166	24	14,397
Additions	-	88	578	35	58	-	759
Withdrawals	-	(1,898)	(859)	(79)	(14)	-	(2,850)
Conversion differences	-	-	-	-	-	-	-
Balance at 31 December 2020	-	8,197	3,606	269	210	24	12,306

Accumulated amortization	Thousands of Euros					Total
	Buildings	Other facilities, tools and furniture	Information processing equipment	Transportation elements		
Balance at 31 December 2018	(1)	(2,873)	(140)	(25)		(3,039)
Allocations	(3,247)	(582)	(68)	(67)		(3,964)
Applications	843	1,330	37	19		2,229
Conversion differences	(5)	-	-	-		(5)
Balance at 31 December 2019	(2,410)	(2,125)	(171)	(73)		(4,779)
Allocations	(3,585)	(597)	(85)	(67)		(4,334)
Applications	153	590	62	-		805
Conversion differences	-	-	-	-		-
Balance at 31 December 2020	(5,842)	(2,132)	(194)	(140)		(8,308)

Net book value	Thousands of Euros	
	31-12-2020	31-12-2019
Land and natural assets	-	-
Buildings	2,355	7,597
Other facilities, tools and furniture	1,474	1,762
Information processing equipment	75	142
Transportation elements	70	93
Assets in construction and advances	24	24
Total Tangible Fixed Assets	3,998	9,618

The variation in said heading essentially corresponds to additions in the installations in new owned stores, as well as to improvements needed in existing stores. On the other hand, the derecognitions of tangible fixed assets correspond to the sale of material from owned stores transferred to franchisees or other third parties.

Additionally, during the 2019 financial year, there were significant variations in the Group's tangible fixed assets due to the first application of IFRS 16, recognising assets for the right of use for a net accumulated amortisation amount of 7,632 thousand euros as of 31 December 2019 (see Note 10).

As of 31 December 2019 and under "Other facilities, furniture and tools", photovoltaic panels were included with a net book value amounting to 1,183 thousand euros respectively. These fixed assets were amortised by the straight-line method as with any of the Company's fixed assets, but they did not directly affect the Company's activities. During the 2019 financial year, the Parent Company sold the aforementioned photovoltaic panels to a related company (Tartales, S.L.), for a sale price of 1,678 thousand euros (see Note 20.2). The book value of these assets at the date of sale was 1,136 thousand euros, thus having generated a profit of 542 thousand euros in said transaction, included under the heading "Impairment and income from disposal of fixed assets".

Additionally, as of 31 December 2020, the attached consolidated profit and loss account includes losses totalling 1,146 thousand euros recognised under the heading "Impairment and income from disposal of fixed assets" as a result, mainly, of the impairment analysis mentioned in Note 4 f) that has revealed impairment of rights of use and tangible fixed assets of 861 thousand euros and 86 thousand euros, respectively, as well as a consequence of derecognitions of fixed assets related to own stores that have been transferred to franchisees or other third parties.

The Group's policy is to take out insurance policies to cover the potential risks to which the tangible fixed asset elements are subject. As of yearend 2020, the Parent Company's Directors deem that there was no deficit in insuring against these risks.

The tangible fixed assets located outside the Spanish territory as of 31 December 2020 and 2019 are broken down below:

	Thousands of Euros	
	31-12-2020	31-12-2019
Net book value		
Land and natural assets	-	-
Buildings	2,355	5,031
Other facilities, tools and furniture	996	1,069
Information processing equipment	45	87
Transportation elements	57	49
Assets in construction	24	24
Total Net book value	3,477	6,260

The fully amortized tangible fixed assets still in use at yearend 2020 amount to 2,247 thousand euros (2,102 thousand euros at yearend 2019).

Firm purchase commitments

At the close of the 2020 and 2019 financial years, the Group did not have firm commitments to purchase property, plant and equipment for any significant amount.

10. Leases

Rights of use

The breakdown and changes by class of assets for the right of use during the 2020 financial year have been as follows:

Cost	Thousands of Euros			
	Buildings	Information processing equipment	Transportation elements	Total
Balance at 1 January 2020	10,007	12	47	10,066
Additions	1,290	-	22	1,312
Disposals	(4,058)	-	-	(4,058)
Balance at 31 December 2020	7,239	12	69	7,320

Accumulated amortization	Thousands of Euros			
	Buildings	Information processing equipment	Transportation elements	Total
Balance at 1 January 2020	(2,411)	(5)	(18)	(2,434)
Allocations	(2,527)	(5)	(44)	(2,576)
Applications	1,311	-	8	1,319
Balance at 31 December 2020	(3,627)	(10)	(54)	(3,691)

Accumulated amortization	Thousands of Euros			
	Buildings (note 4.f.)	Information processing equipment	Transportation elements	Total
Balance at 1 January 2020	-	-	-	-
Allocations	(861)	-	-	(861)
Applications	-	-	-	-
Balance at 31 December 2020	(861)	-	-	(861)

	Thousands of Euros	
	31-12-2020	31-12-2019
Net book value		
Buildings	2,751	7,596
Information processing equipment	2	7
Transportation elements	15	29
Total Net book value	2,768	7,632

Due to the application of IFRS 16, as of 31 December 2019, the Group recognised assets for the right of use net of accumulated amortisation amounting to 7,632 thousand euros.

In addition, the assets for the right of use guarantee the associated lease liabilities. The lease liabilities were recognised as of 31 December 2019 under long-term and short-term liabilities on the attached Statement of Financial Position, amounting to 7,688 thousand euros (see Note 16).

Relevant breakdowns and amounts in the lease agreements

The relevant breakdowns and amounts in the lease agreements by asset class are as follows:

Year 2020	Thousands of Euros			
	Buildings	Information processing equipment	Transportation elements	Total
Amounts:				
Fixed lease payments	2,554	5	43	2,602
Expenses recognised, variable payments	-	-	-	-
Financial expenses, lease liabilities	121	-	2	123
Lease liabilities	3,604	2	89	3,695
Conditions:				
Lease term	2 – 5 years	2 years	2 – 4 years	
Interest rate	0,75% - 2,50%	1,59%	1,59% - 1,85%	

Breakdown of lease liabilities

The lease liabilities recognised, classified by maturity, are broken down as follows:

Payments	Thousands of Euros	
	31/12/2020	31/12/2019
Less than one year	1,229	2,538
Between one and five years	2,034	5,150
More than five years	432	-
Total (nota 16)	3,695	7,688

11. Financial assets

11.1 Non-current financial assets

At 31 December 2020 and 2019, the breakdown under this heading is as follows:

	Thousands of Euros	
	31-12-2020	31-12-2019
Equity instruments		
Other equity instruments	76	76
Other financial assets		
Long term deposits and guarantees	620	752
	696	828

Fair value of financial instruments: Valuation techniques and assumptions applicable to the measurement of fair value

Financial instruments are grouped into three levels according to the degree to which the fair value is observable.

Level 1: those tied to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: those referenced to other inputs (other than the quoted prices included in Level 1) observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from the prices).

Level 3: are referenced to valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

11.2 Investments in associates and affiliates

Investments recognised using the equity method

The participation in companies valued following the participation method corresponds to the investee company Ośrodek Badawczo-Produkcyjny Politechniki Łódzkiej ICHEM Sp. z o.o. (hereinafter, "Ichem, Sp. zo.o").

The Group do not have control over this company as it lacks the majority of the voting rights in its Governing Body as states the IFRS 10. However, as established by IFRS 11, it is considered that there is joint control over such company (joint venture) as the Group, with the voting rights it holds, can veto any significant decision, consequently, decisions on relevant activities require the unanimous consent of the parties sharing control. The remaining Ichem shareholders are the related company Zamodiet, S.A., with 24.9%, and Polish individuals or entities without any connection to Naturhouse, with 50.2%. In previous years, the relative weight of Ichem's sales to Naturhouse increased in relation to its total sales basically as a result of the decision taken by the management of the Ichem subsidiary to reduce its sales of pharmaceutical products whose margins were relatively low.

The Management of the Naturhouse Group evaluated whether the facts and circumstances mentioned above indicated changes in the control elements of the investee, concluding that the ability to direct the relevant activities of the Ichem investee had not been modified, since the voting rights that it holds and its percentage of shareholdings had not been amended, and due to not managing the relevant operations and activities of Ichem that are managed by third parties outside the Naturhouse Group.

All its product purchase transactions are made at market prices (supported by a study conducted by Group tax advisers (see Note 20).

The detail of the investment in companies valued by the equity method at the close of the 2020 and 2019 financial years, as well as the movement that took place during both periods are as follows:

Year 2020

	Thousands of Euros					Balance on 31 December 2020
	Balance on 1 January 2020	Result in Entities Valued by the Equity Method	Dividends	Conversion differences	Other movements	
Ichem Sp. Zo.o	3,152	297	-	(227)	54	3,276

Year 2019

	Thousands of Euros					Balance on 31 December 2019
	Balance on 1 January 2019	Result in Entities Valued by the Equity Method	Dividends	Conversion differences	Other movements	
Ichem Sp. Zo.o	3,348	243	(477)	38		3,152

Other information related to this investee is as follows (figures as of 31 December 2020):

Name and Registered Office	Activity	Thousands of Euros			
		Total Assets	Equity	Sales	Result after tax
Ichem Sp. zo.o. Dostawcza 12 93-231 Lodz (Poland)	Production and marketing of dietetic products	16,161	13,157	10,748	1,161

The total assets and equity is presented at the closing rate as of 31 December 2020, while sales and the post-tax profit or loss is presented at the average exchange rate for the 2020 financial year. La Sociedad está obligada a auditoría estatutaria a 31 de diciembre de 2020 (al igual que en el ejercicio anterior).

12. Inventory

The breakdown of "stock" in the consolidated statement of financial position attached, to 31 December 2020 and 2019 is as follows:

	Thousands of Euros	
	31-12-2020	31-12-2019
Goods	3,256	4,124

The Group has not made any adjustments for impairment since the net realizable value of the inventories is higher than its acquisition price (or production cost), which is why no losses have been made under this item in the years 2020 and 2019.

13. Cash and other equivalent liquid assets

Almost all of the balances of this heading in the consolidated statement of financial position at 31 December 2020 and 2019 correspond to the amount deposited in current accounts and financial deposits for periods less than 3 months that the Group held on those dates with financial institutions, freely disposed and remunerated at market rates, with the amount of cash not being significant.

14. **Net equity**

a) Share capital

On 9 April 2015, the Board of Directors of the Parent Company, exercising the delegation of the Sole Shareholder dated 2 October 2014, unanimously agreed to the public new stock offering on the Stock Market.

On 24 April 2015, the Comisión Nacional del Mercado de Valores admitted to trading 15 million shares of the Parent Company's share capital, with a nominal value of 5 euro cents each, which were sold by Kiluva, S.A. at the price of 4.8 euros. Subsequently, on 22 May 2015, the Green Shoe option was executed, expanding the number of shares admitting to trading by 1,097,637, reaching a total of 16,097,637 shares.

As of 31 December 2020, the Parent Company's share capital is represented by 60 ordinary shares of 0.05 euros nominal value each, fully subscribed and paid.

In accordance with communications on the number of corporate actions made before the Comisión Nacional del Mercado de Valores, the shareholders with significant holdings in the Parent Company's share capital, both directly as well as indirectly, higher than 3% of the share capital as of 31 December 2020 are as follows:

Shareholder	%
Kiluva, SA	72.60
Ferev Uno Strategic Plans	4.33

The Directors of the Parent Company have no knowledge of other shares equal to or higher than 3% of the Parent Company's share capital or voting rights, or that are lower than the percentage established, allowing significant influence to be exercised over the Parent Company.

b) Distribution of profit and dividends

On 29 April 2019, 30 July 2019 and 5 November 2019, the Board of Directors approved an interim distribution of dividends amounting to 3,600 thousand euros, 4,200 thousand euros, and 3,600 thousand euros, respectively, for the profit for the 2019 financial year.

As part of the measures described in Note 4 a), the Parent Company's Directors modified the initial proposed distribution of profit for the 2019 financial year (see Note 5), with the final amount distributed as dividends totalling 11,400 thousand euros.

c) Legal reserve

In accordance with Consolidated Text of Capital Company Law, an amount equal to 10% of the annual profit must be assigned to the legal reserve until said reserve reaches an amount of 20% of the Company's share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased capital.

With the exception of that mentioned above, and while it does not exceed 20% of the share capital, said reserve may only be used to offset losses, provided that there are no sufficient other reserves available for this purpose.

As of December 31, 2020, the Parent Company's reserve is fully constituted.

d) Net equity attributable to minority interests

The breakdown of this heading in the consolidated statement of financial position to 31 December 2020 and 2019 is as follows:

	Thousands of Euros	
	31-12-2020	31-12-2019
Zamodiet México, S.A de C.V.	6	6
Name 17, S.A. de C.V.	59	56
	65	62

The variations in the years 2020 and 2019 in this section of the consolidated statement of financial position is shown below:

	Thousands of Euros
Balance on 31 December 2018	6
Business combination (Note 3.c)	107
Profit attributable to minority interests	(51)
Conversion differences	-
Balance on 31 December 2019	62
Business combination (Note 3.c)	-
Profit attributable to minority interests	(8)
Conversion differences	11
Balance on 31 December 2020	65

e) Conversion differences

The breakdown of the heading "conversion differences" in the consolidated statement of financial position, 31 December 2020 and 2019 corresponds to the exchange differences that occur as a result of the conversion into Euros of financial statements of subsidiaries whose local currency is not the Euro: Naturhouse Franchising Co, Ltd (United Kingdom), Naturhouse Sp. zo.o. (Poland), Ichem Sp. zo.o (Poland), Zamodiet México, S.A. (Mexico), Naturhouse Inc. (US) and Naturhouse d.o.o. (Croatia), according to the following breakdown:

	Thousands of Euros	
	31-12-2020	31-12-2019
Naturhouse Inc.	(77)	(97)
Naturhouse Sp. zo.o.	(434)	(386)
Ichem Sp. Zo.o	(470)	(206)
Other	(894)	(898)
	(1,875)	(1,587)

f) Own shares

As of yearend 2020 and 2019, the Parent Company held company shares in accordance with the following breakdown:

Year	Number of shares	Euros		
		Nominal value	Average acquisition price	Total acquisition cost
2020	50,520	2,526	2,81	141,886
2019	50,520	2,526	2,82	142,330

As of 31 December 2020, the Parent Company's shares held by it represent 0.08% of the Parent Company's share capital, totalling 50,520 shares with a cost of 142 thousand euros and an average purchase price of 2.81 euros per share.

The movement in company own shares during the 2020 and 2019 financial years has been as follows:

Number of shares	2020	2019
Start of the financial year	50,520	14,000
Sales	(14,782)	(161,313)
Purchases	14,782	197,833
Yearend	50,520	50,520

g) Earnings per share

The profit or loss per share is calculated based on the profit or loss attributable to shareholders of the parent company by the average number of ordinary shares outstanding during the period. At yearend 2020 and 2019, the profit or loss per share is as follows:

	31-12-2020	31-12-2019
Weighted average number of shares in circulation	60,000,000	60,000,000
Average number of own shares	50,520	32,260
Average number of shares to determine basic profit per share	59,949,480	59,967,740
Consolidated Net Income of the Parent Company (Thousands of Euros)	9,379	13,257
Profit per share (in Euros per share)(*)		
Basic	0.16	0.22
Diluted	0.16	0.22

(*) The Group's earnings per share in accordance with IAS 33.

There are no financial instruments that could dilute the earnings or loss per share.

15. Provisions and contingencies

a) Non-current provisions

The balance of other non-current provisions mainly refers to a commitment that the Group has with certain employees of the Italian company Naturhouse S.R.L. amounting to 903 thousand euros at yearend 2020 (756 thousand euros in 2019). This TFR commitment (end-of-contract severance pay), payable at the time of termination of the employment relationship, regardless of whether the termination is voluntary or not. As of 1 January 2007, with the regulatory change in Italy, the reserve constituted for TFR up until 31 December 2006 remains in the company, and is revalued within the parameters of Law 297/82, and the withholding of wages paid to each employee is paid by the company to INPS (Italian state entity equivalent to Social Security). This commitment is not outsourced and the expense thereof is recorded under "Personnel expenses" in the consolidated income statement, which amounted to 158 and 239 thousand Euros for the years 2020 and 2019, respectively. During the 2020 financial year, the actuarial update of the TFR commitment was carried out, having recognised a restatement amounting to 142 thousand euros.

The remaining non-current provisions registered correspond to obligations and risks that the Group keeps provisioned due to considering them to be probable.

b) Contingencies

The Parent Company's Directors consider that there are no contingencies that could lead to unregistered liabilities or that could have a significant impact on the attached consolidated financial statements.

16. Financial Debts

The breakdown of current and non-current financial debt of the Group at 31 December 2020 and 2019 is as follows:

Year 2020

	Thousands of Euros			
	Amount Initial Limit	Maturity		
		Current	Non Current	Total
Current debts:				
Lease liabilities	-	1,230	-	1,230
Other financial liabilities	-	362	-	362
Non-current debts:				
Lease liabilities	-	-	2,465	2,465
Other financial liabilities	-	-	2,976	2,976
		1,592	5,441	7,033

Year 2019

	Thousands of Euros			
	Amount Initial Limit	Maturity		
		Current	Non Current	Total
Current debts:				
Lease liabilities	-	2,538	-	2,538
Other financial liabilities	-	124	-	124
Non-current debts:				
Lease liabilities	-	-	5,150	5,150
Other financial liabilities	-	-	2,607	2,607
		2,662	7,757	10,419

This heading includes lease liabilities for a total amount of 3,695 thousand euros (1,230 short-term and 2,465 long-term) recognised in accordance with IFRS 16 *Leases*.

Similarly, lease liabilities with related companies, Tartales S.L.U. and Casewa S.A.U. are included (see Note 20.1).

Additionally, the amounts paid as deposits by S.A.S. Naturhouse (France) franchisees to guarantee compliance with their contractual obligations are included under "Other non-current financial liabilities". Naturhouse as a guarantee of compliance with its contractual obligations. In the rest of the Group companies, these guarantees are obtained through guarantees. At 31 December 2020, these deposits are valued at amortized cost.

The Group considers that the fair value of these guarantees reasonably approximates their amortized cost, which is why their fair value is not disclosed in accordance with IFRS 7.29.

Likewise, the Parent Company has bill discounting facilities with a limit of 1,000 thousand euros, which as of 31 December 2020 and 31 December 2019 has not been drawn on.

17. Trade creditors and other receivables

The balances of this heading in the current liabilities of the consolidated statement of financial position at 31 December 2020 and 2019 have the following composition:

	Thousands of Euros	
	31-12-2020	31-12-2019
Suppliers	3,041	3,170
Various creditors	230	340
Staff (remuneration pending payment)	385	1,058
Short-term accruals	488	523
	4,144	5,091

The book value of commercial creditors and other accounts payable does not differ materially from its fair value.

Outstanding remuneration relates mainly to the accrual of the summer bonus as well as the variable compensation of certain employees of the Group.

The short-term accruals include the anticipated income for the "master franchise" that is charged to income in the contract period (normally 7 years).

Group directors have recorded all anticipated income in current liabilities, regardless of the years pending long-term allocation, in consideration of their non-significant effect.

Information on the average payment period to suppliers

The information required by the Third Additional Provision of Law 15/2010 of 5 July (as amended by the Second Final Provision of Law 31/2014 of 3rd December) is detailed below, drawn up according to the ICAC Resolution of 29th January 2016 on the information to be included in the annual report for the consolidated financial statements in connection with the average payment period to suppliers in commercial operations.

	Days	
	31-12-2020	31-12-2019
Average payment period to suppliers	46.80	39.13
Ratio of paid operations	47.93	37.64
Ratio of operations pending payment	42.90	53.91

	Euros	
	31-12-2020	31-12-2019
Total payments made	11,325	14,529
Total outstanding payments	1,276	1,471

The data presented in the above table on payments to suppliers refers to those made by the Spanish consolidable group company. In accordance with the ICAC Resolution, in order to calculate the average payment period to suppliers, commercial operations corresponding to delivering goods or providing services accrued from the date of entry into force of Law 31/2014 of 3 December have been taken into account.

For the sole purpose of providing the information required by this Resolution, suppliers includes trade creditors for debts with suppliers of goods or services included under "Trade creditors and other accounts payable" and "Suppliers, related companies" of the current liabilities of the consolidated balance sheet.

"Average payment period to suppliers" is understood to be the time that elapses from the delivery of goods or the provision of services by the supplier and material payment for the operation.

The maximum legal payment period applicable to Spanish consolidable group company under Law 3/2014 of 29 December, which establishes measures to combat delays in payments for commercial operations, and in accordance with the transitional provisions established under Law 15/2010 of 5 July, was 60 days before publication of Law 11/2013 of 26 July and 30 days from publication of this Law and to the present (unless the conditions established in the same are met, which would allow the maximum payment period to be raised to 60 days).

18. Tax situation

18.1 Current balances with Public Administrations

The composition of current balances with Public Administrations at 31 December 2020 and 2019 is as follows:

Debit balances

	Thousands of Euros	
	31-12-2020	31-12-2019
VAT (refund) receivable	110	151
Corporation tax (refund) receivable	3,896	3,488
All other credit with Public Administration bodies	4,006	3,639

Credit balances

	Thousands of Euros	
	31-12-2020	31-12-2019
VAT (refund) payable	60	55
VAT (refund) withholdings payable	169	113
Creditor Social Security Organisms	227	282
Corporation tax (refund) payable	432	728
All other debts with Public Administration bodies	888	1,178

18.2 The reconciliation between income and expenses for Corporation Tax

At 31 December 2020 and 2019, the Group is not established in the consolidated statement regime, therefore the heading "Income Tax Payments" in the consolidated income statement reflects the sum of the amounts reported in the individual statements of each of the Group companies from the time of inclusion in the scope of each one of them.

The expense for income tax payments under the consolidated profit and loss account is determined from consolidated profit before tax, increased or decreased by the permanent differences between the taxable income of said tax and book income and the consolidation adjustments. To the adjusted book income is applied the tax rate applicable under the law that applies to each company and which decreases according to tax credits and deductions accrued during the year, adding in turn those differences, positive or negative, between the estimated tax on closure of accounts for the previous year and the subsequent settlement of tax at the time of payment.

The reconciliation between the consolidated profit before tax and income tax expense is as follows:

	Thousands of Euros	
	2020	2019
Consolidated profit before tax	13,514	19,237
Permanent differences and consolidation adjustments	2,994	1,419
Adjusted profit	16,508	20,656
Tax rate	25%	25%
Profit adjusted according to tax rate	4,127	5,164
Differences according to tax rate	-	647
Other adjustments	-	220
Total tax expense	4,127	6,031

Different companies calculate corporate income tax expense based on their respective legislation. The main tax rates applicable to the Group at yearend 2020 are as follows:

Country	Tax rate
Spain	25%
France	33.33%
Italy	24%
Poland	19%
Portugal	21%
Mexico	30%
United Kingdom	20%
Belgium	33.99%
Germany	30%
Croatia	20%
Lithuania	15%
United States	21%

Similarly, the breakdown of tax expense between current and deferred tax is as follows:

	Thousands of Euros	
	2020	2019
Expense/(income) deferred tax	86	(282)
Expense/(income) current tax	4,041	6,313
Total expense (income) due to tax	4,127	6,031

During the 2020 financial year, the Parent Company has paid instalment payments on account of the Corporate Tax corresponding to October and December of the 2020 financial year amounting to 1,703 thousand euros. On this basis, at yearend the parent company holds a balance to be recovered from the Tax Authorities amounting to 1,374 thousand euros, which has been registered as a current tax asset. Additionally, as of year end 2020, an amount of 955 thousand euros corresponding to the settlement of Corporate Tax in Spain for the 2019 financial year that has been credited to the Parent Company after year end was pending receipt (see Note 24).

18.3 Recorded deferred tax assets

The detail of the balance of this account at the close of the 2020 and 2019 financial years and the movement that took place in 2020 is as follows:

	Thousands of Euros		
	31-12-2019	Additions	31-12-2020
Temporary differences (prepaid taxes):			
Tax effect of the consolidation adjustments	65	-	65
70% depreciation limit	59	59	118
Others	14	-	14
Total deferred tax assets	138	59	197

The deferred tax assets referred to above have been recorded in the consolidated financial statement since the Directors of the Company consider that, in accordance with the best estimation regarding the future results of the Group, including certain tax planning measures, it is likely that said assets will be recovered.

The aforementioned deferred tax assets specified above were registered by applying the tax rate estimated to be recovered.

18.4 Non-recorded deferred tax assets

At the close of the 2020 and 2019 financial years, there are only unregistered deferred tax assets corresponding to entities included in the "Other countries" segment (See Note 23) and which have not been recognized, since the expected recovery probability requirement was not met, nor are they broken down due to their insignificance.

18.5 Deferred tax liabilities

The detail of the balance of this account at the close of the 2020 and 2019 financial years and the movement that took place in 2020 is as follows:

	Thousands of Euros		
	31-12-2019	Additions	31-12-2020
Temporary differences (deferred taxes):			
Others	9	145	154
Total deferred tax liabilities	9	145	154

The Naturhouse Group has recognised deferred tax liabilities for tax on profits in the retained earnings of subsidiaries amounting to 145 thousand euros in the 2020 financial year. Unrecognised temporary differences for this item amount to 82 thousand euros as it is expected that they will be reinvested in the subsidiaries.

18.6 Years pending approval and auditing actions

The Group's activity, by its nature, is not affected by significant fiscal risks.

The interim statements and income to tax account are made regularly and based on the book record transactions, but are not considered definitive until the tax authorities have inspected them or the statute of limitation has lapsed, which in Spain is four years for all the applicable taxes. The Parent Company has the last four financial years open for inspection for all applicable taxes.

In the opinion of the Parent Company's Directors, as well as its tax advisers, there are no tax exposures of significant amounts that could arise, in the event of an inspection, from possible differing interpretations of the tax regulations applicable to the operations carried out by the Parent Company.

19. Income and expenses

19.1 Net amount of revenue

The breakdown of net revenues for the years of 2020 and 2019 of the Group is detailed below:

	Thousands of Euros	
	2020	2019
Sales	54,193	80,806
Provision of services	888	861
	55,081	81,667

19.2. Supplies

The amount recorded under "Consumption of Merchandise" for the years 2020 and 2019 has the following composition:

	Thousands of Euros	
	2020	2019
Consumption of merchandise:		
Purchases	15,008	23,536
Changes in stocks (Note 12)	868	305
	15,876	23.841

The breakdowns of the purchases made by the Group during 2020 and 2019, by source, is as follows:

	Thousands of Euros	
	2020	2019
Spain	6,092	5,847
Europe	8,916	17,648
Others	-	41
Total purchases	15,008	23,536

19.3. Personnel costs

The breakdown of staff expenses accrued during 2020 and 2019 is as follows:

	Thousands of Euros	
	2020	2019
Wages, salaries and similar expense	9,374	15,070
Social security contributions	2,764	3,841
Severance indemnities	238	420
	12,376	19,331

19.4 Financial income and expenses

The breakdowns of the financial result of the Group during the year 2020 and 2019 are as follows:

	Thousands of Euros	
	2020	2019
Financial income	24	134
In third parties	24	134
Financial expenses:	(185)	(258)
Debts with third parties	(185)	(258)
Exchange differences	153	(61)
Financial result	(8)	185

As of 31 December 2020, the heading "Other financial expenses" includes 126 thousand euros due to the effect of updating the lease liability (see Note 10).

19.5 Other operating expenses

The amount recorded under "Other operating expenses" for the years 2020 and 2019 has the following composition:

	Thousands of Euros	
	2020	2019
Leases	1,009	1,212
Repairs	237	377
Transportation	1,686	2,274
Supplies	757	1,044
Advertising	2,865	6,094
Other external services	4,053	5,060
	10,607	16,061

The heading "Leases and fees" includes, as of 31 December 2020, leases with a maturity of less than one year and low-value assets.

20. Balances and transactions with related parties

The following are considered related parties:

- The main shareholder of the Parent Company, Kiluva, S.A. and all affiliates of said main shareholder as defined in IAS 24.
- The Directors and Managers of any company belonging to the Naturhouse Group or its main shareholder, Kiluva, S.A., and their immediate family, where "Administrator" is understood to be a member of the Board of Directors, and "Manager" is understood to be a person who reports directly to the Board or the Chief Executive of the company.

20.1 Balances with affiliate companies

As of December 31 of 2019 and 2020, the Group had the following balances with affiliated companies:

Company	Thousands of Euros			
	Debit balances		Credit balances	
	2020	2019	2020	2019
Short-term commercial balances				
Gartabo, SA	-	-	-	-
Girofibra, SL	-	-	139	99
Healthouse Sun, S.L.	-	-	-	-
Ichem Sp. Zo.o	-	-	1,990	2,491
Indusen, SA	-	-	464	614
Kiluva, SA	-	-	24	2
Laboratorios Abad, S.L.U.	-	1	2	-
U.D. Logroñés, SAD	-	-	-	-
Zamodiet, SA	-	-	8	8
Tartales, SLU	16	-	-	29
Ferev S.A.R.L.	220	150	-	-
Total short-term commercial balances	236	151	2,627	3,243
	236	151	2,627	3,243

In a general way, the Group recorded as current balances the debit or credit balances of a commercial nature with related companies.

Additionally, the headings "Non-current debt" and "Current debt" on the consolidated statement of financial position as of 31 December 2020 include lease liabilities with Tartales, S.L.U. amounting to 1,225 thousand euros (517 thousand euros in the short term and 708 thousand euros in the long term) and with Casewa, S.A.U. amounting to 56 thousand euros (32 thousand euros in the short term and 25 thousand euros in the long term).

20.2 Transactions with affiliate companies

During the years 2020 and 2019, the Group performed the following transactions with related companies:

Company	Thousands of Euros	
	2020	2019
Sells:		
Ichem Sp. Zo.o	-	-
Ferev S.A.R.L.	49	154
Services provided		
Ferev S.A.R.L.	4	5
Total operating revenues	53	159
Sales of fixed assets:		
Kiluva, SA	-	-
Tartales, S.r.l.	-	-
Tartales, Lda	-	-
Tartales, SLU	-	1,678
Total sales of fixed assets (Note 9)	-	1,678
Purchases:		
Girofibra, SL	745	1,032
Ichem Sp. Zo.o	8,916	13,630
Indusen, SA	2,086	2,905
Laboratorios Abad, S.L.U.	92	205
Services received:		
Tartales, S.r.l.	9	-
Ichem Sp. Zo.o	28	27
Kiluva, SA	20	-
Heatlhouse Sun, S.L.	10	16
Luair, S.L.U. (Directly and indirectly)	-	411
U.D. Logroñés, SAD	188	266
Ferev S.A.R.L.	-	20
Leasing and Insurance *:		
Casewa, S.A.U.	108	103
Tartales, SLU	597	537
Total operating expenses	12,799	19,152

(*) Lease expenses with Casewa, S.A.U. and Tartales, S.L.U. in the 2020 financial year include lease payments made to these entities, which have been recognised in accordance with IFRS 16.

Consideration should be given to the dividend distributions described in Note 14.

Likewise, there are transactions with a company related to a member of the Parent Company's Board of Directors amounting to 63 thousand euros in the 2020 financial year (61 thousand euros in the 2019 financial year).

The Directors of the Parent Company and its tax advisers, consider that the transfer prices are adequately justified on the basis of a report issued by the above parties, and therefore consider that there are no significant risks, in this sense, that they could lead to significant liabilities in the future.

As of the date of drawing up these consolidated financial statements, the Parent Company has updated the transfer pricing report corresponding to the 2019 financial year together with its tax advisers, which includes the main transactions that the Parent Company performs with its related companies:

- Royalties from the sale of brands
- Support services to the management (management fees).

- Sale of products
- Purchase of products
- Financial operation: liquid asset management.

The report does not include limitations, cautions or significant safeguards, except for the characteristics inherent to this type of work. Furthermore, in order to examine whether the prices agreed between the related parties as a result of the above-described transactions comply with applicable regulations and in order to determine its suitability to market values, the following methodology has been used depending on each kind of transaction:

- Obtaining comparable examples, i.e. comparing the circumstances of transactions related to the circumstances of transactions between independent persons or entities that may be comparable (comparable uncontrolled price method "CUP").
- On the other hand, the transactional net margin method ("TNMM") has also been applied. Under this method, the objective profitability indicators obtained by independent entities performing the same activity under similar circumstances has been analysed.
- Finally, the resale price method ("RPM") has also been used, where a margin is subtracted from the selling price of a good or service applied by the reseller itself, in identical or similar operations with independent persons or entities, or, in the absence thereof, the margin that independent persons or entities apply to comparable transactions, performing, where applicable, the necessary corrections for equivalence and taking into account the particularities of the transaction.

In the particular case of product purchases from related companies, the analysis provides a comparison of the gross margin on sales (both through owned as well as franchised centres) in purchases from related companies compared to that obtained in purchases made from comparable independent companies, among others. Based on these analyses it was determined that these operations are in accordance with the market.

This report has been issued in relation to transactions with affiliate companies in 2019. The Directors believe that there have been no relevant or significant changes in transfer pricing during the 2020 financial year, consequently, they believe that they are duly backed up.

20.3 Compensation to Directors and Senior Management of the Parent Company

During 2020 the current Directors of the Parent Company accrued compensation in fixed allowance and fees for attending meetings of the Board of Directors amounting to 316 (316 thousand Euros). Likewise, a member of the Board of Directors has provided services to the Company amounting to 63 thousand euros during the 2020 financial year (61 thousand euros during the 2019 financial year). In addition, the members of the Board of Directors with executive positions have received the remuneration stated in the following paragraph. On the other hand, in the current financial year and in the financial year of 2019, no member of the Board of Directors has any advances, guarantees or other commitments in the area of pensions or life insurance contracted with the Directors. The current Directors of the Parent Company were appointed during the year 2014, except for one of them who was appointed during the year 2017 to replace another member who stood down from their position.

The compensation received in the year 2020 by the senior executives of the Group amounted to 2,467 thousand Euros for salaries and wages and services and compensations (1,447 thousand Euros were received by members of the Board of Directors in the development of their executive positions). The Senior Management of the Group has received no remuneration for other services. The remunerations received by the Group's Senior Management in the 2019 financial year amounted to 2,268 thousand euros (1,514 thousand euros received by members of the Board of Directors in the development of their executive positions).

At the close of the 2020 and 2019 financial years, the Group's Senior Management body is composed of the following persons:

Categories	2020		2019	
	Men	Women	Men	Women
Senior Management	8	1	9	1

No advances or loans granted to senior management at year-end 2020 and 2019, nor pension obligations or life insurance.

The Board of Directors consists of six men and one woman at the end of 2020 (nine men and one woman at the end of 2019).

The Parent Company has signed a civil liability policy for directors and executives to cover the members of the Board of Directors, the CEO and all directors of the Naturhouse Group with a cost amounting to 5 thousand euros to 31 December 2020 (5 thousand euros in 2019).

20.4 Information relating to conflicts of interest by the Directors

As of year-end 2020, neither the members of the Board of Naturhouse Health, S.A. nor any persons related to them as defined by the refunded Spanish Corporate Law, have communicated to the other members of the Board of Directors any situation involving direct or indirect conflict that they or persons related to them, as defined by Spanish Corporate Law, may have with the Company's interests.

21. Information about the environment

Given the activities in which the Group is engaged, it has no liabilities, expenses, assets, provisions or contingencies of an environmental nature that could be significant in relation to the assets, financial position and results of the Group. For this reason, specific breakdowns are not included in these consolidated notes.

22. Other information

22.1 Staff

The average number of employees during the years 2020 and 2019, broken down by category, is as follows:

Categories	Number of employees	
	2020	2019
Senior Management	9	10
Rest of Senior Staff	17	26
Administrative and technical staff	44	47
Commercial, sales' staff and operators	335	505
	405	588

Likewise, the gender distribution of the Group at the end of the years 2020 and 2019, broken down by category, is as follows:

Categories	2020		2019	
	Men	Women	Men	Women
Senior Management	8	1	9	1
Rest of Senior Staff	14	1	20	5
Administrative and technical staff	14	33	11	36
Commercial, sales' staff and operators	14	204	27	486
	50	239	67	528

22.2 Audit fees

During 2020 and 2019, the fees for audit services and other services provided by the auditor of the consolidated annual accounts of the Group, and companies belonging to its network, as well as fees for services billed by the auditors of individual annual accounts of the companies included in the consolidation and by entities linked to same by control, common ownership or management, were as follows:

Description	Thousands of Euros	
	Audit Services from the main auditor	
	EY	Deloitte
	Year 2020	Year 2019
Audit Services	131	173
Other verification services (*)	1	1
Total auditing and related services	132	174
Tax services	-	-
Other services	4	-
Total Professional Services	136	174

(*) Other verification services correspond to a report on agreed procedures (same concepts referred in 2019).

23. Information by segments

The Group, considering that IFRS 8 mandates the application and disclosure of itemized information for those companies whose equity securities or debt is publicly traded, or companies that are in the process of issuing securities in public equity markets, presents this information in four itemized segments in the accompanying consolidated financial statements.

Segmentation criteria

For management purposes, the Group is currently comprised of the following operating segments which are in the following geographical areas:

- Spain
- France
- Italy
- Poland
- Other countries

The principal activities of the Group are described in Note 1 of the consolidated notes. The Group does not perform activities differentiated by relevant amounts that involve the identification of additional operating segments.

The Directors of the Parent Company have identified these segments based on the following criteria:

- It engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- Those whose operating results are regularly reviewed by management, making operational and management decisions of the entity, making decisions about resources to be allocated to the segment, and assess their performance, and
- It has different financial information.

Basis and methodology of the information by business segment

The segment information provided below is based on reports prepared by Group management and is generated using the same software used for all accounting data of the Group.

The ordinary revenue of the segment relates to the ordinary income directly attributable to the segment plus the relevant proportion of overall revenues of the Group which may be assigned to it using reasonable distribution bases.

The expenses of each segment are determined by the costs of operating activities thereof which are directly attributable to same plus the relevant portion of expenses that can be allocated to the segment using reasonable distribution bases.

The segment result is presented before income taxes and any adjustment for minority interests.

In the column "Consolidation Eliminations" of the consolidated income statement it basically includes eliminations of sales and purchases between segments and costs passed on by the Parent Company and other consolidation adjustments.

Information regarding the consolidated income statements for 2020 and 2019, broken down by Segment, is as follows:

	Thousands of Euros															
	Sectors												Others		Total	
	Spain		France		Italy		Poland		Other countries		Eliminations and other consolidation adjustments					
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
External Sales	11,200	16,975	20,691	32,656	14,191	19,304	7,161	10,285	1,838	2,447	-	-	-	-	55,081	81,667
Sales between sectors	1,586	5,357	352	1,865	21	3	8	28	-	482	(1,967)	(7,735)	-	-	-	-
Other operating income	2,877	349	1,266	-	-	192	253	144	192	-	(3,431)	-	-	-	1,157	685
Total revenues	15,663	22,681	22,309	34,521	14,212	19,499	7,422	10,457	2,030	2,929	(5,398)	(7,735)	-	-	56,238	82,352
Supplies	(4,081)	(6,027)	(6,183)	(10,016)	(4,141)	(5,614)	(2,920)	(4,505)	(665)	(959)	2,000	3,280	114	-	(15,876)	(23,841)
Staff	(5,238)	(7,545)	(2,431)	(3,555)	(2,853)	(5,112)	(1,035)	(1,908)	(819)	(1,211)	-	-	-	-	(12,376)	(19,331)
Amortization	(440)	(495)	(82)	(120)	(127)	(279)	(63)	(149)	(49)	(53)	-	86	(2,497)	-	(3,258)	(1,010)
Other operating expenses and other results	(4,655)	(6,476)	(5,381)	(8,567)	(3,727)	(4,989)	(1,814)	(2,637)	(1,018)	(1,802)	3,648	4,865	2,590	-	(10,357)	(19,606)
Impairment losses and income from disposal of fixed assets	(172)	496	(24)	(7)	(3)	-	-	-	-	-	-	-	(947)	-	(1,146)	489
Operating results	1,077	2,634	8,208	12,256	3,361	3,505	1,590	1,258	(521)	(1,096)	250	496	(740)	-	13,225	19,053
Financial income	5,185	-	7	-	1	-	2	-	1	-	(5,205)	-	33	125	24	-
Financial expenses	(22)	-	-	-	(28)	-	(1)	-	(27)	-	18	-	(125)	(128)	(185)	-
Impairment and income from disposal of financial instruments	(242)	-	-	-	(20)	-	153	-	-	-	262	-	-	-	153	-
Financial result	4,921	-	7	-	(47)	-	154	-	(26)	-	(4,925)	-	(92)	(3)	(8)	(3)
Result in entities valued by the equity method	-	-	-	-	-	-	-	-	-	-	297	243	-	-	297	243
Profit before tax	5,998	2,634	8,215	12,256	3,314	3,505	1,744	1,258	(547)	(1,096)	(4,378)	739	(832)	(3)	13,514	19,293
IFRS 16 Impact on Amortisation	(963)	(1,146)	(336)	(607)	(534)	(756)	(174)	(104)	(514)	(668)	-	-	-	-	(2,521)	(3,281)
IFRS 16 impact on Other operating expenses	996	1,183	347	620	552	776	159	124	546	704	-	-	-	-	2,600	3,407
IFRS 16 impact on Financial Result	(36)	(59)	(9)	(21)	(10)	(34)	(2)	(4)	(43)	(64)	-	-	-	-	(100)	(182)

The segment "Eliminations" includes consolidation eliminations and financial income and expenses considered as corporate not assignable to any particular segment. There has been no distribution of revenue and general expenses between segments.

The breakdown per segment of certain items of the consolidated statement of financial position, to 31 December 2020 and 2019 is as follows:

	Thousands of Euros													
	Sectors												Total	
	Spain		France		Italy		Poland		Other countries		Eliminations and other consolidation adjustments			
31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	
ASSETS														
Other intangible assets	915	1,214	16	18	33	43	8	17	-	4	-	-	972	1,296
Tangible fixed assets	525	762	258	403	305	530	73	109	155	182	2,682	-	3,998	1,986
Total Assets	21,483	7,260	15,994	10,960	6,804	6,607	3,973	3,696	2,502	1,756	(8,179)	(350)	42,577	29,929
Total Liabilities	2,118	2,104	7,104	5,657	3,449	3,460	1,007	829	2,346	1,309	525	-	16,549	13,359
IFRS 16 impact (Assets)	1,644	2,596	454	704	490	1,505	236	170	1,663	2,657	(1,717)	-	2,768	7,632
IFRS 16 impact (Liabilities)	1,671	2,619	460	712	496	1,519	238	154	1,697	2,684	(867)	-	3,695	7,688

The segment "Other and eliminations" includes assets and liabilities considered as corporate and not attributable to any particular segment, i.e. under "Investments in related companies" and "Current financial assets" and "Non-Current Liabilities" and "Current liabilities", respectively, as well as consolidation eliminations.

Other segment information

None of the Group's customers accounts for over 10% of revenues from ordinary activities.

Furthermore, plant and equipment additions and intangible assets by segment were as follows:

	In Thousands of Euros					Total
	Spain	France	Italy	Poland	Other	
Additions 2019	323	84	225	128	96	886
IFRS 16 additions	4,112	1,862	2,745	326	3,450	12,495
Additions 2020	77	17	41	66	-	201

During the 2020 financial year, no significant additions of fixed assets have been carried out.

24. Subsequent events

On 20 January 2021, the Parent Company recovered 955 thousand euros corresponding to Corporate Tax for the 2019 financial year, which was pending return by the Tax Authorities.

With the exception of the above, there have been no significant subsequent events between the close of 31 December 2020 and the date the consolidated financial statements were drawn up.

ANNEX I
Companies included in the Consolidation

At 31 December 2020 and 2019 the affiliate companies in full consolidation and the information relating to same is as follows: **Year 2020**

Company	Activity	% participation
Naturhouse Health S.A. Calle Claudio Coello, 91 Madrid (Spain)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	
Housediet S.A.R.L. 75 rue Beaubourg 75003 Paris (France)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Kiluva Portuguesa –Nutrição e Dietetica, Lda Avenida Dr. Luis SA, 9 9ª Parque Ind Montserrat Fração "M" Abruheira 2710 Sintra (Portugal)	Manufacturing and marketing of dietetic products	100%
Ichem Sp. zo.o. (*) ul. Dostawcza 12 93-231 Lodz (Poland)	Production and marketing of dietetic products	24,9%
Naturhouse Belgium S.P.R.L. Rue Du Pont-Gotissart 6 Nijvel, Waals Brabant, 1400 (Belgium)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse Franchising Co, Ltd 33 church road, Ashford Middlesex (Great Britain)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse, Gmbh Rathausplatz, 5 91052 Erlangen (Germany)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse Inc. 1395 Brickellave 800 STE Miami FL (USA)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse Sp. zo.o. Ul/Dostawcza, 12 93-231 Lodz (Poland)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse S.R.L. Viale Panzacchi, n° 19 Bologna (Italy)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Nutririon Naturhouse Inc. (**) Rue de la Guachetière Ouest Montreal Quebec (Canada)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse d.o.o. Ilica 126, City of Zagreb (Croatia)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
S.A.S. Naturhouse 12, Rue Philippe Lebon Zone de Jarlard, 81000 Albi, France	Retail sales of all kinds of products related to dietetics,	100%
Zamodiet México S.A. de C.V. Boulevard Interlomas, n° 5 L4 Lomas Anahuac (Mexico)	Retail sales of all kinds of products related to dietetics,	79%
Name 17, S.A. de C.V. Doctor Balmis, 222 Mexico City (Mexico)	Retail sales of all kinds of products related to dietetics,	51%

(*) Sole company integrated with the equity method and the rest by full consolidation.

(**) Company not consolidated due to being inactive.

Year 2019

Company	Activity	% participation
Naturhouse Health S.A. Calle Claudio Coello, 91 Madrid (Spain)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	
Housediet S.A.R.L. 75 rue Beaubourg 75003 Paris (France)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Kiluva Portuguesa –Nutrição e Dietetica, Lda Avenida Dr. Luis SA, 9 9ª Parque Ind Montserrat Fração "M" Abruheira 2710 Sintra (Portugal)	Manufacturing and marketing of dietetic products	100%
Ichem Sp. zo.o. (*) ul. Dostawcza 12 93-231 Lodz (Poland)	Production and marketing of dietetic products	24,9%
Naturhouse Belgium S.P.R.L. Rue Du Pont-Gotissart 6 Nijvel, Waals Brabant, 1400 (Belgium)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse Franchising Co, Ltd 33 church road, Ashford Middlesex (Great Britain)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse, GmbH Rathausplatz, 5 91052 Erlangen (Germany)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse Inc. 1395 Brickellave 800 STE Miami FL (USA)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Naturhouse Sp. zo.o. Ul/Dostawcza, 12 93-231 Lodz (Poland)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
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Management Report
REPORT CORRESPONDING TO THE YEAR
ENDING
31 DECEMBER 2020

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1. Situation and Business Development

Naturhouse Group is a business group dedicated to the dietetic and nutrition sector with its own exclusive business model based on the Naturhouse method. At yearend 2020 it had an active presence in 28 countries through a network of 1,788 centres, with France, Italy, Spain and Poland being its most important markets.

The companies included in full consolidation in the year 2019 are: Naturhouse Health S.A. (Spain), S.A.S. Naturhouse (France), Housediet S.A.R.L. (France), Naturhouse S.R.L. (Italy), Naturhouse Sp Zo.o (Poland), Kiluva Portuguesa - Nutrição e Dietética, Lda (Portugal), Naturhouse Belgium S.P.R.L. (Belgium), Naturhouse Franchising Co, Ltd (United Kingdom), Naturhouse, Gmbh (Germany) and Zamodiet México S.A. of C.V. and Name 17 S.A. of C.V. (Mexico), Nutrition Naturhouse Inc. (Canada), Naturhouse d.o.o. (Croatia) and Naturhouse Inc. (USA).

2020 has been a year marked by the pandemic caused by the CoVid-19 virus having an impact on the world economy and leaving no sector unaffected.

Due to this pandemic, the company has faced a difficult challenge to continue operating and maintaining positive results, making cost control decisions, including starting a temporary layoff (ERTE) process, and managing to minimise the impact on the business as far as possible.

The Group Naturhouse closed the year 2020 with a positive result of 9.4 million net profit.

Likewise, in its decision to digitalise the business, the company has continued to develop the online sales business that was started in 2020 in the company's main markets, continuing with the decision to capture younger market value, as well as providing a service in areas where there is no physical presence through a store.

The Annual General Meeting was held on 22 June 2020, approving the following;

- Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Consolidated Explanatory Notes and the Consolidated Management Report for the Consolidated Naturhouse Health, S.A. Group and subsidiaries for the financial year ending 31 December 2019.
 - The proposed distribution of profit and management of the Naturhouse Health, S.A. Board of Directors for the 2019 financial year. Authorisation for the distribution of unrestricted voluntary reserves.
 - Approval of the Non-Financial Information Statement of the Consolidated Group of Naturhouse Health, S.A. and subsidiaries for the 2019 financial year
 - Approval of the management of the Board of Directors corresponding to the year 2019.
 - Approval of the appointment of Ernst & Young as the company's auditors for at least the 2020, 2021 and 2022 financial years.
 - Remuneration of the company's Board of Directors.
- 7.1 Advisory vote on the Annual Report on Remuneration of Naturhouse Health, S.A. Board Directors for the 2019 financial year.
- 7.2 Approval of the remuneration policy for Naturhouse Health, S.A. Board Directors for the 2020 financial year.

7.3 Approval of the remuneration for the Naturhouse Health, S.A. Board of Directors for the 2020 financial year.

- Delegation of powers to supplement, develop, execute, remedy and formalise the resolutions adopted by the General Meeting.

2. Evolution of the main figures of the consolidated profit and loss account

Consolidated Profit and Loss Account

	Year 2020	Year 2019
Net amount of revenue	55,081	81,667
Supplies	(15,876)	(23,841)
Gross Margin	39,205	57,826
Other operating income	1,157	685
Personnel costs	(12,376)	(19,331)
Other operating costs	(10,607)	(16,061)
Operating income before depreciation and amortization, impairment and other results	17,379	23,119
Depreciation and amortization	3,258	(4,291)
Impairment losses and income from disposal of fixed assets	(1,146)	489
Other results	250	(138)
OPERATING INCOME	13,225	19,179
Financial income	24	134
Other financial incomes	24	134
Financial expenses	(185)	(258)
Debts with third parties	(185)	(258)
Exchange differences	153	(61)
FINANCIAL RESULT	(8)	(185)
Results in entities valued by the equity method	297	243
CONSOLIDATED PROFIT BEFORE TAX	13,514	19,237
Corporation Tax	(4,127)	(6,031)
NET INCOME FROM CONTINUING OPERATIONS	9,387	13,206
CONSOLIDATED NET INCOME - BENEFIT	9,387	13,206
Profit or loss attributable to third party shareholders	(8)	51
NET PROFIT OR LOSS FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE PARENT COMPANY	9,379	13,257
NET PROFIT OR LOSS FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE PARENT COMPANY	9,379	13,257
Profit per share (in Euros per share):		
- Basic	0.16	0.22
- Diluted	0.16	0.22
	31.12.2020	31.12.2019
Average number of employees	405	588
Gross Margin without Sales	71%	71%
Operating Income without Sales	24%	23%
Net Income without Sales	17%	16%

- The net turnover is composed of two main aspects:
 1. Sale of goods Corresponds to the sale of products through the Naturhouse channel (either through franchising, online, master franchising or centres of our property). Represents the bulk of revenues with 98,09% in 2020.
 2. Provision of services
 - a. €600 annual fee paid by each franchise to subsidiaries of the Group. This represents 1.83% of net turnover for the 2020 financial year.
 - b. Master franchise fee: corresponds to the entry fee that the Group bills to the masters franchisees for the operation of the business in an exclusively new country. This fee is charged in advance in the first year of operation of the business and entitles the exploitation of the Naturhouse channel for next 7 years. The amount of the fee varies according to the estimated potential number of Naturhouse centres in that country. This type of income represents a total of 0.08% of the net amount of turnover in the year 2020.
- Net turnover in the 20 financial year amounted to 55,081 thousand euros, representing a decrease of (- 33%) over the previous year. This variation mainly includes the following effects:
 - In France sales are 20,691 thousand Euros. In 2019 it was 32,656 thousand euros, a drop of 36.7% as a result of the closure of 130 centres during the 2020 financial year. The impact of the pandemic forcing the cessation of activity at practically the entire company has been the main reason for the decrease in turnover.
 - In Spain, sales are 11,200 thousand euros. In the 2019 financial year, it was 16,975 thousand euros, a drop of 34.02% as a result of the closure of 101 centres during the 2019 financial year. The impact of the pandemic forcing the cessation of activity at practically the entire company has been the main reason for the decrease in turnover.
 - In Italy, sales are 14,191 thousand euros. In the 2019 financial year, it was 19,304 thousand euros, which has meant a decrease of 26.48% as a result of 59 own centres, thus reducing the Italian subsidiary's operating result. The impact of the pandemic forcing the cessation of activity at practically the entire company has been the main reason for the decrease in turnover.
 - In Poland, sales are 7,161 thousand euros. In the 2019 financial year, it was 10,285 thousand euros, a reduction of 30.37%. The impact of the pandemic forcing the cessation of activity at practically the entire company has been the main reason for the decrease in turnover (74 centres less)
- The gross margin over the net amount of turnover remains at 71%.
- "Other operating income" corresponds to revenue from activities outside of the Naturhouse business.
- In 2020 there is an average workforce of 405 employees in the Group, of which 83% are direct employees of the Naturhouse centres under self-management and commercial offices that control the smooth running of all the centres, both franchises and the Group's own centres, and the remaining 17% of staff corresponds to general management, administration and accounting, logistics, marketing and technical staff.

Personnel Costs represent 22.46% of the net turnover, less than its relative weight in the 2019 financial year.

- "Other operating expenses" has fallen by 34% with respect to 2019, mainly due to the reduction in Advertising costs; in this regard, advertising spending on sales volume has been reduced during the 2019 financial year, standing at 5,2% of turnover, this in turn represents a decrease of 53% compared to 2019. All markets have been affected by the decrease in advertising investment.
- "Operating income before amortization, impairment and other income" on turnover has increased 4 percentage points compared to 2019, 28% compared to 32%, as a result of the application of cost controls. The main factors in this increase include the application of the temporary layoff (ERTE) process, the negotiations on leases and the decrease in advertising.
- As a result of the 24.9% stake of the company Ichem Sp Z.o.o, in the 2020 financial year, 297 thousand euros is recognised in the "Results in entities valued by the equity method" in the attached abridged profit and loss account.
- The net result on turnover increased one percentage point, from 16% to 17%, compared to the 2019 financial year, as a consequence of the decrease in operating costs during the 2020 financial year.

Consolidated Statement of Financial Position

ASSET	31/12/2020	31/12/2019
NON-CURRENT ASSETS:		
Intangible fixed assets	972	1,296
Tangible fixed assets	3,998	9,618
Non-current financial assets	696	828
Investments in associated companies		
Investments recognised using the equity method	3,276	3,152
Deferred tax assets	197	138
Non-current assets	9,139	15,032
CURRENT ASSETS:		
Inventory	3,256	4,124
Customer receivables for sales and services	3,798	3,355
Customers, related companies	236	151
Current tax assets and other receivables with public administrations	4,006	3,639
Other current assets	531	955
Cash and cash equivalents	21,611	10,305
Total current assets	33,438	22,529
Total assets	42,577	37,561

EQUITY AND LIABILITIES	31/12/2020	31/12/2019
NET EQUITY:		
Capital and Reserves		
Subscribed capital	3,000	3,000
Issue premium	2,149	2,149
Premium	13,452	11,175
Treasury Shares	(142)	(142)
Conversion differences	(1,875)	(1,587)
Profit / (Loss) for the financial year	9,379	13,257
Interim dividend	-	(11,400)
NET EQUITY ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	25,963	16,452
NET EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	65	62
Total net equity	26,028	16,514
NON-CURRENT LIABILITIES:		
Non-current provisions	1,224	1,107
Non-current liabilities	5,441	7,757
Deferred tax liabilities	154	9
Non-current liabilities	6,819	8,873
CURRENT LIABILITIES:		
Current liabilities	479	-
Current liabilities	1,592	2,662
Trade creditors and other receivables	4,144	5,091
Suppliers, related companies	2,627	3,243
Current tax liabilities and other payables with public administrations	888	1,178
Total current liabilities	9,730	12,174
TOTAL NET EQUITY AND LIABILITIES	42,577	37,561

- The variation in the item "Tangible assets" is due to the following reasons:
 - In 2020, there is a decrease in euros in "Tangible assets" as a result of the divestment and reorganisation of our own centres.
 - The impact of the application of IFRS 16, which has led to the recognition of right-of-use assets amounting to 2,768 thousand euros compared to 7,632 thousand euros in 2019.
- The amount of the item "investments in associates" corresponds to the 24.9% stake of the company Ichem Sp Z.o.o, the main supplier of the Naturhouse Group.
- "Current tax assets" epigraph includes the amount paid to the Tax Authorities as an advance corporate tax payment for the 2019 and 2020 financial years. All of the amount advanced for corporate tax for the 2019 financial year has been returned in February 2021, with the return of the amount for the 2020 financial year outstanding.
- As of year end 2020, the company held a balance in own shares and company shares of €141,886, represented by a total of 50,520 shares at an average acquisition price of €2.81/share, as a result of the development of the liquidity contract signed with Renta 4 in January 2019.
- The decrease in the item "Non-current debts" mainly corresponds to the negotiations in leases, which has an impact on the application of IFRS 16, reducing the amount by 2,316 thousand euros. This item also includes 2,388 thousand euros of deposits that the French subsidiary has from franchisee customers as commercial guarantees.

- The decrease in the item "Current debts" corresponds to the impact of the application of IFRS 16, decreasing the amount by 1,308 thousand euros.
- The average payment period of the Spanish company included in the Naturhouse Group was 46.26 days, within the maximum period established in the delinquency regulations.

3. Financial risk management and use of hedging instruments

The Group's activities are exposed to various financial risks: market risk (including foreign exchange and interest rate risk), credit risk, liquidity risk and interest rate risk on cash flows.

Market risk in the interest rate and the exchange rate:

The Group's operating activities are largely independent with respect to changes in market interest rates. The interest rate risk of the Group arises from long-term borrowings. As of 31 December 2020, 100% of borrowings were at variable interest rates. However, the Group has not considered it necessary to cover such interest rate fluctuations because the external financing of the Group is unimportant, so it has not contracted hedging instruments during the years in question.

Regarding the exchange rate risk, the Group does not operate internationally outside the Euro Currency to any great extent, so its exposure to exchange rate risk on foreign currency operations is not significant.

Credit risk:

In general the Group maintains its cash and equivalent liquid assets at banks with high credit ratings. It also performs adequate monitoring of accounts receivable individually, in order to determine situations of potential insolvency.

The Group's credit risk is primarily attributable to its trade receivables. There is no significant concentration of credit risk, with exposure spread over a large number of customers, markets and geographic areas.

Liquidity risk:

In order to ensure liquidity and be able to meet all payment obligations arising from its activities, the Group has abundant credit lines and financing with credit institutions. It has maintained a proactive policy on the management of liquidity risk, focusing primarily on the preservation of same, maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to liquidate market positions.

4. Risk Factors

The activities of the companies of the Group are developed in different countries with different socio-economic environments and regulatory frameworks. The authorities of the countries where the Group operates may adopt laws and regulations that impose new obligations which entail an increase in operating costs.

Regarding to our competitors, the company is competing with self-administered weight loss systems and other commercial programmes from other competitors, together with other food suppliers and distributors who are entering this market. This competition and any future increases in same involving the development of pharmaceuticals and other technological and scientific advances in the field of weight loss could have a negative impact on the business, operating results and financial position of the Group.

5. R + D + i activities

The method used by the Company in relation to research and development of new products is as follows:

It is in the commercial, technical and marketing department where the initial need to consider extending the range of products that Naturhouse offers arises, or simply modify one of the existing offers. This need is transferred to one or more of our current suppliers, according to the product format (sachets, vials or

capsules). Suppliers develop and submit proposals according to incoming needs, and if these are covered from a commercial, technical and economic point of view, we proceed to launch the new product or format. Therefore the Company does not generate increased costs in R + D + i in the registration of the brand and the formula in the corresponding department for health.

The company's main supplier is the Polish company Ichem Sp. zo.o, as it accounts for 56% of total consolidated purchases to 31 December 2020. Naturhouse Health, S.A. holds 24.9% of its capital. The benefits sought with this holding are:

1. Faster launching of new products, sharing know-how in R & D
2. Ensure supply and reduce dependence on third party manufacturers outside the Group
3. Ensure product quality while maintaining high levels of competitiveness

By doing this Naturhouse Health SA is able to differentiate itself from its competitors because it is present throughout the entire value chain of the nutritional supplement industry, from R & D and product manufacturing to the final sale and client consultation.

Besides Ichem, the Group is affiliated with two other large groups of suppliers, those suppliers in which Kiluva S.A., majority shareholder of Naturhouse Health S.A., has stakes (Indusen, Girofibra, Laboratorios Abad and Zamodiet), which represent approximately 25% of total purchases in 2019, and those suppliers that are not affiliated, Naturhouse Health and Kiluva S.A., representing 25% of total purchases in 2019.

6. Treasury Shares

As of 31 December 2020, the Parent Company holds a total of 50,520 treasury shares. No affiliate company owns any shares or holdings of the Parent Company.

7. Subsequent events

On 31 January 2020, the liquidity contract held with Renta 4 was terminated for failing to meet the expectations of increasing the share's liquidity in the 2019 financial year.

On 11 February 2020, the Spanish Tax Agency formalised the refund of 955 million euros pending on the tax payment for the 2019 financial year.

8. Capital structure and significant shareholdings

As of 31 December 2020, the Naturhouse Group does not have any restrictions on the use of capital resources that, directly or indirectly, have affected or may significantly affect operations, except for restrictions legally established.

As of 31 December 2020, the share capital is represented by 60,000,000 shares. The Group's main shareholders are: Kiluva, S.A. with a 72.60% stake and Ferev Uno Strategic Plans, S.L. with 4.33%.

9. Shareholder agreements and restrictions on transferability and vote

There is no shareholders agreement or statutory restrictions on the free transferability of the shares of the Parent Company and there are no statutory restriction or regulatory restrictions on voting rights.

10. Administrative Body, Board

The Parent Company's administrative body is made up of a Board of Directors composed of 7 members: Mr. Félix Revuelta Fernández, Mr. Kilian Revuelta Rodríguez, Ms. Vanesa Revuelta Rodríguez, Mr. Rafael Moreno Barquero, Mr. José María Castellanos, Mr. Pedro Nuevo Iniesta and Mr. Ignacio Bayón Marine.

11. Significant agreements

No significant agreements are recorded in terms of changes in the control of the Parent Company or between the Parent Company and its Manager and Directors or employees concerning compensation for resignation or dismissal.

12. Annual Corporate Governance Report

The annual corporate governance report that is part of the management report can be found on the website of the National Securities Market Commission (CNMV) and on the website of the Naturhouse Group.

13. Corporate Social Responsibility Report

The Corporate Social Responsibility report, including the Non financial Information report, that is part of the management report can be found on the website of the National Securities Market Commission (CNMV) and on the website of the Naturhouse Group.

www.cnmv.es

www.naturhouse.com

14. Non-Financial information

In relation to the requirements regarding non-financial information and diversity required under Act 11/2018 of 28 December, said information is included in the Corporate Social Responsibility Report, reported in another document.

Madrid, 26 February 2021

DILIGENCIA DE FIRMA DE LAS CUENTAS ANUALES E INFORME DE GESTIÓN CONSOLIDADOS DE NATURHOUSE HEALTH, S.A. Y SOCIEDADES DEPENDIENTES CORRESPONDIENTES AL EJERCICIO CERRADO EL 31 DE DICIEMBRE DE 2020

Diligencia que levanta el Secretario No-Consejero del Consejo de Administración de Naturhouse Health, S.A. ("Naturhouse Health" o la "Sociedad"), Alfonso Barón Bastarreche y con el Visto Bueno del Sr. Presidente Don Félix Revuelta Fernández, para hacer constar que:

1. Las cuentas anuales (balance, cuenta de pérdidas y ganancias, estados de cambios en el patrimonio neto, estado de flujos de efectivo y memoria), el estado de información no financiera, el informe de gestión del Naturhouse Health, S.A. y el informe anual de gobierno corporativo, correspondientes al ejercicio cerrado el 31 de diciembre de 2020, adjuntos a la presente como Anexo, (en adelante, las Cuentas Anuales, el Estado de Información No Financiera, el Informe de Gestión y el Informe Anual de Gobierno Corporativo) se corresponden íntegramente con los formulados por el Consejo de Administración de la Sociedad en su reunión celebrada en el día de hoy, 26 de febrero de 2021, habiendo sido aprobados por unanimidad de todos los miembros del Consejo, y sin que ninguno de ellos haya manifestado expresa reserva o disconformidad respecto de ningún aspecto de tales documentos, y con los entregados a los auditores de cuentas de cara a la emisión de su informe de auditoría.

2. A pesar de la unanimidad habida en la formulación, en las Cuentas Anuales y el Informe de Gestión solo figuran las firmas del Presidente Don Félix Revuelta Fernández y del Consejero Don Ignacio Bayón Marine, únicos que han asistido presencialmente a la reunión, no figurando por tanto las firmas de los siguientes miembros del Consejo de Administración:

- Dña. Vanessa Revuelta Rodríguez
- D. Kilian Revuelta Rodríguez
- D. Rafael Moreno Barquero
- D. José María Castellanos Ríos
- D. Pedro Nuevo Iniesta

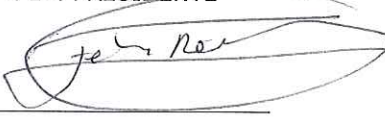
en todos los casos, por imposibilidad manifiesta, dado que la reunión del Consejo en que se han formulado las Cuentas Anuales y el Informe de Gestión y el Informe Anual de Gobierno Corporativo se ha realizado por videoconferencia, con motivo del Estado de Alarma decretado por el Gobierno de España, el pasado 25 de octubre de 2020 (RD 926/2020) y aprobado inicialmente hasta 9 de noviembre de 2020, y que mediante el Real Decreto 956/2020, de 3 de noviembre, ha sido prorrogado hasta el 9 de mayo de 2021, para la gestión de la situación de crisis sanitaria ocasionada por el COVID-19. La presente diligencia se extiende, expresamente, y con el visto bueno del Sr. Presidente Don Félix Revuelta Fernández a los efectos previstos en el artículo 253.2 de la Ley de Sociedades de Capital. En Madrid, a 26 de febrero de 2021.

SECRETARIO NO-CONSEJERO



D. Alfonso Barón Bastarreche

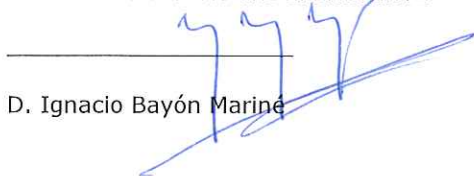
Vº. Bº. PRESIDENTE



D. Félix Revuelta Fernández



Vº. Bº. CONSEJERO INDEPENDIENTE



D. Ignacio Bayón Marine

MODELO ANEXO I

INFORME ANUAL DE GOBIERNO CORPORATIVO DE LAS SOCIEDADES ANÓNIMAS COTIZADAS

DATOS IDENTIFICATIVOS DEL EMISOR

FECHA FIN DEL EJERCICIO DE REFERENCIA

31/12/2020

C.I.F. A01115286

Denominación Social: NATURHOUSE HEALTH, S.A.

Domicilio Social: CLAUDIO COELLO 91, 4ª PLANTA, 28006 MADRID

A ESTRUCTURA DE LA PROPIEDAD

A.1 Complete el siguiente cuadro sobre el capital social de la sociedad:

Fecha de última modificación	Capital social (€)	Número de acciones	Número de derechos de voto
17/06/2014	3.000.000,00	60.000.000	60.000.000

Observaciones

Indique si existen distintas clases de acciones con diferentes derechos asociados:

Sí No

Clase	Número de acciones	Nominal unitario	Número unitario de derechos de voto	Derechos y obligaciones que confiere

Observaciones

A.2 Detalle los titulares directos e indirectos de participaciones significativas a la fecha de cierre del ejercicio, excluidos los consejeros:

Nombre o denominación social del accionista	% derechos de voto atribuidos a las acciones		% derechos de voto a través de instrumentos financieros		% total de derechos de voto
	Directo	Indirecto	Directo	Indirecto	
KILUVA S.A.	72,60%				72,60%
FEREV UNO STRATEGIC PLANS S.L.	4,33%				4,33%

Observaciones

Detalle de la participación indirecta:

Nombre o denominación social del titular indirecto	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones	% derechos de voto a través de instrumentos financieros	% total de derechos de voto

Observaciones

Indique los movimientos en la estructura accionarial más significativos acaecidos durante el ejercicio:

--

Movimientos más significativos

A.3 Complete los siguientes cuadros sobre los miembros del consejo de administración de la sociedad, que posean derechos de voto sobre acciones de la sociedad:

Nombre o denominación social del consejero	% derechos de voto atribuidos a las acciones		% derechos de voto a través de instrumentos financieros		% total de derechos de voto	% derechos de voto que pueden ser transmitidos a través de instrumentos financieros	
	Directo	Indirecto	Directo	Indirecto		Directo	Indirecto
DON IGNACIO BAYÓN MARINE	0,017%	0	0	0	0,017%	0	0
DON FÉLIX REVUELTA FERNÁNDEZ	0	76,93%	0	0	76,93%	0	0
DON JOSÉ MARÍA CASTELLANO RIOS	0	0,082%	0	0	0,082%	0	0
DON PEDRO NUENO INIESTA	0,008%	0	0	0	0,008%	0	0
DOÑA VANESA REVUELTA RODRÍGUEZ	0,051%	0	0	0	0,051%	0	0
DON KILIAN REVUELTA RODRÍGUEZ	0,079%	0	0	0	0,079%	0	0
DON RAFAEL MORENO BARQUERO	0	0	0	0	0	0	0

% total de derechos de voto en poder del consejo de administración	77,17%
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Observaciones

Detalle de la participación indirecta:

Nombre o denominación social del consejero	Nombre o denominación social del titular directo	% derechos de voto atribuidos a las acciones	% derechos de voto a través de instrumentos financieros	% total de derechos de voto	% derechos de voto que pueden ser transmitidos a través de instrumentos financieros
DON FÉLIX REVUELTA FERNÁNDEZ	KILUVA SA	72,604%	0	72,604%	0
DON FÉLIX REVUELTA FERNÁNDEZ	FEREV UNO STRATEGIC PLANS	4,33%	0	4,33%	0
DON JOSÉ MARÍA CASTELLANO RIOS	CARIVEGA DE INVERSIONES SICAV	0,082%	0	0,082%	0

Observaciones

A.4 Indique, en su caso, las relaciones de índole familiar, comercial, contractual o societaria que existan entre los titulares de participaciones significativas, en la medida en que sean conocidas por la sociedad, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario, excepto las que se informen en el apartado A.6:

Nombre o denominación social relacionados	Tipo de relación	Breve descripción

A.5 Indique, en su caso, las relaciones de índole comercial, contractual o societaria que existan entre los titulares de participaciones significativas, y la sociedad y/o su grupo, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

Nombre o denominación social relacionados	Tipo de relación	Breve descripción

A.6 Describa las relaciones, salvo que sean escasamente relevantes para las dos partes, que existan entre los accionistas significativos o representados en el consejo y los consejeros, o sus representantes, en el caso de administradores persona jurídica.

Explique, en su caso, cómo están representados los accionistas significativos. En concreto, se indicarán aquellos consejeros que hubieran sido nombrados en representación de accionistas significativos, aquellos cuyo nombramiento hubiera sido promovido por accionistas significativos, o que estuvieran vinculados a accionistas significativos y/o entidades de su grupo, con especificación de la naturaleza de tales relaciones de vinculación. En particular, se mencionará, en su caso, la existencia, identidad y cargo de miembros del consejo, o representantes de consejeros, de la sociedad cotizada, que sean, a su vez, miembros del órgano de administración, o sus representantes, en sociedades que ostenten participaciones significativas de la sociedad cotizada o en entidades del grupo de dichos accionistas significativos.

Nombre o denominación social del consejero o representante, vinculado	Nombre o denominación social del accionista significativo vinculado	Denominación social de la sociedad del grupo del accionista significativo	Descripción relación / cargo
Don Félix Revuelta Fernández	KILUVA, S.A.	KILUVA, S.A.	Presidente Ejecutivo
Don Kilian Revuelta Rodríguez	KILUVA, S.A.	KILUVA, S.A.	Vicepresidente ejecutivo
Doña Vanesa Revuelta Rodríguez	KILUVA, S.A.	KILUVA, S.A.	Vicepresidente ejecutivo
Don Rafael Moreno Barquero	KILUVA, S.A.	KILUVA, S.A.	Consejero dominical

Observaciones
<i>Félix Revuelta es administrador único de la sociedad Kiluva, S.A. que a su vez es un accionista significativo con el 72,60% y administrador solidario de la sociedad Ferev Uno Startegic Plans, S.L. que posee el 4,33%. El resto de consejeros, bien sea por relaciones familiares o profesionales han sido designados o promovidos a instancia de Félix Revuelta.</i>

A.7 Indique si han sido comunicados a la sociedad pactos parasociales que la afecten según lo establecido en los artículos 530 y 531 de la Ley de Sociedades de Capital. En su caso, descríbalos brevemente y relacione los accionistas vinculados por el pacto:

Sí No

Intervinientes acción concertada	% de capital social afectado	Breve descripción del concierto	Fecha de vencimiento del concierto, si la tiene

Observaciones

Indique si la sociedad conoce la existencia de acciones concertadas entre sus accionistas. En su caso, descríbalas brevemente:

Sí No

Intervinientes acción concertada	% de capital social afectado	Breve descripción del concierto	Fecha de vencimiento del concierto, si la tiene

Observaciones

En el caso de que durante el ejercicio se haya producido alguna modificación o ruptura de dichos pactos o acuerdos o acciones concertadas, indíquelo expresamente:

No hay constancia de ningún pacto

A.8 Indique si existe alguna persona física o jurídica que ejerza o pueda ejercer el control sobre la sociedad de acuerdo con el artículo 5 de la Ley del Mercado de Valores. En su caso, identifíquela:

Sí

No

Nombre o denominación social
DON FÉLIX REVUELTA FERNÁNDEZ

Observaciones
<i>A 31 de diciembre de 2020 Félix Revuelta es propietario indirecto del 76,93% del capital de Naturhouse Health, S.A. a través de las mercantiles Kiluva, S.A. titular directamente del 72,60% del capital y de Ferev Uno Startegic Plans, S.L. propietaria del 4,33% del capital. Félix Revuelta controla ambas sociedades.</i>

A.9. Complete los siguientes cuadros sobre la autocartera de la sociedad:

A fecha de cierre del ejercicio:

Número de acciones directas	Número de acciones indirectas (*)	% total sobre capital social
50.520	0	0,084%

Observaciones
<i>Sin variaciones durante el ejercicio</i>

(*) A través de:

Nombre o denominación social del titular directo de la participación	Número de acciones directas
Total:	

Observaciones

Explique las variaciones significativas habidas durante el ejercicio:

Explique las variaciones significativas
<i>Sin variaciones durante el ejercicio</i>

A.10. Detalle las condiciones y plazo del mandato vigente de la junta de accionistas al consejo de administración para emitir, recomprar o transmitir acciones propias.

En la Junta General de Accionistas celebrada el 20 de abril de 2018, en su punto octavo autorizó al Consejo de Administración la adquisición derivativa directa e indirecta de acciones propias, dentro de los límites y requisitos legales, directamente o través de sociedades de su grupo, de conformidad con lo establecido en el artículo 146 de la Ley de Sociedades de Capital. De conformidad con lo establecido en el artículo 146 de la Ley de Sociedades de Capital, la duración de la autorización se acordó por el plazo máximo de 5 años.

A.11 Capital flotante estimado:

	%
Capital Flotante estimado	22,75

Observaciones
<i>En capital flotante estimado lo componen el total de acciones excluyendo las que son titularidad de Kiluva,S.A., Ferev Uno Startegic Plans, S.L., las que forman parte de la autocartera y las que están en manos de los consejeros.</i>

A.12 Indique si existe cualquier restricción (estatutaria, legislativa o de cualquier índole) a la transmisibilidad de valores y/o cualquier restricción al derecho de voto. En particular, se comunicará la existencia de cualquier tipo de restricciones que puedan dificultar la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado, así como aquellos

regímenes de autorización o comunicación previa que, sobre las adquisiciones o transmisiones de instrumentos financieros de la compañía, le sean aplicables por normativa sectorial.

Sí

No

Descripción de las restricciones

A.13 Indique si la junta general ha acordado adoptar medidas de neutralización frente a una oferta pública de adquisición en virtud de lo dispuesto en la Ley 6/2007.

Sí

No

En su caso, explique las medidas aprobadas y los términos en que se producirá la ineficiencia de las restricciones:

Explique las medidas aprobadas y los términos en que se producirá la ineficiencia

A.14 Indique si la sociedad ha emitido valores que no se negocian en un mercado regulado de la Unión Europea.

Sí

No

En su caso, indique las distintas clases de acciones y, para cada clase de acciones, los derechos y obligaciones que confiera.

Indique las distintas clases de acciones

B. JUNTA GENERAL

B.1 Indique y, en su caso detalle, si existen diferencias con el régimen de mínimos previsto en la Ley de Sociedades de Capital (LSC) respecto al quórum de constitución de la junta general.

Sí

No

	% de quórum distinto al establecido en art. 193 LSC para supuestos generales	% de quórum distinto al establecido en art. 194 LSC para los supuestos especiales del art. 194 LSC
Quórum exigido en 1ª convocatoria		
Quórum exigido en 2ª convocatoria		

Descripción de las diferencias

B.2 Indique y, en su caso, detalle si existen diferencias con el régimen previsto en la Ley de Sociedades de Capital (LSC) para la adopción de acuerdos sociales:

Sí

No

Describa en qué se diferencia del régimen previsto en la LSC.

	Mayoría reforzada distinta a la establecida en el artículo 201.2 LSC para los supuestos del 194.1 LSC	Otros supuestos de mayoría reforzada
% establecido por la entidad para la adopción de acuerdos		

Describa las diferencias

B.3 Indique las normas aplicables a la modificación de los estatutos de la sociedad. En particular, se comunicarán las mayorías previstas para la modificación de los estatutos, así como, en su caso, las normas previstas para la tutela de los derechos de los socios en la modificación de los estatutos.

En general, de acuerdo con lo indicado en el artículo 29.5 de los Estatutos Sociales de Naturhouse Health S.A., los acuerdos de la Junta se adoptarán por mayoría simple del capital, presente o representado. Quedan a salvo los supuestos en los que la normativa aplicable o estos Estatutos Sociales estipulen una mayoría superior.

B.4 Indique los datos de asistencia en las juntas generales celebradas en el ejercicio al que se refiere el presente informe y los de los dos ejercicios anteriores:

Fecha junta general	Datos de asistencia				Total
	% de presencia física	% en representación	% voto a distancia		
			Voto electrónico	Otros	
20/04/2018	75,16%	6,01%	0,00%	0,00%	81,17%
29/04/2019	75,91%	0,48%	0,00%	0,00%	76,39%
22/06/2020	76,87%	0,46%	0,00%	0,00%	77,33%

Observaciones
<i>La Junta General de Accionistas celebrada el 22/06/2020, dadas las circunstancias extraordinarias provocadas por la COVID19, se desarrolló de manera telemática a fin de garantizar la seguridad de accionistas y consejeros.</i>

B.5 Indique si en las juntas generales celebradas en el ejercicio ha habido algún punto del orden del día que, por cualquier motivo, no haya sido aprobado por los accionistas.

Sí No

Puntos del orden del día que no se han aprobado	% voto en contra (*)

(*) Si la no aprobación del punto es por causa distinta del voto en contra, se explicará en la parte de texto y en la columna de “% voto en contra” se pondrá “n/a”.

B.6 Indique si existe alguna restricción estatutaria que establezca un número mínimo de acciones necesarias para asistir a la junta general, o para votar a distancia:

Sí No

Número de acciones necesarias para asistir a la junta general	
Número de acciones necesarias para votar a distancia	

Observaciones

B.7 Indique si se ha establecido que determinadas decisiones, distintas a las establecidas por Ley, que entrañan una adquisición, enajenación, la aportación a otra sociedad de activos esenciales u otras operaciones corporativas similares, deben ser sometidas a la aprobación de la junta general de accionistas.

Sí

No

Explicación de las decisiones que se deben someter a la junta, distintas a las establecidas por Ley

B.8 Indique la dirección y modo de acceso, en la página web de la sociedad, a la información sobre gobierno corporativo y otra información sobre las juntas generales que deba ponerse a disposición de los accionistas a través de la página web de la Sociedad.

La dirección web es: <http://www.naturhouse.com>, clicando en el apartado "Relación con Inversores" se accede a la información sobre Gobierno Corporativo y Juntas Generales de accionistas.

C ESTRUCTURA DE LA ADMINISTRACIÓN DE LA SOCIEDAD

C.1 Consejo de administración

C.1.1 Número máximo y mínimo de consejeros previstos en los estatutos sociales y el número fijado por la junta general:

Número máximo de consejeros	15
Número mínimo de consejeros	5
Número de consejeros fijado por la junta	7

Observaciones

C.1.2 Complete el siguiente cuadro con los miembros del consejo:

Nombre o denominación social del consejero	Representante	Categoría del consejero	Cargo en el consejo	Fecha primer nombramiento	Fecha último nombramiento	Procedimiento de elección	Fecha de nacimiento
DON FÉLIX REVUELTA FERNÁNDEZ		Ejecutivo	PRESIDENTE-CONSEJERO DELEGADO	02/10/2014	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	10/07/1947
DON KILIAN REVUELTA RODRÍGUEZ		Ejecutivo	VICEPRESIDENTE	02/10/2014	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	22/03/1977
DOÑA VANESA REVUELTA RODRÍGUEZ		Ejecutivo	VICEPRESIDENTE	02/10/2014	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	02/04/1974
DON IGNACIO BAYÓN MARINE		Independiente	CONSEJERO	31/10/2016	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	14/02/1944
DON JOSÉ MARÍA CASTELLANO RÍOS		Independiente	CONSEJERO	08/10/2014	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	15/07/1947
DON PEDRO NUENO INIESTA		Independiente	CONSEJERO	08/10/2014	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	27/05/1944
DON RAFAEL MORENO BARQUERO		Dominical	CONSEJERO	02/10/2014	20/04/2018	ACUERDO JUNTA GENERAL DE ACCIONISTAS	30/11/1948

Número total de consejeros	7
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Indique los ceses que, ya sea por dimisión o por acuerdo de la junta general, se hayan producido en el consejo de administración durante el periodo sujeto a información:

Nombre o denominación social del consejero	Categoría del consejero en el momento de cese	Fecha del último nombramiento	Fecha de baja	Comisiones especializadas de las que era miembro	Indique si el cese se ha producido antes del fin del mandato

Causa del cese, cuando se haya producido antes del término del mandato y otras observaciones; información sobre si el consejero ha remitido una carta al resto de miembros del consejo y, en el caso de ceses de consejeros no ejecutivos, explicación o parecer del consejero que ha sido cesado por la junta general

C.1.3 Complete los siguientes cuadros sobre los miembros del consejo y su distinta categoría:

CONSEJEROS EJECUTIVOS

Nombre o denominación del consejero	Cargo en el organigrama de la sociedad	Perfil
DON FÉLIX REVUELTA FERNÁNDEZ	Presidente	Ejecutivo
DOÑA VANESA REVUELTA RODRÍGUEZ	Vicepresidente y Consejero Ejecutivo	Ejecutivo
DON KILIAN REVUELTA RODRÍGUEZ	Vicepresidente y Consejero Ejecutivo	Ejecutivo

Número total de consejeros ejecutivos	3
% sobre el total del consejo	42,86%

Observaciones

Nombre o denominación del consejero:

DON FÉLIX REVUELTA FERNÁNDEZ

Perfil:

Don Félix Revuelta es Presidente Ejecutivo del Grupo Naturhouse y su mayor accionista a través de Kiluva, S.A., de la que es su Administrador único. También con anterioridad fue consejero de SNIACE y de Natraceutical, S.A. Inició su trayectoria profesional como consultor del Instituto Nacional de Industria y a continuación como director en DIETISA (filial española de Dietetique et Santé). Don Félix Revuelta es economista.

Nombre o denominación del consejero:

DOÑA VANESA REVUELTA RODRÍGUEZ

Perfil:

Doña Vanesa Revuelta es Vicepresidenta del Grupo Naturhouse. Asimismo es Vicepresidenta de Kiluva, S.A. y desde 2002 Directora de la revista Peso Perfecto. Antes de ocupar este puesto fue Export Manager del Grupo Naturhouse, Comercial del Grupo Naturhouse en la zona de Baleares y se dedicó a la administración y contabilidad del Grupo Naturhouse. Doña Vanesa Revuelta es Licenciada en Historia por la Universidad de Barcelona y obtuvo un Postdegree in International Business en London City College.

Nombre o denominación del consejero:

DON KILIAN REVUELTA RODRÍGUEZ

Perfil:

Don Kilian Revuelta es Vicepresidente del Grupo Naturhouse. Asimismo es consejero de Kiluva, S.A. Con anterioridad fue responsable de la filial portuguesa del Grupo, Export Manager del Grupo Naturhouse, Comercial del Grupo Naturhouse en la zona de Baleares y se dedicó a la administración y contabilidad del Grupo Naturhouse. Don Kilian Revuelta es Licenciado en Empresariales por Queens University Belfast U.K. y Máster en Dirección empresas familiares por Queens University Belfast U.K.

CONSEJEROS EXTERNOS DOMINICALES

Nombre o denominación del consejero	Nombre o denominación del accionista significativo a quien representa o que ha propuesto su nombramiento	Perfil
DON RAFAEL MORENO BARQUERO	KILUVA SA	Dominical

Número total de consejeros dominicales	1
% sobre el total del consejo	14,29%

Observaciones

Nombre o denominación del consejero:

DON RAFAEL MORENO BARQUERO

Don Rafael Moreno es Consejero Dominical del Grupo Naturhouse a propuesta de Kiluva, S.A. Asimismo, es Administrador Único de Fenoplástica Lights and Electrics, S.L., Consejero Delegado de Finatesa 60 S.A y Secretario de la Asociación Catalana de Periodistas y Escritores Turístico (ACPETUR). Hasta 2007 fue miembro del Consejo de Administración de la mercantil Fábrica Electrotécnica Josa, S.A. D. Rafael Moreno es Licenciado en Derecho por la Universidad de Barcelona.

CONSEJEROS EXTERNOS INDEPENDIENTES

Nombre o denominación del consejero:

DON IGNACIO BAYÓN MARINE

Perfil:

Don Ignacio Bayón es consejero independiente de Naturhouse. Asimismo, es presidente de la FAD, de Citroën Hispania y del patronato de la Universidad de Comillas. Anteriormente ha sido ministro de Industria y Energía entre 1980 y 1982, así como presidente de RENFE, de la Editorial Espasa Calpe, de Grucycsa, de Osma y de Realia; también ha formado parte de los consejos de Nestlé, Canal Plus, Repsol, Telefónica, FCC, Instituto Nacional de Industria entre otros. Don Ignacio Bayon es Doctor en Derecho por la Universidad Complutense de Madrid y letrado del Consejo de Estado y de las Cortes Generales.

Nombre o denominación del consejero:

DON JOSÉ MARÍA CASTELLANO RÍOS

Perfil:

D. José María Castellano es Consejero del Grupo Naturhouse. Asimismo, en la actualidad es miembro del Consejo de Administración y de la Comisión de Auditoría de Puig, S.L. y de ESPRIT, HK. Desde 1985 hasta 2005 fue miembro del Consejo de Administración de Inditex, y en 1997 fue nombrado Vicepresidente y Consejero Delegado del Grupo. Ha sido Presidente de ONO, S.A. y de Novagalicia Banco. D. José María Castellano es Doctor en Ciencias Económicas y Empresariales por la Universidad Complutense de Madrid, Catedrático de Economía Financiera y Contabilidad en la Universidad de A Coruña y miembro de la Academia de Ciencias Económicas y Financieras.

Nombre o denominación del consejero:

DON PEDRO NUENO INIESTA

Perfil:

D. Pedro Nueno es Consejero del Grupo Naturhouse. Asimismo, es en la actualidad miembro del Consejo de Administración de Puig, S.L., Profesor Titular de la Cátedra Fundación Bertrán de Iniciativa Emprendedora del IESE y Chengwei Ventures Chair Professor of Entrepreneurship del CEIBS (China Europe International Business School) y Presidente de CEIBS de Shanghai con una sucursal en Ghana. Es fundador (2000) y presidente de FINAVES hasta 2010, sociedad de Capital Riesgo vinculada a la Cátedra Fundación Bertrán de Iniciativa Empresarial del IESE, que impulsa empresas innovadoras. Ha recibido las siguientes distinciones: Encomienda de Número al Mérito Civil, España, 2003; Creu de Sant Jordi, Generalitat de Catalunya, 2003; Silver y Golden Magnolia Award, Gobierno de Shanghai, 2007; "Friendship Award", Gobierno de la R.P. China, 2009, "Outstanding Contribution Award", Gobierno de la R.P. China, 2014. Asimismo, ha sido Consejero Independiente de Transportes Azkar, S.A. D. Pedro Nueno es Doctor of Business Administration por la Universidad de Harvard e Ingeniero Industrial y Arquitecto Técnico por la Universidad Politécnica de Barcelona.

Número total de consejeros independientes	3
% total del consejo	42,86%

Observaciones

Indique si algún consejero calificado como independiente percibe de la sociedad, o de su mismo grupo, cualquier cantidad o beneficio por un concepto distinto de la remuneración de consejero, o mantiene o ha mantenido, durante el último ejercicio, una relación de negocios con la sociedad o con cualquier sociedad de su grupo, ya sea en nombre propio o como accionista significativo, consejero o alto directivo de una entidad que mantenga o hubiera mantenido dicha relación.

En su caso, se incluirá una declaración motivada del consejo sobre las razones por las que considera que dicho consejero puede desempeñar sus funciones en calidad de consejero independiente.

Nombre o denominación social del consejero	Descripción de la relación	Declaración motivada

OTROS CONSEJEROS EXTERNOS

Se identificará a los otros consejeros externos y se detallarán los motivos por los que no se puedan considerar dominicales o independientes y sus vínculos, ya sea con la sociedad, sus directivos, o sus accionistas:

Nombre o denominación social del consejero	Motivos	Sociedad, directivo o accionista con el que mantiene el vínculo	Perfil

Número total de consejeros independientes	3
% total del consejo	42,86%

Indique las variaciones que, en su caso, se hayan producido durante el periodo en la categoría de cada consejero:

Nombre o denominación social del consejero	Fecha del cambio	Categoría anterior	Categoría actual

Observaciones

C.1.4 Complete el siguiente cuadro con la información relativa al número de consejeras al cierre de los últimos 4 ejercicios, así como la categoría de tales consejeras:

	Número de consejeras				% sobre el total de consejeros de cada categoría			
	Ejercicio 2020	Ejercicio 2019	Ejercicio 2018	Ejercicio 2017	Ejercicio 2020	Ejercicio 2019	Ejercicio 2018	Ejercicio 2017
Ejecutivas	1	1	1	1	14,29%	14,29%	14,29%	14,29%
Dominicales	0	0	0	0	0,00%	0,00%	0,00%	0,00%
Independientes	0	0	0	0	0,00%	0,00%	0,00%	0,00%
Otras Externas	0	0	0	0	0,00%	0,00%	0,00%	0,00%
Total:	1	1	1	1	14,29%	14,29%	14,29%	14,29%

Observaciones

C.1.5 Indique si la sociedad cuenta con políticas de diversidad en relación con el consejo de administración de la empresa por lo que respecta a cuestiones como, por ejemplo, la edad, el género, la discapacidad, o la formación y experiencia profesionales. Las entidades pequeñas y medianas, de acuerdo con la definición contenida en la Ley de Auditoría de Cuentas, tendrán que informar, como mínimo, de la política que tengan establecida en relación con la diversidad de género.

Sí

No

Políticas parciales

En caso afirmativo, describa estas políticas de diversidad, sus objetivos, las medidas y la forma en que se ha aplicado y sus resultados en el ejercicio. También se deberán indicar las medidas concretas adoptadas por el consejo de administración y la comisión de nombramientos y retribuciones para conseguir una presencia equilibrada y diversa de consejeros.

En caso de que la sociedad no aplique una política de diversidad, explique las razones por las cuales no lo hace.

El Consejo de Administración de la Sociedad y sus respectivas comisiones delegadas aplican una política, como no puede ser de otra forma, de estar absolutamente abierto a que en su seno existan mujeres, sin que exista ninguna limitación ni condicionante alguno por razón de género. De hecho, tras la salida a bolsa de Naturhouse había en el Consejo dos consejeras, una de ellas ejecutiva y otra independiente, de reconocido prestigio. Por razones personales y profesionales de la consejera

independiente esta presentó su renuncia a ser consejera de Naturhouse. Su vacante fue cubierta, atendiendo a criterios profesionales y objetivos, por otro consejero independiente, igualmente de reconocido prestigio.

Habiéndose producido la reelección de todos los consejeros en la Junta Ordinaria de 2018 y siendo el nombramiento por el plazo estatutario de cuatro años, no es hasta el año 2022 cuando procederá una nueva reelección o en su caso, reestructuración de Consejo, según se acuerde por la Junta General de Accionistas, considerándose que hasta ese momento, salvo que existan vacantes o se den circunstancias específicas que así lo aconsejen, no debería haber movimientos en el Consejo de Administración.

Descripción de las políticas, objetivos, medidas y forma en que se han aplicado, así como los resultados obtenidos
<p><i>El Consejo de Administración de la sociedad y sus respectivas comisiones delegadas aplican una política de estar absolutamente abiertos a que en su seno existan mujeres, sin que exista ninguna ni condicionante alguno por razón de género.</i></p> <p><i>Habiéndose producido la reelección de todos los consejeros en la Junta Ordinaria de 2018 y siendo el nombramiento por el plazo estatutario de cuatro años, no es hasta el año 2022 cuando procederá una nueva reelección o en su caso reestructuración del consejo, según se acuerde por la Junta General de Accionistas, considerándose que hasta ese momento, salvo que existan vacantes o se den circunstancias que así lo aconsejen, no debería haber movimientos en el Consejo de Administración.</i></p>

C.1.6 Explique las medidas que, en su caso, hubiese convenido la comisión de nombramientos para que los procedimientos de selección no adolezcan de sesgos implícitos que obstaculicen la selección de consejeras, y que la compañía busque deliberadamente e incluya entre los potenciales candidatos, mujeres que reúnan el perfil profesional buscado y que permita alcanzar una presencia equilibrada de mujeres y hombres. Indique también si entre estas medidas está la de fomentar que la compañía cuente con un número significativo de altas directivas:

<p style="text-align: center;"><i>Explicación de las medidas</i></p> <p><i>La comisión de nombramientos no ha adoptado ninguna medida específica. Cuando ha habido que seleccionar el nombramiento, la sustitución de algún consejero o consejera, no ha habido ninguna medida, ni explícita ni implícita, que implicara la existencia de sesgos que pudieran obstaculizar la selección de consejeras, sin que tampoco existan medidas expresas para fomentar que la compañía cuente con un número significativo de altas directivas, atendiéndose en todo caso a procurar la selección cumpla con los requisitos que establecen en el Reglamento del Consejo de Administración (particularmente en el artículo 19)</i></p> <p><i>Según artículo 19 del Reglamento del Consejo de Administración, el Consejo de Administración procurará que la elección de candidatos recaiga sobre personas de reconocida solvencia, competencia y experiencia, debiendo extremar el rigor en relación con aquellas personas llamadas a cubrir los puestos de consejero independiente, por tanto cuando La Sociedad, cuando busca un determinado perfil profesional, toma en consideración el perfil profesional y valora exclusivamente el perfil más adecuado al interés social, sin tener en cuenta el género del candidato. Asimismo el artículo 15, en su punto número 4 dice que corresponderá a la Comisión de Nombramientos y Retribuciones Informar y revisar los criterios que deben seguirse para la composición del Consejo de Administración y la selección de candidatos, velando por que, al proveerse nuevas vacantes o al nombrar a nuevos consejeros, los procedimientos de selección no adolezcan de sesgos implícitos que puedan implicar discriminación alguna y, en particular, que puedan obstaculizar la selección de consejeras, estableciendo asimismo un objetivo de representación de estas en el Consejo y elaborando orientaciones sobre cómo alcanzarlo.</i></p>

Cuando a pesar de las medidas que, en su caso, se hayan adoptado, sea escaso o nulo el número de consejeras o altas directivas, explique los motivos que lo justifiquen:

Explicación de los motivos
<i>La Comisión de Nombramientos y Retribuciones, constituida en el año 2015, tras la salida a bolsa de la Sociedad, no ha hecho todavía una valoración de este asunto, considerando además lo indicado en el apartado anterior. Dicho lo anterior, ni el Consejo, ni las Comisiones han tenido necesidad de establecer medidas en los procesos de selección para evitar existencia de sesgos que obstaculicen la selección de consejeras, ya que el Consejo y las Comisiones se han guiado y se guían siempre por criterios profesionales, atendiendo a la solvencia, competencia y experiencia de las personas, independientemente de su sexo. No se ha adoptado formalmente ninguna medida sin embargo es criterio de los miembros de la comisión que no existan en los procedimientos de selección sesgos que obstaculicen la selección de consejeras.</i>

C.1.7 Explique las conclusiones de la comisión de nombramientos sobre la verificación del cumplimiento de la política dirigida a favorecer una composición apropiada del consejo de administración.

<i>La comisión de nombramientos y el propio consejo han llevado a cabo la correspondiente evaluación, tal y como se indica en el apartado C.1.17, considerando las especiales circunstancias de Naturhouse, que salió a Bolsa en abril de 2015 así como los criterios establecidos en el Código de Buen Gobierno para la Sociedades Cotizadas. El Consejo de Naturhouse es un Consejo reducido, diverso, activo y eficiente, compuesto por siete miembros, de los que tres son Independientes, todos ellos de reconocido prestigio y dilatada experiencia profesional.</i>
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C.1.8 Explique, en su caso, las razones por las cuales se han nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial es inferior al 3% del capital:

Nombre o denominación social del accionista	Justificación

Indique si no se han atendido peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial es igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales. En su caso, explique las razones por las que no se hayan atendido:

Sí No X

Nombre o denominación social del accionista	Explicación

C.1.9 Indique, en el caso de que existan, los poderes y las facultades delegadas por el consejo de administración en consejeros o en comisiones del consejo:

Nombre o denominación social del consejero o comisión	Breve descripción
FÉLIX REVUELTA FERNÁNDEZ	El Consejero Delegado tiene delegadas todas las facultades legal y estatutariamente delegables.

C.1.10 Identifique, en su caso, a los miembros del consejo que asuman cargos de administradores, representantes de administradores o directivos en otras sociedades que formen parte del grupo de la sociedad cotizada:

Nombre o denominación social del consejero	Denominación social de la entidad del grupo	Cargo	¿Tiene funciones ejecutivas?
DON FÉLIX REVUELTA FERNÁNDEZ	Ichem, Spzoo	Consejero	NO
DOÑA VANESA REVUELTA RODRÍGUEZ	Ichem, Spzoo	Consejero	NO
DON KILIAN REVUELTA RODRÍGUEZ	Ichem, Spzoo	Consejero	NO

Observaciones

C.1.11 Detalle, en su caso, los consejeros o representantes de consejeros personas jurídicas de su sociedad, que sean miembros del consejo de administración o representantes de consejeros personas jurídicas de otras entidades cotizadas en mercados regulados distintas de su grupo, que hayan sido comunicadas a la sociedad:

Nombre o denominación social del consejero	Denominación social de la entidad cotizada	Cargo
DON JOSÉ MARÍA CASTELLANO RIOS	Espirit, HK	CONSEJERO
DON JOSÉ MARÍA CASTELLANO RIOS	Millenium Hotels Real Estate I, S.A	CONSEJERO

Observaciones

C.1.12 Indique y, en su caso explique, si la sociedad ha establecido reglas sobre el número máximo de consejos de sociedades de los que puedan formar parte sus consejeros, identificando, en su caso, dónde se regula:

SÍ No

Explicación de las reglas e identificación del documento donde se regula
<i>Los consejeros no podrán desempeñar el cargo de consejero en 4 o más sociedades cotizadas, además de Naturhouse Health, S.A (artículo 19.3 del Reglamento del Consejo de Administración)</i>

C.1.13 Indique los importes de los conceptos relativos a la remuneración global del consejo de administración siguientes:

Remuneración devengada en el ejercicio a favor del consejo de administración (miles de euros)	1.763
Importe de los derechos acumulados por los consejeros actuales en materia de pensiones (miles de euros)	0
Importe de los derechos acumulados por los consejeros antiguos en materia de pensiones (miles de euros)	0

Observaciones
<i>La retribución correspondiente a la totalidad de los Consejeros en el ejercicio 2020 fue de 1.763 miles de euros, de los que 1.447 miles de euros corresponden a retribución de los Consejeros Ejecutivos en tanto que 316.000 euros se corresponden a la remuneración de todos los Consejeros por su condición de tales.</i>

C.1.14 Identifique a los miembros de la alta dirección que no sean a su vez consejeros ejecutivos, e indique la remuneración total devengada a su favor durante el ejercicio:

Nombre o denominación social	Cargo/s
DON PABLO VIAÑO FERNANDEZ	Director Área Internacional hasta 10/01/2020
DON HUGO CAMPILLO PINAZO	Director Financiero hasta 21/10/2020
DON MANUEL CASTRO PÉREZ	Director Financiero desde 21/10/2020
DON MARIO CARRASCO-MUÑOZ GUERRA	Responsable de Auditoría Interna
DON RAFAELLO PELLEGRINI	Director General de Italia
DON PIOTR RAFAT PODLASZEWSKI	Director General de Polonia
DON FRANÇOIS GAYDIER	Director General Francia
DON JOSE RAMÓN GIMENO	Director de Negocio Digital

Número de mujeres en la alta dirección	0
Porcentaje sobre el total de miembros de la alta dirección	0%

Remuneración total alta dirección (en miles de euros)	1.020
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Observaciones

C.1.15 Indique si se ha producido durante el ejercicio alguna modificación en el reglamento del consejo:

Sí

No

Descripción modificaciones

C.1.16 Indique los procedimientos de selección, nombramiento, reelección y remoción de los consejeros. Detalle los órganos competentes, los trámites a seguir y los criterios a emplear en cada uno de los procedimientos.

No existe ningún procedimiento específico más allá de lo que dispone el artículo 19 del Reglamento del Consejo de Administración: los consejeros serán designados por la Junta General o por el Consejo de Administración previo informe de la Comisión de Nombramientos y Retribuciones o, en el caso de los consejeros independientes, a propuesta de esta, de conformidad con las previsiones contenidas en la normativa aplicable, los Estatutos Sociales y este Reglamento. En el momento de nombramiento de un nuevo consejero, el mismo deberá seguir un programa de orientación para nuevos consejeros establecido por la Sociedad, con el fin de que pueda adquirir un conocimiento rápido y suficiente de la Sociedad, así como de sus reglas de gobierno corporativo. No podrán ser nombrados consejeros aquellos que desempeñen ese cargo en 4 o más sociedades cotizadas, además de la Sociedad. El Consejo de Administración procurará que la elección de candidatos recaiga sobre personas de reconocida solvencia, competencia y experiencia, debiendo extremar el rigor en relación con aquellas personas llamadas a cubrir los puestos de consejero independiente. El Consejo de Administración, antes de proponer la reelección de consejeros a la Junta General de accionistas, evaluará, con abstención de los sujetos afectados, la calidad del trabajo y la dedicación al cargo de los consejeros propuestos durante el mandato precedente.

C.1.17 Explique en qué medida la evaluación anual del consejo ha dado lugar a cambios importantes en su organización interna y sobre los procedimientos aplicables a sus actividades:

Descripción modificaciones
<i>La evaluación del consejo no ha dado lugar a cambios en su organización ni en los procedimientos aplicables a sus actividades.</i>

Describa el proceso de evaluación y las áreas evaluadas que ha realizado el consejo de administración auxiliado, en su caso, por un consultor externo, respecto del funcionamiento y la composición del consejo y de sus comisiones y cualquier otra área o aspecto que haya sido objeto de evaluación.

Descripción proceso de evaluación y áreas evaluadas
<i>El proceso de evaluación es dirigido y coordinado por la comisión de nombramientos y retribuciones. A estos efectos, el presidente de la comisión de nombramientos, circula a todos los consejeros un cuestionario, con independencia de que la estructura del Consejo de Administración de la compañía implica que está en constante contacto, con un alto sentido de la autocrítica, de manera que puede decirse que existe una permanente autoevaluación, sin que exista ningún otro procedimiento específico.</i>

C.1.18 Desglose, en aquellos ejercicios en los que la evaluación haya sido auxiliada por un consultor externo, las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo.

La evaluación no ha contado en ningún ejercicio con el auxilio de un consultor externo.

C.1.19 Indique los supuestos en los que están obligados a dimitir los consejeros.

Los supuestos de dimisión están contemplados en el artículo 21 del Reglamento del Consejo de Administración, que incluye tanto el supuesto de cese por transcurso del plazo o cuando así lo acuerde la Junta General, además de enumeración de supuestos en los que los consejeros deberán poner el cargo a disposición del Consejo.

C.1.20 ¿Se exigen mayorías reforzadas, distintas de las legales, en algún tipo de decisión?:

Sí No

En su caso, describa las diferencias.

Descripción de las diferencias

C.1.21 Explique si existen requisitos específicos, distintos de los relativos a los consejeros, para ser nombrado presidente del consejo de administración.

Sí No

Descripción requisitos

C.1.22 Indique si los estatutos o el reglamento del consejo establecen algún límite a la edad de los consejeros:

Sí No

	Edad límite
Presidente	
Consejero delegado	
Consejero	

Observaciones

C.1.23 Indique si los estatutos o el reglamento del consejo establecen un mandato limitado u otros requisitos más estrictos adicionales a los previstos legalmente para los consejeros independientes, distinto al establecido en la normativa:

Sí No

Requisitos adicionales y/o número máximo de ejercicios de mandato	

C.1.24 Indique si los estatutos o el reglamento del consejo de administración establecen normas específicas para la delegación del voto en el consejo de administración en favor de otros consejeros, la forma de hacerlo y, en particular, el número máximo de delegaciones que puede tener un consejero, así como si se ha establecido alguna limitación en cuanto a las categorías en que es posible delegar, más allá de las limitaciones impuestas por la legislación. En su caso, detalle dichas normas brevemente.

De acuerdo con el artículo 38 de los Estatutos, la representación, se conferirá por escrito, necesariamente en favor de otro consejero, y con carácter especial para cada sesión, comunicándolo al Presidente. En caso de Consejeros no Ejecutivos, sólo podrán estar representados por otro miembro del Consejo de Administración con la misma condición. La misma norma se contiene en el artículo 17 del Reglamento del Consejo de Administración.

C.1.25 Indique el número de reuniones que ha mantenido el consejo de administración durante el ejercicio. Asimismo, señale, en su caso, las veces que se ha reunido el consejo sin la asistencia de su presidente. En el cómputo se considerarán asistencias las representaciones realizadas con instrucciones específicas.

Número de reuniones del consejo	6
Número de reuniones del consejo sin la asistencia del presidente	0

Observaciones
<i>Se hace constar que todas las reuniones, excepto la celebrada en febrero de 2020, han sido telemáticas por razones del COVID-19, y a todas ellas han asistido telemáticamente todos los consejeros.</i>

Indíquese el número de reuniones mantenidas por el consejero coordinador con el resto de consejeros, sin asistencia ni representación de ningún consejero ejecutivo:

Número de reuniones	0
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Observaciones

Indique el número de reuniones que han mantenido en el ejercicio las distintas comisiones del consejo:

Comisión	
Comisión de Auditoría	5
Comisión de Nombramientos y Retribuciones	3

Observaciones
<i>Se hace constar que todas las reuniones, excepto las celebradas en febrero de 2020, han sido telemáticas por razones del COVID-19, y a todas ellas han asistido telemáticamente todos los miembros de las comisiones correspondientes.</i>

C.1.26 Indique el número de reuniones que ha mantenido el consejo de administración durante el ejercicio y los datos sobre asistencia de sus miembros:

Número de reuniones con la asistencia presencial de al menos el 80% de los consejeros	
% de asistencia presencial sobre el total de votos durante el ejercicio	
Número de reuniones con la asistencia presencial, o representaciones realizadas con instrucciones específicas, de todos los consejeros	
% de votos emitidos con asistencia presencial y representaciones realizadas con instrucciones específicas, sobre el total de votos durante el ejercicio	

Observaciones
<i>De las seis reuniones mantenidas por el Consejo en 2020, todas han sido telemáticas a excepción de la celebrada en febrero. Por razones del COVID-19 y siguiendo las recomendaciones de las autoridades sanitarias se celebraron telemáticamente, y a todas ellas asistieron todos los consejeros .</i>

C.1.27 Indique si están previamente certificadas las cuentas anuales individuales y consolidadas que se presentan al consejo para su formulación:

Sí No

Identifique, en su caso, a la/s persona/s que ha/han certificado las cuentas anuales individuales y consolidadas de la sociedad, para su formulación por el consejo:

Nombre	Cargo

Observaciones

C.1.28 Explique, si los hubiera, los mecanismos establecidos por el consejo de administración para que las cuentas anuales que el consejo de administración presenta a la junta general de accionistas se elaboran de conformidad con la normativa contable.

Conforme al artículo 39 del Reglamento del Consejo de Administración, el Consejo de Administración procurará formular definitivamente las cuentas anuales, de manera tal que no haya lugar a reservas o salvedades por parte del auditor. En los supuestos excepcionales en que existan, tanto el Presidente de la Comisión de Auditoría como los auditores externos explicarán con claridad a los accionistas el contenido de dichas reservas o salvedades. No obstante, cuando el Consejo considere que debe mantener su criterio, explicará públicamente el contenido y el alcance de la discrepancia. Para el control de estos extremos, el Consejo cuenta con la Comisión de Auditoría, Dirección Financiera y Auditoría Interna, todos ellos en permanente contacto con los Auditores Externos.

C.1.29 ¿El secretario del consejo tiene la condición de consejero?

Sí No

Si el secretario no tiene la condición de consejero complete el siguiente cuadro:

Nombre o denominación social del secretario	Representante
Alfonso Barón Bastarreche	

Observaciones

C.1.30 Indique los mecanismos concretos establecidos por la sociedad para preservar la independencia de los auditores externos, así como, si los hubiera, los mecanismos para preservar la independencia de los analistas financieros, de los bancos de inversión y de las agencias de calificación, incluyendo cómo se han implementado en la práctica las previsiones legales.

La comisión de auditoría se reúne periódicamente con los auditores externos para garantizar la efectividad de su revisión y analizar las posibles situaciones que podrían suponer un riesgo para su independencia. Además, la relación con el auditor externo cumple con los requisitos de independencia recogidos en la Ley 44/2002, de 22 de noviembre, de Medidas de Reforma del sistema Financiero

C.1.31 Indique si durante el ejercicio la Sociedad ha cambiado de auditor externo. En su caso identifique al auditor entrante y saliente:

Sí No

Auditor saliente	Auditor entrante
Deloitte, S.L	Ernst & Young, S.L.

Observaciones

En el caso de que hubieran existido desacuerdos con el auditor saliente, explique el contenido de los mismos:

Sí

No

Explicación de los desacuerdos

C.1.32 Indique si la firma de auditoría realiza otros trabajos para la sociedad y/o su grupo distintos de los de auditoría y en ese caso declare el importe de los honorarios recibidos por dichos trabajos y el porcentaje que el importe anterior supone sobre los honorarios facturados por trabajos de auditoría a la sociedad y/o su grupo:

Sí

No

	Sociedad	Sociedades del Grupo	Total
Importe de otros trabajos distintos de los de auditoría (miles de euros)	4,5	0	4,5
Importe trabajos distintos de los de auditoría / Importe trabajos de auditoría (en %)	4,48%	0	3,04%

Observaciones

C.1.33 Indique si el informe de auditoría de las cuentas anuales del ejercicio anterior presenta salvedades. En su caso, indique las razones dadas a los accionistas en la Junta General por el presidente de la comisión de auditoría para explicar el contenido y alcance de dichas salvedades.

Sí

No

Explicación de las razones y enlace directo al documento puesto a disposición de los accionistas en el momento de la convocatoria en relación con esta materia

C.1.34 Indique el número de ejercicios que la firma actual de auditoría lleva de forma ininterrumpida realizando la auditoría de las cuentas anuales individuales y/o consolidadas de la sociedad. Asimismo, indique el porcentaje que representa el número de ejercicios auditados por la actual firma de auditoría sobre el número total de ejercicios en los que las cuentas anuales han sido auditadas:

	Individuales	Consolidadas
Número de ejercicios ininterrumpidos	1	1

	Individuales	Consolidadas
Nº de ejercicios auditados por la firma actual de auditoría / Nº de ejercicios que la sociedad o su grupo han sido auditados (en %)	7,14%	14,29%

Observaciones

C.1.35 Indique y, en su caso detalle, si existe un procedimiento para que los consejeros puedan contar con la información necesaria para preparar las reuniones de los órganos de administración con tiempo suficiente:

Sí No

Detalle el procedimiento
<p><i>En el artículo 16 del Reglamento del Consejo de Administración indica que la convocatoria de las sesiones del Consejo de Administración se realizará por el Secretario del Consejo de Administración o quien haga sus veces, con la autorización de su Presidente, por cualquier medio que permita su recepción. La convocatoria se cursará con una antelación mínima de tres días. La convocatoria incluirá siempre el orden del día de la sesión y se acompañará de la información relevante debidamente preparada y resumida. Asimismo, el orden del día indicará con claridad aquellos puntos sobre los que el Consejo de Administración deberá adoptar un acuerdo, con el fin de que los consejeros con carácter previo puedan estudiar o recabar la información precisa para ello. Cuando, excepcionalmente, por razones de urgencia, el Presidente quiera someter a aprobación acuerdos que no figuran en el orden del día, será preciso el consentimiento previo y expreso de la mayoría de los consejeros presente, del que se dejará constancia en el acta.</i></p>

C.1.36 Indique y, en su caso detalle, si la sociedad ha establecido reglas que obliguen a los consejeros a informar y, en su caso, a dimitir cuando se den situaciones que les afecten, relacionadas o no con su actuación en la propia sociedad que puedan perjudicar al crédito y reputación de ésta:

Sí No

Explique las reglas
<p><i>El artículo 21 del Reglamento del Consejo de Administración, establece que los consejeros deberán poner su cargo a disposición del Consejo de Administración en los siguientes casos:</i></p> <ul style="list-style-type: none"> • <i>Cuando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como consejero.</i> • <i>Cuando se vean incurso en alguno de los supuestos de incompatibilidad o prohibición previstos en la ley, en los Estatutos Sociales o en este Reglamento.</i> • <i>Cuando resulten gravemente amonestados por el Comité de Auditoría o por haber infringido sus obligaciones como consejeros.</i> • <i>Cuando su permanencia en el Consejo pueda suponer poner en riesgo o perjudicar los intereses, el crédito o la reputación de la Sociedad.</i> • <i>Cuando desaparezcan las razones por las que fueron nombrados (por ejemplo, cuando un consejero dominical se deshace de su participación en la Sociedad o la reduce de manera relevante según se señala en el apartado).</i> • <i>En el caso de los consejeros dominicales:</i> <ul style="list-style-type: none"> ○ <i>Cuando el accionista a quien represente venda íntegramente su participación accionarial o reduzca de manera relevante y, en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de consejeros dominicales.</i>

C.1.37 Indique, salvo que hayan concurrido circunstancias especiales de las que se haya dejado constancia en acta, si el consejo ha sido informado o ha conocido de otro modo alguna situación que afecte a un consejero, relacionada o no con su actuación en la propia sociedad, que pueda perjudicar al crédito y reputación de ésta:

Sí No

Nombre del consejero	Naturaleza de la situación	Observaciones

En el supuesto anterior, indique si el consejo de administración ha examinado el caso. Si la respuesta es afirmativa, explique de forma razonada si, atendiendo a las circunstancias concretas, ha adoptado alguna medida, como la apertura de una investigación interna, solicitar la dimisión del consejero o proponer su cese.

Indique también si la decisión del consejo ha contado con un informe de la comisión de nombramientos.

Sí No

Decisión tomada/actuación realizada	Explicación razonada

C.1.38 Detalle los acuerdos significativos que haya celebrado la sociedad y que entren en vigor, sean modificados o concluyan en caso de cambio de control de la sociedad a raíz de una oferta pública de adquisición, y sus efectos.

No ha habido

C.1.39 Identifique de forma individualizada, cuando se refiera a consejeros, y de forma agregada en el resto de casos e indique, de forma detallada, los acuerdos entre la sociedad y sus cargos de administración y dirección o empleados que dispongan indemnizaciones, cláusulas de garantía o blindaje, cuando éstos dimitan o sean despedidos de forma improcedente o si la relación contractual llega a su fin con motivo de una oferta pública de adquisición u otro tipo de operaciones.

Número de beneficiarios	<i>No existen</i>
Tipo de beneficiario	Descripción del acuerdo
<i>No aplica</i>	<i>No aplica</i>

Indique si, más allá de en los supuestos previstos por la normativa, estos contratos han de ser comunicados y/o aprobados por los órganos de la sociedad o de su grupo. En caso positivo, especifique los procedimientos, supuestos previstos y la naturaleza de los órganos responsables de su aprobación o de realizar la comunicación:

	Consejo de administración	Junta general
Órgano que autoriza las cláusulas	<i>No aplica</i>	<i>No aplica</i>

	Sí	No
¿Se informa a la junta general sobre las cláusulas?	<i>No aplica</i>	<i>No aplica</i>

Observaciones

C.2 Comisiones del consejo de administración

C.2.1 Detalle todas las comisiones del consejo de administración, sus miembros y la proporción de consejeros ejecutivos, dominicales, independientes y otros externos que las integran:

COMISIÓN DE AUDITORÍA

Nombre	Cargo	Categoría
DON IGNACIO BAYÓN MARINE	PRESIDENTE	Independiente
DON JOSÉ MARÍA CASTELLANO RIOS	VOCAL	Independiente
DON RAFAEL MORENO BARQUERO	VOCAL	Dominical

% de consejeros dominicales	33,33%
% de consejeros independientes	66,67%
% de otros externos	0%

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos o en otros acuerdos sociales.

De acuerdo al reglamento del Consejo de Administración, en su artículo 14 y sin perjuicio de cualesquiera otros cometidos que puedan serle asignados en cada momento por el Consejo de Administración, la Comisión de Auditoría ejercerá las siguientes funciones básicas:

- Informar en la Junta General de accionistas sobre las cuestiones que en ella planteen los accionistas en materia de su competencia.*
- Supervisar la eficacia del control interno de la Sociedad y de su Grupo, así como de sus sistemas de gestión de riesgos, incluidos los fiscales.*
- Analizar, junto con los auditores de cuentas, las debilidades significativas del sistema de control interno detectadas en el desarrollo de la auditoría.*
- Supervisar el proceso de elaboración y presentación de la información financiera regulada*
- Proponer al Consejo de Administración, para su sometimiento a la Junta General de accionistas, el nombramiento, reelección o sustitución de los auditores de cuentas, de acuerdo con la normativa aplicable, así como las condiciones de su contratación y recabar regularmente de él información sobre el plan de auditoría y su ejecución, además de preservar su independencia en el ejercicio de sus funciones.*
- Supervisar la actividad de la auditoría interna de la Sociedad.*
- Establecer las oportunas relaciones con los auditores de cuentas para recibir información sobre aquellas cuestiones que puedan poner en riesgo su independencia, para su examen por la Comisión de Auditoría, y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como aquellas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las restantes normas de auditoría. En todo caso, deberá recibir anualmente de los auditores de cuentas la confirmación escrita de su independencia frente a la Sociedad o entidades vinculadas a esta directa o indirectamente, así como la información de los servicios adicionales de cualquier clase prestados a estas entidades por los citados auditores de cuentas, o por las personas o entidades vinculadas a estos de acuerdo con lo dispuesto en la legislación sobre auditoría de cuentas.*
- Emitir anualmente, con carácter previo al informe de auditoría de cuentas, un informe en el que se expresará una opinión sobre la independencia de los auditores de cuentas. Este informe deberá pronunciarse, en todo caso, sobre la prestación de los servicios adicionales a que hace referencia el párrafo anterior, individualmente considerados y en su conjunto, distintos de la auditoría legal y en relación con el régimen de independencia o con la normativa reguladora de auditoría.*
- Informar con carácter previo al Consejo de Administración sobre todas las materias previstas por la ley, los Estatutos Sociales y en el Reglamento del Consejo de Administración.*

Por tanto, no existe formalmente como tal establecido un procedimiento de actuación distinto al de las normas estatutarias y corporativas, si bien de hecho, en la práctica, el procedimiento de actuación se basa en un sistema ágil de comunicación con la dirección de la Sociedad.

Identifique a los consejeros miembros de la comisión de auditoría que hayan sido designados teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o en ambas e informe sobre la fecha de nombramiento del Presidente de esta comisión en el cargo.

Nombres de los consejeros con experiencia	DON IGNACIO BAYÓN MARINE
Fecha de nombramiento del presidente en el cargo	20 de Abril 2018

Observaciones
<i>Todos los consejeros tienen conocimientos en la materia, motivo por el cual fueron elegidos como miembros integrantes de la comisión. El Presidente de la comisión, Don Ignacio Bayón Marine, asumió el cargo el 20 de Abril 2018.</i>

COMISIÓN DE NOMBRAMIENTOS Y RETRIBUCIONES

Nombre	Cargo	Categoría
DON PEDRO NUENO INIESTA	PRESIDENTE	Independiente
DON JOSÉ MARÍA CASTELLANO RIOS	VOCAL	Independiente
DON IGNACIO BAYÓN MARINE	VOCAL	Independiente

% de consejeros dominicales	0,00%
% de consejeros independientes	100,00%
% de otros externos	0,00%

Explique las funciones, incluyendo, en su caso, las adicionales a las previstas legalmente, que tiene atribuidas esta comisión, y describa los procedimientos y reglas de organización y funcionamiento de la misma. Para cada una de estas funciones, señale sus actuaciones más importantes durante el ejercicio y cómo ha ejercido en la práctica cada una de las funciones que tiene atribuidas, ya sea en la ley o en los estatutos o en otros acuerdos sociales.

Sin perjuicio de cualesquiera otros cometidos que puedan serle asignados en cada momento por el Consejo de Administración, la Comisión de Nombramientos y Retribuciones ejercerá las siguientes funciones básicas:

- *Evaluar las competencias, conocimientos y experiencia necesarios en el Consejo de Administración. A estos efectos, definirá las funciones y aptitudes necesarias en los candidatos que deban cubrir cada vacante y evaluará el tiempo y dedicación precisos para que puedan desempeñar eficazmente su cometido.*
- *Establecer un objetivo de representación para el sexo menos representado en el Consejo de Administración y elaborar orientaciones sobre cómo alcanzar dicho objetivo.*
- *Elevar al Consejo de Administración las propuestas de nombramiento de consejeros independientes para su designación por cooptación o para su sometimiento a la decisión de la Junta General de Accionistas, así como las propuestas para la reelección o separación de dichos consejeros por la Junta General de Accionistas.*

- *Informar las propuestas de nombramiento de los restantes consejeros para su designación por cooptación o para su sometimiento a la decisión de la Junta General de Accionistas, así como las propuestas para su reelección o separación por la Junta General de Accionistas.*
- *Informar las propuestas de nombramiento y separación de altos directivos y las condiciones básicas de sus contratos.*
- *Examinar y organizar la sucesión del presidente del Consejo de Administración y del primer ejecutivo de la sociedad y, en su caso, formular propuestas al Consejo de Administración para que dicha sucesión se produzca de forma ordenada y planificada.*
- *Proponer al Consejo de Administración la política de retribuciones de los consejeros y de los directores generales o de quienes desarrollen sus funciones de alta dirección bajo la dependencia directa del Consejo, de comisiones ejecutivas o de consejeros delegados, así como la retribución individual y las demás condiciones contractuales de los consejeros ejecutivos, velando por su observancia.*

Asimismo, corresponderá a la Comisión de Nombramientos y Retribuciones:

- *Competencias relativas a la composición del Consejo de Administración y de sus comisiones y al proceso de designación de cargos internos del Consejo de Administración y altos directivos.*
- *Competencias relativas a la selección de candidatos a consejeros.*
- *Competencias relativas a la evaluación y reelección de consejeros: Establecer y supervisar un programa anual de evaluación y revisión continua de la cualificación, formación y, en su caso, independencia, así como del mantenimiento de las condiciones necesarias para el ejercicio del cargo de consejero y de miembro de una determinada comisión, y proponer al Consejo de Administración las medidas que considere oportunas al respecto.*
- *Competencias relativas a la separación y cese de consejeros.*
- *Competencias relativas a remuneraciones.*

Por tanto, no existe formalmente como tal establecido un procedimiento de actuación distinto al de las normas estatutarias y corporativas, si bien de hecho, en la práctica, el procedimiento de actuación se basa en un sistema ágil de comunicación con la dirección de la Sociedad.

C.2.2 Complete el siguiente cuadro con la información relativa al número de consejeras que integran las comisiones del consejo de administración al cierre de los últimos cuatro ejercicios:

	Número de consejeras							
	Ejercicio 2020		Ejercicio 2019		Ejercicio 2018		Ejercicio 2017	
	Número	%	Número	%	Número	%	Número	%
Comisión de Auditoría	0	0,00%	0	0,00%	0	0,00%	0	0,00%
Comisión de Nombramientos y Retribuciones	0	0,00%	0	0,00%	0	0,00%	1	33,00%

Observaciones

C.2.3 Indique, en su caso, la existencia de regulación de las comisiones del consejo, el lugar en que están disponibles para su consulta, y las modificaciones que se hayan realizado durante el ejercicio. A su vez, se indicará si de forma voluntaria se ha elaborado algún informe anual sobre las actividades de cada comisión.

*Las comisiones del consejo se regulan en los Estatutos Sociales y en el Reglamento del Consejo de Administración, los cuales están disponibles en la página web de la compañía (www.naturhouse.com) No ha habido modificación durante el ejercicio.
Para más información consultar el siguiente enlace:
<http://www.naturhouse.com/wp-content/uploads/2014/10/Texto-Refundido-de-los-Estatutos-Sociales-21-de-abril-2016.pdf>*

D. OPERACIONES VINCULADAS Y OPERACIONES INTRAGRUPPO

D.1 Explique, en su caso, el procedimiento y órganos competentes para la aprobación de operaciones con partes vinculadas e intragrupo.

*La Sociedad mantiene relaciones comerciales con las filiales del grupo, relaciones que son valoradas y supervisadas anualmente por consultores externos conforme a los procedimientos de verificación de precios de transferencia.
Los auditores externos de la Sociedad en los informes y dossier que preparan para informar a la Comisión de Auditoría y al Consejo de Administración, incluyen un apartado específico sobre operaciones vinculadas.*

D.2 Detalle aquellas operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o entidades de su grupo, y los accionistas significativos de la sociedad:

Nombre o denominación social del accionista significativo	Nombre o denominación social de la sociedad o entidad de su grupo	Naturaleza de la relación	Tipo de la operación	Importe (miles de euros)
KILUVA SA	NATURHOUSE HEALTH, S.A.	Societaria	Servicios	20
FEREV UNO STRATEGIC PLANS, S.L.	NATURHOUSE HEALTH, S.A.	Societaria	Dividendos y otros beneficios distribuidos	0
TARTALES, S.L.	NATURHOUSE HEALTH, S.A.	Venta de Activos	Venta de Activos no afectos a la actividad	596

Observaciones

D.3 Detalle las operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o entidades de su grupo, y los administradores o directivos de la sociedad:

Nombre o denominación social de los administradores o directivos	Nombre o denominación social de la sociedad o entidad de su grupo	Vínculo	Naturaleza de la operación	Importe (miles de euros)

Observaciones
No ha habido

D.4 Informe de las operaciones significativas realizadas por la sociedad con otras entidades pertenecientes al mismo grupo, siempre y cuando no se eliminen en el proceso de elaboración de estados financieros consolidados y no formen parte del tráfico habitual de la sociedad en cuanto a su objeto y condiciones.

En todo caso, se informará de cualquier operación intragrupo realizada con entidades establecidas en países o territorios que tengan la consideración de paraíso fiscal:

Denominación social de la entidad de su grupo	Breve descripción de la operación	Importe (miles de euros)
Ichem Sp zoo	Proveedor de productos	8.943

Observaciones

D.5 Detalle las operaciones significativas realizadas entre la sociedad o entidades de su grupo y otras partes vinculadas, que no hayan sido informadas en los epígrafes anteriores.

Denominación social de la parte vinculada	Breve descripción de la operación	Importe (miles de euros)
Girofibra, S.L.	Proveedor de productos	745
Healthouse Sun, S.L.	Servicios	9
Indusen, S.A.	Proveedor de productos	2.086
Laboratorios Abad, S.L.U.	Proveedor de productos	92
Casewa, S.L.	Arrendador locales	108
Tartales, S.L.	Arrendador locales	596
U.D. Logroñés, S.A.D.	Publicidad	188
Ferev, SARL	Franquiciado	53

Observaciones

D.6 Detalle los mecanismos establecidos para detectar, determinar y resolver los posibles conflictos de intereses entre la sociedad y/o su grupo, y sus consejeros, directivos o accionistas significativos.

El artículo 29 del Reglamento del Consejo regula los conflictos de interés, de la siguiente forma:

Se considerará que existe conflicto de interés en aquellas situaciones en las que entren en colisión, de forma directa o indirecta, el interés de la Sociedad o de las sociedades integradas en su grupo y el interés personal del consejero.

Existirá interés personal del consejero cuando el asunto le afecte a él o a una persona vinculada con él o, en el caso de un consejero dominical, al accionista o accionistas que propusieron o efectuaron su nombramiento o a personas relacionadas directa o indirectamente con aquellos.

A los efectos de este Reglamento, se entenderá por:

1. Personas vinculadas al consejero persona física:

- El cónyuge o las personas con análoga relación de afectividad.*
- Los ascendientes, descendientes y hermanos del consejero o del cónyuge (o persona con análoga relación de afectividad) del consejero.*
- Los cónyuges de los ascendientes, descendientes y hermanos del consejero.*

- *Las sociedades o entidades en las que el consejero o cualquiera de las personas a él vinculadas, por sí o por persona interpuesta, se encuentre en alguna de las situaciones contempladas en el artículo 42 del Código de Comercio.*
- *Las sociedades o entidades en las que el consejero o cualquiera de las personas a él vinculadas, por sí o por persona interpuesta, ejerza un cargo de administración o dirección o de las que perciba emolumentos por cualquier causa.*
- *En el caso de los consejeros dominicales, adicionalmente, los accionistas a propuesta de los cuales se hubiera procedido a su nombramiento.*

2. *Personas vinculadas al consejero persona jurídica:*

- *Los socios que se encuentren, respecto del consejero persona jurídica, en alguna de las situaciones contempladas en el artículo 42 del Código de Comercio*
- *Las sociedades que formen parte del mismo grupo, tal y como este término se define en el artículo 42 del Código de Comercio, y sus socios.*
- *El representante persona física, los administradores, de derecho o de hecho, los liquidadores y los apoderados con poderes generales del consejero persona jurídica.*
- *Las personas que respecto del representante del consejero persona jurídica tengan la consideración de personas vinculadas de conformidad con lo que se establece en el apartado 3.(i) de este artículo para los consejeros personas físicas.*
- *El consejero deberá comunicar la existencia de conflictos de interés al Consejo de Administración y abstenerse de intervenir como representante de la Sociedad en la operación a que el conflicto se refiera, con las excepciones que establezca la legislación aplicable.*

Además del control que se lleva a cabo en las distintas Comisiones y en el Consejo de Administración, anualmente los auditores externos, a efectos de verificación conforme a lo establecido en el artículo 229 de la Ley de Sociedades de Capital, solicitan a los consejeros la presentación de una declaración escrita sobre posibles situaciones de conflicto de interés. Los consejeros deben comunicar fundamentalmente si han realizado o no transacciones con la Sociedad, hecho uso de activos sociales, obtenido ventajas o remuneraciones de terceros, etc., así como, entre otros aspectos, información sobre si ostentan cargos en sociedades con el mismo, análogo o complementario objeto y actividad de la Sociedad.

D.7 Indique si la sociedad está controlada por otra entidad en el sentido del artículo 42 del Código de Comercio, cotizada o no, y tiene, directamente o a través de sus filiales, relaciones de negocio con dicha entidad o alguna de sus filiales (distintas de las de la sociedad cotizada) o desarrolla actividades relacionadas con las de cualquiera de ellas.

Sí

No

Como se ha indicado, Kiluva, S.A. tiene el 72,60% del capital de Naturhouse.

Indique si ha informado públicamente con precisión acerca de las respectivas áreas de actividad y eventuales relaciones de negocio entre por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales:

Sí

No

Informe de las respectivas áreas de actividad y las eventuales relaciones de negocio entre, por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales, e identifique dónde se ha informado públicamente sobre estos aspectos

Identifique los mecanismos previstos para resolver los eventuales conflictos de intereses entre la otra sociedad dominante de la cotizada y las demás empresas del grupo:

Mecanismos para resolver los eventuales conflictos de intereses

E. SISTEMAS DE CONTROL Y GESTION DE RIESGOS

E.1 Explique el alcance del Sistema de Control y Gestión de Riesgos de la sociedad, incluidos los de naturaleza fiscal.

La compañía tiene una Política de Gestión del Riesgo, aprobada por el Consejo de Administración, a partir de la cual se despliega el Modelo de Gestión de Riesgo de la compañía (en adelante, MGR) de aplicación a todos los agentes del proceso, así como a la sociedad matriz y sus filiales. El MGR está basado en las principales directrices y elementos de la estructura de gestión de riesgos definida por el "Committee of Sponsoring Organizations of the Treadway Commission" (COSO).

Su seguimiento posibilita a la Entidad identificar las palancas de valor, gestionar los riesgos que afectan a los objetivos y actividades en los que se concretan las estrategias, facilitar la detección y valoración de oportunidades y generar un mayor valor a la Entidad. En este sentido, el alcance del modelo es integral y aglutina todas las actividades, desde aquellas a nivel corporativo, hasta las unidades y procesos de negocio.

El procedimiento de gestión de riesgos involucra a toda la organización, es sistemático, e implica ejecutar tareas de identificación, evaluación, propuestas de tratamiento y monitorización sobre riesgos financieros y económicos (incluyendo riesgos fiscales y contingencias legales), operativos, tecnológicos, reputacionales, entre otros.

En consecuencia, un adecuado MGR debe ser eficaz en la determinación de la exposición real a las posibles contingencias detectadas y definir un plan de acción que mitigue los principales y posibles impactos. Desde Auditoría interna además de supervisar el correcto funcionamiento del MGR, se evalúa anualmente la valoración de los principales riesgos de la Entidad, así como el nivel de tolerancia del mismo con el objetivo de la mejora continua que permite su actualización.

E.2 Identifique los órganos de la sociedad responsables de la elaboración y ejecución del Sistema de Control y Gestión de Riesgos, incluido el fiscal.

Como determina el Artículo 5 del Reglamento de conducta el Consejo de Administración se reserva la competencia de aprobar las políticas y estrategias generales de la Sociedad, entre las que se encuentra la política de gestión de riesgo mencionada con anterioridad.

Por su parte, la asignación de roles dentro del Modelo de Gestión de Riesgos, se configura para dar cobertura a los tres grandes objetivos: Objetivo de mejora y actualización, de gestión continua del modelo y de monitorización y supervisión del cumplimiento.

Como recoge la Política de Gestión del Riesgo de la compañía, las funciones asignadas a cada uno de los roles del Modelo de Gestión de Riesgos (MGR) son las siguientes:

1. Gestión continua: El objetivo es hacer frente a los riesgos que se plantean en la operativa del día a día y, en consecuencia, desarrollar y ejecutar las actividades de control necesarias para que las operaciones se mantengan en los niveles de riesgo determinados por la Entidad.

-Áreas funcionales: Gestionan diariamente los riesgos que afectan a sus áreas de responsabilidad, implementando las actividades de control necesarias para el aseguramiento de un nivel de riesgo aceptable. Reportan al Auditor Interno, cuando se le solicita, sobre el estado de las medidas y actividades de control implementadas para la gestión de riesgos. Adicionalmente, Informan de cualquier deficiencia y/o incumplimiento de las medidas de control existentes para gestionar los riesgos de la Entidad y/o de normativa interna/ externa de los que tenga conocimiento. Por último, colaboran con Auditoría Interna en el suministro en todo momento la información requerida para verificar el diseño y la eficacia operativa de los controles existentes.

-Dirección de mando intermedio: Proporcionan los recursos necesarios a las Áreas Funcionales para garantizar la implantación de medidas y actividades de control adecuadas sobre los riesgos existentes. Reportan a Auditoría Interna el estado del sistema de gestión de riesgos y revisando la gestión diaria de las áreas funcionales. Por último, revisan la identificación de riesgos y medidas de mitigación en función de la tolerancia definida para una correcta actualización del MGR.

-Alta Dirección: Su principal función es la de comunicar y coordinar a la Comisión de Auditoría y Auditoría Interna, y al Consejo de administración para asegurar el alineamiento entre los diferentes órganos de gobierno de la Entidad en el desarrollo e implementación del modelo de gestión de riesgos.

2. Monitorización y supervisión: La responsabilidad principal es establecer los criterios de gestión de riesgos de la Entidad y asegurar el adecuado funcionamiento del MGR, como resultado la compañía debe mantenerse en unos niveles adecuados de riesgo. Las principales tareas a desarrollar para alcanzar los objetivos descritos son:

-Auditoría Interna: Establece la metodología y políticas de gestión de riesgos de la Entidad y en base a sus análisis de riesgo, realiza la propuesta a la Comisión de los planes de auditoría interna basada en los riesgos identificados y su valoración. Debe coordinarse con las Áreas Funcionales para monitorizar y reportar sobre el funcionamiento del modelo de gestión de riesgos. Periódicamente, verificará el eficaz funcionamiento del modelo de gestión de riesgos, analizando la eficacia en el diseño y el funcionamiento del sistema de control interno e identificando deficiencias. Reporta a la Comisión de Auditoría y Control el resultado de los trabajos realizados sobre la eficacia del modelo de gestión de riesgos.

-Comisión de Auditoría y Control: Supervisa la eficacia del modelo de gestión de riesgos de la Entidad y procesos de elaboración y presentación de la información financiera preceptiva y presentar recomendaciones o propuestas al órgano de administración, dirigidas a salvaguardar su integridad. Informa a la Junta General de Accionistas de las preguntas relacionadas con la gestión de riesgos y el sistema de control interno. Asegurar la existencia de recursos para desarrollar el plan de auditoría interna aprobado en base a la identificación y mapa de riesgos de la compañía.

-Consejo de Administración: Determina el nivel de riesgo a asumir por la Entidad alineando los objetivos de control y de negocio. Asegura que la Comisión de Auditoría y Control tiene las competencias necesarias para llevar a cabo su cometido y supervisa el funcionamiento de la Comisión de Auditoría y Control.

E.3 Señale los principales riesgos, incluidos los fiscales y en la medida que sean significativos los derivados de la corrupción (entendidos estos últimos con el alcance del Real Decreto Ley 18/2017), que pueden afectar a la consecución de los objetivos de negocio.

La compañía en el desarrollo de su objeto social, incurre en riesgos propios de los mercados en los que opera y los negocios que desarrolla. Los riesgos a los que aludimos pueden tener carácter externo (regulatorios, comportamientos de la demanda, precios, competencia, etcétera) o bien, pueden ser riesgos de carácter financiero, operativo o de gobierno corporativo.

La política de gestión del riesgo, así como los objetivos prioritarios de los sistemas de control interno, han sido definidos por la Entidad para garantizar la consideración, valoración, tolerancia, priorización y cobertura de los siguientes riesgos principales:

Riesgos de Negocio: El principal riesgo de negocio al que se enfrenta la compañía en el mercado de la reeducación alimentaria se relacionan con la elevada competitividad del sector, consecuencia de bajas barreras de entrada. Otro riesgo relevante está relacionado con el comportamiento cambiante de la demanda, los patrones alimenticios y tendencias, varían regularmente.

La irrupción de la pandemia de la Covid19 en la sociedad, obligó a la compañía a acelerar la estrategia de digitalización iniciada a finales de 2019 con la implementación del canal de venta online. La transformación del modelo ha permitido a Naturhouse adaptarse rápidamente a las nuevas circunstancias y hábitos de consumo provocados por la pandemia.

Riesgos de Gobierno Corporativo: Riesgos propios del mercado de valores y de la garantía del mantenimiento responsable y sostenido de la posición económica de la compañía.

Riesgos Regulatorios: El sector de actividad de la compañía está sujeto a una amplia reglamentación (legislación fiscal, relativa a la seguridad alimentaria, de protección de datos personales, del comercio minorista, relativa a franquicias, laboral y competencia entre otras) en los distintos mercados donde opera. Cualquier modificación de la normativa podría limitar la operativa diaria de la compañía. Asimismo, cualquier incumplimiento de la normativa aplicable podría derivar incluso en sanciones administrativas.

Riesgos Reputacionales: Debido a su exposición pública, la compañía está sujeta a un riesgo reputacional permanente. Todos los impactos derivados de dicha exposición se monitorizan y analizan regularmente.

Riesgos asociados a la distribución: Parte de los procesos de logística y transporte están externalizados. Cualquier interrupción importante en el funcionamiento de la red de transporte y logística, podría provocar retrasos en la entrega de productos y un eventual desabastecimiento en las tiendas.

Riesgos Políticos: Aquellos derivados de cambios en acuerdos supranacionales que limiten las relaciones comerciales y oportunidades de negocio.

Riesgos de pandemias: Aquellos riesgos derivados por la propagación de un virus, como la Covid-19. Este nuevo escenario ha obligado a la compañía a adoptar decisiones estratégicas, así como adoptar medidas preventivas destinadas a proteger a empleados y clientes, que han supuesto un cambio en la operativa diaria.

E.4 Identifique si la entidad cuenta con niveles de tolerancia al riesgo, incluido el fiscal.

Naturhouse Health, S.A. tiene implementado un procedimiento anual de supervisión del MGR, mediante el cual se lleva a cabo la actualización del inventario de riesgos en base a los eventos significativos ocurridos durante el ejercicio. Las bases que sustentan la metodología de supervisión del Modelo, son las siguientes:

-Valoración de riesgos: Cada riesgo lleva asociada una probabilidad de ocurrencia y un impacto potencial. De la combinación de ambos elementos, nace el nivel de tolerancia de la compañía para cada uno de ellos.

-Establecimiento de límites y directrices de control: Cada riesgo debe mantenerse dentro de unos límites preestablecidos, en caso de determinarse una posición fuera de dichas cotas de riesgo, se procederá a la actuación de los Órganos de Control (Auditoría Interna y Comité de Ética) involucrando a todos los niveles organizacionales si el cambio conlleva re-diseñar procedimientos, crear controles y/o instaurar niveles de supervisión. Se puede alcanzar una superación de los límites por acumulación de errores de tipo operativo, daños en la imagen, merma en la demanda final o pérdidas económicas directas o contingentes.

Del procedimiento de supervisión nace una propuesta presentada a la Comisión de Auditoría de cuya aprobación se formaliza la tolerancia al riesgo de la compañía. La Comisión de Auditoría tiene como responsabilidad proponer al Consejo de Administración en base al perfil de riesgo asumible por la compañía, los planes necesarios de mejora en cuanto a prevención y actuaciones correctivas, si procede realizarlas.

El apetito aceptado por el riesgo se materializa en las estrategias, decisiones de cada unidad de negocio y procedimiento de la operativa diaria. La política de tolerancia al riesgo se adapta para cada filial que compone la estructura organizativa de la compañía

E.5 Indique qué riesgos, incluidos los fiscales, se han materializado durante el ejercicio.

La irrupción de la pandemia de la Covid19 en 2020, obligó a la compañía a acelerar la estrategia de digitalización iniciada a finales de 2019 con la implementación del canal de venta online. La transformación del modelo ha permitido a Naturhouse adaptarse rápidamente a las nuevas circunstancias y hábitos de consumo provocados por la pandemia.

Así mismo, la compañía para hacer frente a la nueva situación generada por la pandemia ha adoptado medidas preventivas destinadas a proteger a empleados y clientes, atendiendo a las recomendaciones de las autoridades sanitarias.

En las oficinas centrales se ha instaurado el teletrabajo, igualmente se han adaptado los turnos, distribuido gel hidroalcohólico y mascarillas en los puestos de trabajo e instalación de mamparas de separación. Además, se ha informado a los empleados de las medidas que deben seguir para prevenir la Covid19. Por otro lado, los puntos de venta se han provisto igualmente de gel hidroalcohólico, mascarillas y mamparas de separación para garantizar la seguridad de los clientes y empleados.

E.6 Explique los planes de respuesta y supervisión para los principales riesgos de la entidad, incluidos los fiscales, así como los procedimientos seguidos por la compañía para asegurar que el consejo de administración da respuesta a los nuevos desafíos que se presentan

Se ha implantado un sistema de Reporting a la Comisión de Auditoría, mediante el cual, con una periodicidad mínima trimestral la Unidad de Riesgos y Auditoría Interna elabora un informe de riesgos que recoge la evaluación realizada y las respuestas planificadas comunicadas.

Como se ha mencionado en el procedimiento de fijación de niveles de tolerancia, el objetivo último del desarrollo y metodología aplicada para Gestión de Riesgos, es la creación de planes de respuesta

adaptados a la valoración, priorización y niveles de aceptación de los riesgos. Para cada tipo de riesgo y su valoración, existen diferentes planes de acción, mencionamos aquellos de mayor relevancia:

1. *Riesgos de Negocio: La irrupción de la pandemia de la Covid19 en la sociedad, obligó a la compañía a acelerar la estrategia de digitalización iniciada a finales de 2019 con la implementación del canal de venta online. La transformación del modelo ha permitido a Naturhouse adaptarse rápidamente a las nuevas circunstancias y hábitos de consumo provocados por la pandemia. El objetivo es potenciar la venta online e incrementar su contribución a la cifra de negocio de la compañía.*

2. *Riesgos de Gobierno Corporativo y regulatorios: Como respuesta planificada ante los riesgos que afecten al buen gobierno corporativo, se ha desarrollado un programa de mejora de la responsabilidad social corporativa que aglutina las siguientes iniciativas:*

-Código Ético y de Conducta y Canal de Ética y Cumplimiento

El Consejo de Administración de Naturhouse Health, S.A. aprobó el 22 de julio de 2016 el Código Ético que entró en vigor en septiembre 2016.

El Código Ético representa la norma interna de mayor rango que establece los principios, valores y pautas de conducta que guían el comportamiento de todas las personas relacionadas con el Grupo Naturhouse Health en el desarrollo de su actividad profesional. Este Código, como el resto de normas aprobadas por la sociedad, es de obligado cumplimiento para todos los empleados.

Asimismo, la compañía tiene habilitado un Canal de Ética y Cumplimiento creado en 2016 y destinado a dar cumplimiento a lo previsto en el Código Ético. Se trata de un mecanismo interno de la compañía, de acceso público (vía correo electrónico y dirección postal), que permite a cualquier persona obligada por el Código Ético poner en conocimiento de ésta, de forma confidencial y totalmente segura, la posible comisión de actos contrarios a la ley en el seno de Naturhouse o en perjuicio de ésta y las posibles infracciones de su Código Ético de Conducta o de otras normas internas. El Canal Ético también sirve para que las personas obligadas por el Código Ético puedan plantear consultas acerca de su contenido e interpretación.

*El Código Ético y el Canal de denuncias están accesibles en <http://www.naturhouse.com>
<http://www.naturhouse.com/compania/codigo-etico-y-de-conducta/>
<http://www.naturhouse.com/compania/canal-de-etica-y-cumplimiento/>*

-Modelo de Prevención Legal

Naturhouse tiene implementado un modelo de prevención legal destinado a establecer los mecanismos y políticas internas de control con el objetivo de prevenir la comisión de actos contrario a la legalidad o incumplimiento de la normativa interna y, en su caso, poder eximir de responsabilidad a la compañía conforme a lo establecido en la vigente Ley Orgánica 1/2015, de 30 de marzo, por la que se modifica la Ley Orgánica 10/1995, de 23 de noviembre, del Código Penal. El modelo desarrollado cuenta con las medidas de control eficaces para evitar la comisión de delitos que pudieran derivar en una responsabilidad penal para Naturhouse.

-Comité de Ética

Con fecha 21 de abril de 2016, los consejeros independientes de la sociedad dieron su conformidad expresa a que sea la Comisión de Auditoría y Control el órgano independiente de control de cumplimiento normativo y supervisor del Modelo de Prevención Legal de reciente constitución, actuando como órgano de dirección, control y supervisión, constituyéndose además, bajo su dependencia, un comité interno de apoyo, asumiendo este comité interno la función de Compliance Officer.

A estos efectos, igualmente se dio conformidad a que este comité, denominado Comité de Ética, sea integrado por el Director Financiero y la Responsable de Auditoría Interna de la sociedad, en calidad de

representantes internos y como personas externas y además con formación legal, formen parte del mismo, un consejero independiente y el secretario del consejo.

-Mejora de los controles de cierre contable

Desde la dirección financiera se revisan y documentan los controles de aseguramiento y fiabilidad de la información financiera de la compañía, se comunican periódicamente al resto de los agentes implicados en el cierre contable y se coordinan todos los recursos para su eficacia y mantenimiento.

-Responsabilidad Social Corporativa

A fin de dar cumplimiento a la Ley 11/2018 de información no financiera, se elabora anualmente la memoria de estado de información no financiera, sometida a verificación por un auditor externo.

3. Riesgos Reputacional: han creado procedimientos adicionales de control de la información vertida al exterior para preservar las expectativas de los inversores y prevenir posibles pérdidas de valor. Adicionalmente, los mecanismos habilitados de prevención legal permiten detectar conductas contrarias a los principios de ética de la Entidad que pudiesen suponer un menoscabo en su imagen de marca.

F. SISTEMAS INTERNOS DE CONTROL Y GESTIÓN DE RIESGOS EN RELACIÓN CON EL PROCESO DE EMISIÓN DE LA INFORMACIÓN FINANCIERA (SCIIF)

Describa los mecanismos que componen los sistemas de control y gestión de riesgos en relación con el proceso de emisión de información financiera (SCIIF) de su entidad.

F.1 Entorno de control de la entidad

Informe, señalando sus principales características de, al menos:

F.1.1. Qué órganos y/o funciones son los responsables de: (i) la existencia y mantenimiento de un adecuado y efectivo SCIIF; (ii) su implantación; y (iii) su supervisión.

La Comisión de Auditoría y Cumplimiento se responsabiliza de la existencia y eficacia del sistema de control de la información financiera. En este sentido, es la unidad encargada de encomendar al responsable de Auditoría Interna las competencias y funciones necesarias para su diseño, adaptación, comunicación, aportación de la metodología, coordinación interna y revisión del cumplimiento. Dado que es una iniciativa incluida dentro del Plan de Auditoría Interna oficialmente aprobado por el Consejo de Administración, el diseño y la implementación de los principales procedimientos con impacto contable es sometido a rigurosas revisiones con una periodicidad mínima semestral.

El responsable de Auditoría Interna de la compañía cuenta con el apoyo de la Dirección Financiera para el desarrollo de mejoras en la cobertura de riesgos de balance, diseñando controles o re-diseñando procedimientos clave de la compañía. Adicionalmente, para cada uno de los procesos contables, ha sido encomendado un responsable de ejecución de actividad y control y un supervisor global del cumplimiento del proceso/subproceso dentro de la Unidad de Negocio en la que se desarrolla.

Cada responsable de la ejecución de tareas/controles que configuran los procesos, deben proporcionar evidencia de la realización de las actividades diseñadas cuando el Auditor así lo solicite. Es competencia de cada propietario de las actividades proponer mejoras en el procedimiento si se observan riesgos inadecuadamente mitigados que pudiesen hacer peligrar la veracidad, integridad, fiabilidad o corrección de la información financiera.

De esta forma, queda evidenciado que el compromiso de implementación y supervisión del SCIIF existe en todos los niveles de la compañía y la estructura de Reporting apoya la detección de mejoras y la continua actualización del mismo.

F.1.2. Si existen, especialmente en lo relativo al proceso de elaboración de la información financiera, los siguientes elementos:

- Departamentos y/o mecanismos encargados: (i) del diseño y revisión de la estructura organizativa; (ii) de definir claramente las líneas de responsabilidad y autoridad, con una adecuada distribución de tareas y funciones; y (iii) de que existan procedimientos suficientes para su correcta difusión en la entidad.

En el reglamento del Consejo de Administración se asientan las bases de su competencia en materia de estructura organizativa, delimitación de responsabilidades y difusión a los miembros de la organización. En concreto, hacemos referencia al artículo 5 del citado estatuto, donde se estipula lo siguiente:

-Es competencia del Consejo el nombramiento y destitución de los miembros del órgano de administración, así como ratificar o revocar los nombramientos de los miembros del Consejo de Administración efectuados por cooptación.

-Aprobar las operaciones que entrañen una modificación estructural de la Sociedad.

-Propiciar un sistema de difusión de las políticas y procedimientos de la compañía de forma que sea conocido en cualquier nivel de organización.

Adicionalmente a lo anterior, el Consejo de Administración adoptará las medidas oportunas para que estructura sea óptima, adecuada a la estrategia, objetivos y magnitud de las operaciones y fomente una adecuada delegación de poder de decisión que evite el surgimiento de conflictos de interés.

La Comisión de Auditoría, por su parte, centra sus actuaciones en la función general de supervisión, controlando que los órganos ejecutivos y el equipo de dirección actúan conforme a las estrategias y objetivos marcados. En esta línea la gestión ordinaria, requiere el diseño y revisión de la estructura organizativa, así como la definición de las líneas de responsabilidad y autoridad que implique una correcta y adecuada delegación de funciones por parte del Presidente y el Consejo.

En los estatutos del Comité de Auditoría se estipula lo siguiente en relación a la estructura societaria, líneas de responsabilidad y difusión:

-Establece la competencia de la Comisión de revisión periódica de la normativa interna de gobierno corporativo de la Sociedad y de la propuesta al Consejo de Administración, para su aprobación o elevación a la Junta General de accionistas, según corresponda, las modificaciones y actualizaciones que contribuyan a su desarrollo y mejora continua

-Además es encargado de la supervisión de la estructura organizativa definida por el consejo, de manera que se fomente el interés social y sea suficientemente difundida a los miembros que integran la compañía.

- Código de conducta, órgano de aprobación, grado de difusión e instrucción, principios y valores incluidos (indicando si hay menciones específicas al registro de operaciones y elaboración de información financiera), órgano encargado de analizar incumplimientos y de proponer acciones correctoras y sanciones.

(i) Código Ético y de Conducta:

Con fecha 22 de Julio, se aprobó por el Consejo de Administración y la Comisión de Auditoría, el primer Código Ético y de Conducta de Naturhouse Health, S.A.

El mencionado código recoge la norma interna de la compañía, aplicable a todos los niveles organizativos y filiales del Grupo societario al completo que manifiesta el compromiso ético, sostenible y de transparencia de la Sociedad en la toma de decisiones y la fijación de líneas de actuación. Este código como el resto de políticas de control interno, es de obligada aceptación y cumplimiento por empleados y agentes que se relacionen con Naturhouse Health, S.A.

Su aplicación tiene como objetivo prioritario reforzar la cultura de cumplimiento y contribuir de forma directa a orientar, a todos los agentes con quién nos relacionamos, sobre cuál es la postura ética de la compañía y cómo aplicarla en el día a día.

Los Principios y Valores de la compañía que actúan como guía, se encuentran definidos en el código, los más destacables en relación a la información relevante de la compañía son los siguientes:

-Confidencialidad de la información ya sea técnica, comercial, de gestión o financiera, por parte de todo el personal que tenga acceso a su conocimiento.

-Transparencia, veracidad e imagen fiel de la información proporcionada a los usuarios interesados, ya sean inversores como proveedores, clientes y otros grupos de interés.

-Honestidad en las relaciones y exigencia de máxima calidad con el cliente final.

-Excelencia y Dinamismo

Todo ello focalizado reafirmar unos principios rectores que lleven a las actividades de la sociedad al alcance de la misión principal, la reeducación alimentaria y la obtención de un peso salud.

Por último, el órgano encargado de analizar incumplimientos del código ético u otras políticas internas que actúan con rango de ley para preservar los principios básicos descritos, es en última instancia la Comisión de Auditoría en delegación de las funciones propias de oficial de cumplimiento a un órgano interno colegiado denominado Comité de Ética, integrado por el Director Financiero y la Responsable de Auditoría Interna de la sociedad, en calidad de representantes internos y como personas externas y además con formación legal, un consejero independiente y el secretario del consejo.

El citado Comité de Ética se reúne un mínimo de cuatro veces al año, para realizar seguimiento del Modelo de Prevención Legal y gestionar las Denuncias/Consultas recibidas a través del Canal Ético de la compañía. Con una periodicidad mínima trimestral informarán a la Comisión de Auditoría de cuanto aquello consideren y siempre que sea necesario tomar partido y desarrollar actuaciones internamente para el mantenimiento de un carácter preventivo ante cambios regulatorios o posibles riesgos legales identificados.

- Canal de denuncias, que permita la comunicación a la comisión de auditoría de irregularidades de naturaleza financiera y contable, en adición a eventuales incumplimientos del código de conducta y actividades irregulares en la organización, informando, en su caso, si éste es de naturaleza confidencial y si permite realizar comunicaciones anónimas respetando los derechos del denunciante y del denunciado.

En el Consejo de Administración celebrado el 22 de Julio de 2016, se aprobó el despliegue del Canal Ético de la compañía, su publicación en la web corporativa y la comunicación a todos los usuarios objetivo (empleados y franquiciados) Se constituyó además un Comité Ético encargado de velar por el correcto funcionamiento, tramitar las denuncias/consultas recibidas y desarrollar las mejoras internas oportunas para la adecuada adecuación a las exigencias normativas.

El Canal Ético es el instrumento habilitado por Naturhouse Health, S.A., a favor de las personas obligadas por su Código Ético de Conducta para que éstas puedan realizar consultas acerca del mismo y, en su caso, formular denuncias internas. Existen unas normas de funcionamiento del Canal, mediante las cuales se rigen los hechos que son susceptibles de ser denunciados o comunicados, se prohíbe todo tipo de represalia interna y se garantiza al máximo nivel la confidencialidad del tratamiento de los datos de carácter personal de los denunciantes, así como de los hechos denunciados.

Los hechos objeto de denuncia, son todos aquellos incumplimientos de normativa interna de aprobación (código ético, decálogo de buenas prácticas del asesoramiento, contrato de franquicia, política de gestión de los recursos humanos, reglamento interno de conducta del mercado de valores, entre otros), como cualquier incumplimiento de la legislación aplicable (franquicia, publicidad, contable, fiscal, delitos penales, etcétera)

En una primera fase del procedimiento, se evalúa por parte de Auditoría Interna y el Oficial de Gestión si la denuncia supone una infracción del código ético, irregularidad con posibles implicaciones penales, o bien incumplimientos de legislación vigente. En caso de que así sea, se evalúan, antes de ser admitidas a trámite, si cumplen con los siguientes requisitos:

-La denuncia está fundamentada y aporta datos o suficiente información para poder ser evaluada y aportar un determinado grado de fiabilidad de que los hechos no son falsos.

-El denunciante, como apoyo a los hechos descritos, aporta pruebas suficientes.

-La información es exacta en tiempo y forma y no presenta contradicciones.

-La información aportada es coherente con la información que el Auditor Interno en el ejercicio de sus funciones ha recabado por parte del departamento sobre el que impactan los hechos.

Evaluando lo anterior, podrá admitirse a trámite y ser objeto de evaluación y análisis por el Comité de Ética de la compañía y el Presidente de la Comisión de Auditoría, quienes deciden en última instancia y de

forma conjunta informar de ello a la Comisión de Auditoría y, si procede, impulsar las medidas correctoras o mitigantes que se requieran para restablecer la situación y los niveles normales de riesgo.

El filtro de confidencialidad se garantiza a través de la contratación de un oficial de gestión externo del Canal, con una adecuada formación jurídica, que mantiene los datos de los denunciantes protegidos en una base de datos externa que cumple las certificaciones de seguridad requeridas en tales casos. El personal interno que gestiona el Canal Ético, accederá a conocer la denuncia sin poder visualizar los datos personales, sin perjuicio de que puedan solicitarlos al oficial de gestión en caso de que sea imprescindible para su resolución.

Durante el ejercicio 2020 la plataforma recibió una comunicación, por una denuncia interpuesta por un empleado. La denuncia fue valorada por el comité de ética y archivada sin consecuencias.

- Programas de formación y actualización periódica para el personal involucrado en la preparación y revisión de la información financiera, así como en la evaluación del SCIIF, que cubran al menos, normas contables, auditoría, control interno y gestión de riesgos.

Mediante la función de Auditoría Interna y Gestión de Riesgos en la compañía, con apoyo directo de la Alta Dirección, se procede a aportar a los encargados de la realización de controles y la gestión del riesgo, de la información y formación necesarias para el exitoso desarrollo de las funciones propias que le han sido asignadas dentro del Sistema de Control Interno de la Información financiera, en particular se han proporcionado las siguientes herramientas:

-Descripción de actividades y controles y riesgos que se mitigan con su ejecución

-Emisión de instrucciones de Reporting periódico al Auditor Interno (periodicidad, formato de informe, contenido mínimo, plazos de entrega, etcétera)

-Conclusiones del Auditor: Recomendaciones y hojas de ruta adaptadas a cada Unidad de Negocio y sus responsables directos.

Adicionalmente se cuenta con el apoyo de consultores especializados que realizan la labor de información y actualización en respuesta a posibles cambios metodológicos o regulatorios. El personal involucrado en la preparación, ejecución y revisión del SCIIF cuenta con formación periódica y actualizaciones en materia de normativa contable, control, auditoría y gestión de riesgos.

F.2 Evaluación de riesgos de la información financiera

Informe, al menos, de:

F.2.1. Cuáles son las principales características del proceso de identificación de riesgos, incluyendo los de error o fraude, en cuanto a:

- Si el proceso existe y está documentado.

La identificación de riesgos de errores en los estados financieros o errores intencionados que conlleva fraude, es uno de los procesos más relevantes desarrollados en la compañía dentro de sus sistemas de control. Se encuentran documentados tanto los objetivos de control, como el desarrollo de las diferentes pruebas de auditoría y los resultados o conclusiones finales que son comunicados a los responsables para la subsanación inmediata. Este procedimiento se realiza para las filiales de mayor peso del del Grupo Societario, entre ellas para la compañía Naturhouse Health, S.A.

Sobre el procedimiento formalizado, cabe destacar lo siguiente:

-El procedimiento verifica el cumplimiento íntegro de todas las afirmaciones de auditoría en relación a la información financiera, (existencia y ocurrencia; integridad; valoración; presentación, desglose y comparabilidad; y derechos y obligaciones) En función del conocimiento de Auditoría Interna sobre el negocio, las operaciones y el grado de automatización de los procesos contables, se detectan aquellos riesgos que son más susceptibles de materializarse en los Estados Financieros, siendo el alcance de las pruebas de auditoría mayor para las actividades sobre las que recaen dichos riesgos.

-Periódicamente desde la dirección financiera, se evalúa el perímetro de consolidación y la necesidad de incorporar a la información contable consolidada aquellas compañías que cumplan las condiciones

necesarias para su inclusión. -La Dirección Financiera además valida el enfoque de auditoría empleado y a posteriori, es receptor de las conclusiones de los trabajos del responsable de Auditoría Interna y aprueba las correcciones que se deriven.

-El proceso tiene en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, reputacionales, medioambientales, etc.) que pudiesen directa o indirectamente, ocasionar incidencias de control en los procesos contables que pudieran repercutir en la fiabilidad de la información financiera.

-La Comisión de Auditoría es el órgano de gobierno que supervisa el proceso de gestión de riesgos y el sistema de control de la información financiera y será el órgano encargado de liderar los procesos de actualización del mismo y supervisión a través de la función de Auditoría Interna. Es conector en todo momento del estado del sistema de control de la información financiera mediante la recepción de informes periódicos por parte de la Unidad de Gestión de Riesgos y la responsable de Auditoría Interna.

- Si el proceso cubre la totalidad de objetivos de la información financiera, (existencia y ocurrencia; integridad; valoración; presentación, desglose y comparabilidad; y derechos y obligaciones), si se actualiza y con qué frecuencia.

El proceso cubre la totalidad de objetivos de la información financiera, (existencia y ocurrencia; integridad; valoración; presentación, desglose y comparabilidad; y derechos y obligaciones, tal y como hemos mencionado con anterioridad, la periodicidad del análisis de riesgos, diseño de procedimientos de auditoría y presentación de conclusiones a la Dirección Financiera se realiza con una periodicidad mínima anual, sin perjuicio de que se produzcan hechos relevantes que requieran la realización de evaluaciones adicionales a los que se recogen el procedimiento formalizado.

- La existencia de un proceso de identificación del perímetro de consolidación, teniendo en cuenta, entre otros aspectos, la posible existencia de estructuras societarias complejas, entidades instrumentales o de propósito especial.

Periódicamente desde la Dirección Financiera, se evalúa el perímetro de consolidación y la necesidad de incorporar a la información contable consolidada aquellas compañías que cumplan las condiciones necesarias para su inclusión.

La Comisión de Auditoría y Cumplimiento, siguiendo las directrices de buen Gobierno Corporativo, incluye entre sus competencias las de revisar, actualizar y supervisar el perímetro de consolidación, así como analizar posibles cambios junto con la función jurídica de la Entidad. De ello se deriva además la obligatoriedad de comunicar dichos cambios a los Órganos de Gobierno de la compañía.

- Si el proceso tiene en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, fiscales, reputacionales, medioambientales, etc.) en la medida que afecten a los estados financieros.

El proceso tiene en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, reputacionales, medioambientales, etc.) que pudiesen directa o indirectamente, ocasionar incidencias de control en los procesos contables que pudieran repercutir en última instancia, en la fiabilidad de la información financiera.

En el alcance definido y documentado de Auditoría Interna, se incluye una asignación de horas para la revisión del diseño y la implementación de las principales actividades (ya sean rutinarias o de control) enfocadas a mitigar riesgos significativos de los Estados Financieros. En dicha evaluación además se consideran el resto de tipologías de riesgo asociadas.

- Qué órgano de gobierno de la entidad supervisa el proceso.

La Comisión de Auditoría es el órgano de gobierno que supervisa el proceso de gestión de riesgos y será el órgano encargado de liderar los procesos de actualización del mismo y supervisión a través de la delegación de funciones en la responsable de Auditoría Interna. La función de supervisión es posible mediante la articulación de un Proceso de Reporting formalizado y periódico mediante el cual Auditoría Interna mantendrá a la Comisión de Auditoría al tanto de los trabajos realizados y las conclusiones de los mismos.

F.3 Actividades de control

Informe, señalando sus principales características, si dispone al menos de:

F.3.1. Procedimientos de revisión y autorización de la información financiera y la descripción del SCIIF, a publicar en los mercados de valores, indicando sus responsables, así como de documentación descriptiva de los flujos de actividades y controles (incluyendo los relativos a riesgo de fraude) de los distintos tipos de transacciones que puedan afectar de modo material a los estados financieros, incluyendo el procedimiento de cierre contable y la revisión específica de los juicios, estimaciones, valoraciones y proyecciones relevantes.

Proceso de Revisión de la Información Financiera Publicada:

Existen fuertes controles de revisión de la información financiera publicada para los usuarios de la información. Con una periodicidad trimestral, la compañía elabora los datos financieros a publicar en la Comisión Nacional del Mercado de valores (CNMV) y posteriormente en la web. Previamente a su publicación son revisados conjuntamente por la dirección financiera, presidencia, y posteriormente aprobados por el Consejo de Administración.

En estas revisiones se certifica la fiabilidad de la información financiera y la homogeneidad de los datos aportados para evitar confusiones de interpretación.

Proceso de Revisión de las principales transacciones contables

Desde la Dirección de Auditoría Interna y Gestión de Riesgos, se han identificado los principales procesos transaccionales con impacto contable (entre los que se incluye el proceso de cierre contable y procedimientos anti-fraude) y se ha procedido a su diseño y formalización. Tras ser comunicado a las Unidades de Negocio, se han designado propietarios a los procesos y supervisores que garanticen la implementación y eficacia de los controles de la información financiera cuyo objetivo último es dar fiabilidad a la información financiera. El trabajo de análisis de la eficacia de las actividades y controles de la información publicada, es responsabilidad del responsable de Auditoría Interna y recae sobre la Comisión de Auditoría y Cumplimiento la supervisión global y la presentación de los resultados al Consejo de Administración.

Este proceso se desarrolla en la compañía con una periodicidad mínima anual y se hace coincidir con los cierres de ejercicio con la finalidad de contribución a la excelencia contable y máxima transparencia y fiabilidad de la información financiera. Por tanto, la información de cierre de año publicada, incluye la revisión del diseño e implementación de las principales transacciones contables de la compañía supervisadas por la Comisión de Auditoría y Cumplimiento

En la misma línea, la información financiera cuenta con las revisiones semestrales de los auditores externos de la compañía, que realizan una labor de detección de errores de carácter material o errores de presentación o desglose, que contribuye a aportar calidad y fiabilidad a la información financiera publicada. Estos hallazgos son comunicados a la Dirección de Auditoría Interna y la Comisión de Auditoría, para que conjuntamente se tomen las medidas correctoras sobre los estados financieros, en ocasiones se trata de acciones puntuales correctoras y en otras, implican cambios sustanciales metodológicos que deben introducirse mediante el rediseño de procedimientos.

En cuando a la revisión de estimaciones, valoraciones y proyecciones relevantes, son elaboradas en primera instancia por el director de contabilidad en supervisión con la Dirección Financiera de la compañía, este doble check es validado por la responsable de Auditoría Interna dentro del marco general de supervisión del SCIIF.

Por último, la Comisión de Auditoría a través del responsable de Auditoría Interna, valida que los cierres contables se realizan mes a mes siguiendo los criterios que marcan las políticas contables y criterios generalmente aceptados al menos en cuanto a periodificaciones contables, estimaciones, correcciones de valor y criterios de reconocimiento de activos y obligaciones, entre otros.

F.3.2. Políticas y procedimientos de control interno sobre los sistemas de información (entre otras, sobre seguridad de acceso, control de cambios, operación de los mismos, continuidad operativa y segregación de funciones) que soporten los procesos relevantes de la entidad en relación a la elaboración y publicación de la información financiera.

El propio sistema de planificación de recursos empresarial y contabilidad, utilizado para la elaboración de la información financiera y tramitación de pedidos, restringe el acceso al personal no autorizado mediante la definición de perfiles y transacciones permitidas por usuario, proceso que establece un control sobre la calidad de los registros y los cambios introducidos en las parametrizaciones. Además, es posible consultar el Log histórico cuando dichos cambios son realizados.

Actualmente, sólo las personas encargadas de los registros contables tienen acceso a la información financiera propia de su área o subdivisión y realizar registros en el ejercicio de sus funciones. Cabe especificar que existe un rol creado especialmente para las transacciones relacionadas con almacén.

Existen además perfiles generales de administración creados para supervisar globalmente la contabilidad de la compañía. El resto de personal con acceso lo hace exclusivamente en modo consulta. Adicionalmente, el sistema permite establecer claves de acceso, así como la obligatoriedad de realizar cambios en las contraseñas de forma periódica (trimestral)

La estructura societaria se encuentra definida para aportar una adecuada segregación de funciones, al igual que las líneas de delegación de autoridad dentro de la compañía.

La definición de perfiles de usuario en el sistema está configurada respetando la estructura organizativa y el sistema de aprobaciones predefinido en la compañía.

F.3.3. Políticas y procedimientos de control interno destinados a supervisar la gestión de las actividades subcontratadas a terceros, así como de aquellos aspectos de evaluación, cálculo o valoración encomendados a expertos independientes, que puedan afectar de modo material a los estados financieros.

El Grupo Naturhouse mantiene externalizado el desarrollo de ciertas actividades de administración y personal a expertos asesores externos e independientes. Desde la Dirección corporativa y financiera de cada filial, se han establecido mecanismos de control para revisar y asegurar la integridad y corrección de los registros. La Dirección de Administración además garantiza el cumplimiento de las condiciones pactadas, en cuanto a medidas de protección de la información, copias de seguridad y la recepción informes adicionales de dichos expertos que aportan valor añadido al servicio.

Al cierre del ejercicio 2020, Francia e Italia son las únicas filiales con los procesos de logística externalizados. Para cada filial se ha seleccionado un operador logístico con una experiencia amplia en el sector y unos procedimientos altamente automatizados y precisos que han aportado a la entidad un mayor control sobre el stock

Para articular la coordinación del Operador Logístico con los procedimientos internos (Registro contable de las entradas de stock, recepción y tramitación de pedidos de franquicia y centros propios, registro de salidas, entre otros) se han documentado las normas de trabajo de cada uno de los procedimientos de recepción, preparación y entrega de pedidos. Como control adicional, el jefe de logística de Naturhouse realiza reconciliaciones contables de forma semanal para validar el correcto funcionamiento del sistema. Cabe destacar que los procesos de logística, aprovisionamiento y venta, entran dentro del alcance del SCIF y su diseño, implementación y eficacia son evaluados con una periodicidad mínima anual desde la Dirección de Auditoría Interna, informando tanto a la Dirección Financiera como a el jefe de los procesos de logística cualquier incidencia o mejora detectada y siempre evitando incurrir en incidencias contables

como falta de integridad en las operaciones de compra y venta de producto, errores en la valoración de la mercancía, errores de corte contable, sobrevaloración de ingresos... etc.

Adicionalmente a lo anterior, es elaborado anualmente por consultores especializados un informe de precios de transferencia que incluye de forma íntegra el análisis de todas las operaciones entre sociedades pertenecientes al mismo grupo empresarial y vinculadas. Su función es básica para mitigar riesgos de carácter contable (registro de operaciones a mercado, evitar falta de integridad o incorrección de importes) así como de tipo fiscal. El informe es revisado por la Dirección Financiera y Presidencia y se solicita por el responsable de Auditoría Interna para validar la eficacia del control interno y asegurar que todas las operaciones entre vinculadas y grupo se realicen a mercado.

F.4 Información y comunicación

Informe, señalando sus principales características, si dispone al menos de:

F.4.1. Una función específica encargada de definir, mantener actualizadas las políticas contables (área o departamento de políticas contables) y resolver dudas o conflictos derivados de su interpretación, manteniendo una comunicación fluida con los responsables de las operaciones en la organización, así como un manual de políticas contables actualizado y comunicado a las unidades a través de las que opera la entidad.

La Dirección Financiera es la responsable de mantener actualizadas las políticas contables, de definir y mantener el Manual de Políticas Contables de Naturhouse Health, así como de resolver dudas y conflictos que puedan surgir en su interpretación, comunicándolo a todos aquellos con una involucración relevante en la elaboración de la información financiera.

Adicionalmente, Naturhouse Health cuenta con asesores externos de reconocido prestigio que le informan de aquellas nuevas normativas contables. Dicho Manual está compuesto por las políticas y actividades necesarias para registrar de manera adecuada cada transacción contable, además de contar con ejemplos prácticos para las transacciones más significativas.

La última actualización del Manual se produjo en 2015. No obstante, cada vez que existe algún cambio de normativa que afecta a la contabilidad de las filiales, se tiene en cuenta y se comunica a los responsables de preparación y supervisión de la información financiera.

Mediante procedimientos de auditoría interna, se verifica que las políticas contables adoptadas y recogidas en el manual contable, están siendo correctamente aplicadas a todos los niveles de la organización. Del mismo modo, se encarga del aseguramiento de que las mismas son conocidas y aceptadas por todos los empleados involucrados en el proceso contable.

F.4.2. Mecanismos de captura y preparación de la información financiera con formatos homogéneos, de aplicación y utilización por todas las unidades de la entidad o del grupo, que soporten los estados financieros principales y las notas, así como la información que se detalle sobre el SCIIF.

La compañía tiene definido un modelo integral de Reporting, que es conocido y utilizado por todas las sociedades que componen el Grupo, de forma que la información que proporcionan mensualmente es homogénea y comparable. Desde dirección financiera constituyen el modelo agregado basándose en la información recibida de las filiales mediante este sistema y posteriormente a la realización de controles de desglose y corrección de epígrafes mediante análisis de evoluciones, margen de las operaciones corrientes y/o detección de partidas nuevas o cuyo concepto es necesario aclarar con la filial en cuestión. A nivel de España se trabaja con un único sistema contable que permite extraer informes detallados para su análisis, así como los estados financieros individuales a la fecha de consulta. El sistema contable se encuentra conectado automáticamente con las principales transacciones de aprovisionamiento y venta y permite extraer informes de control actualizados en tiempo real que garantizan la eficacia del Sistema de Control de la información Financiera definido.

Adicionalmente, en la compañía existen procedimientos de traspaso de datos automáticos, desde los terminales de punto de venta de los centros propios al sistema contable de la compañía, de forma que se elimina el componente de error manual en la introducción de datos de venta. Los procesos de tesorería que contribuyen a la conciliación bancaria, se basan en transferencia y carga de archivos desde/a la plataforma bancaria a/desde el ERP contable.

F.5 Supervisión del funcionamiento del sistema

Informe, señalando sus principales características, al menos de:

F.5.1. Las actividades de supervisión del SCIIF realizadas por la comisión de auditoría así como si la entidad cuenta con una función de auditoría interna que tenga entre sus competencias la de apoyo a la comisión en su labor de supervisión del sistema de control interno, incluyendo el SCIIF. Asimismo, se informará del alcance de la evaluación del SCIIF realizada en el ejercicio y del procedimiento por el cual el encargado de ejecutar la evaluación comunica sus resultados, si la entidad cuenta con un plan de acción que detalle las eventuales medidas correctoras, y si se ha considerado su impacto en la información financiera.

Conforme a lo previsto en el Reglamento del Consejo, la Comisión de Auditoría y Control se encarga de supervisar el proceso de elaboración y presentación, así como la integridad y fiabilidad, de la información financiera regulada relativa a la Sociedad y al Grupo. Será responsabilidad de la Auditoría Interna de la compañía la evaluación del control de los principales procesos que impactan en la información financiera: Ventas-Cobros, Gastos-Pagos, Tesorería, Procedimiento de Reporting/ Consolidación y Cierre de Estados Financieros y Cálculo de Estimaciones y Previsiones Contables. Dicha evaluación se incluye dentro de un Plan de Auditoría Interna formalizado y dentro del proyecto de formalización y revisión de la SCIIF.

Por su parte, la Comisión de Auditoría, supervisa la adecuada delimitación del perímetro de consolidación, la correcta aplicación de los criterios contables y la realización de una supervisión periódica sobre las conclusiones de la Auditoría Interna acerca la eficacia operativa de los sistemas de control interno de la información financiera y gestión de riesgos de aquellos identificados y comunicados como críticos para el negocio de Naturhouse Health.

La Comisión de Auditoría y Control analiza y aprueba, en su caso, la planificación anual de auditoría interna, así como otros planes adicionales ocasionales o específicos que tuvieran que llevarse a cabo como consecuencia de cambios regulatorios o necesidades de las actividades del Grupo. En el citado Plan de Auditoría, se asientan las bases de la certificación del diseño, implementación y eficacia operativa de los principales controles de la información contable. Es competencia de la Comisión, determinar si la planificación anual de Auditoría Interna está orientada hacia una certificación adecuada sobre el correcto funcionamiento y diseño de los sistemas de control y riesgos del Grupo (operacionales, estratégicos, financieros y de cumplimiento) de modo que de cómo resultado la identificación de deficiencias en los controles y se pueda iniciar un proceso de reingeniería de operaciones para la mejora continua.

Auditoría Interna informa a la Comisión de Auditoría y Control de las conclusiones de los trabajos realizados mediante la elaboración de un Informe Anual de Seguimiento del Plan de Auditoría aprobado, así como de las medidas correctoras propuestas y del grado de cumplimiento de las mismas, siendo esta Dirección un apoyo para conocer las irregularidades, anomalías e incumplimientos, siempre que fueran relevantes, de las unidades auditadas, dando cuenta al Consejo de Administración de los casos que puedan suponer un riesgo relevante para el Grupo. La periodicidad de las reuniones y Reporting a la Comisión, debe ser suficiente para garantizar que los objetivos fijados para el Auditor Interno están siendo alcanzados y para realizar el seguimiento de los planes de contingencia que hayan sido implementados en la compañía.

Según determina el Estatuto de Auditoría Interna, las competencias del Auditor en cuestiones de análisis de las actividades de control y de la Comisión de Auditoría y Control como órgano encargado de la supervisión, son las siguientes:

-Ejecución de los Planes de Auditoría respetando el alcance, actividades, directrices, investigaciones y calendario de Reporting que se establezca oportuno.

-Comunicación de resultados de los análisis realizados e informes de seguimiento de las medidas adoptadas para la mejora continua.

-Poner de manifiesto la ausencia de recursos o los impedimentos que afectan a la consecución de los objetivos -Establecer un plan de revisión y actualización que permita mantener las conclusiones lo suficientemente ajustadas a la realidad y los cambios organizaciones y lo suficientemente coordinado con los procedimientos de Gestión de Riesgos de la compañía

-Asesoramiento interno a la compañía en materia de prevención legal, sistemas anti-fraude y refuerzo del entorno general de control

- Examen y evaluación del diseño, implementación y eficacia operativa de los controles establecidos para la información financiera y aquellos que mitiguen riesgos clave de negocio

-Evaluar el grado de implementación de las recomendaciones en virtud a los informes emitidos sobre las oportunidades de la compañía

-Servir de apoyo a las decisiones estratégicas para establecer mecanismos de control que aseguren su consecución -La Dirección Corporativa de Auditoría y Control a través de la función de Auditoría Interna de la compañía comunica a los dueños de los controles cualquier debilidad o incidencia detectada en el proceso de actualización y evaluación del SCIF para que integren las mejoras dentro de la sistemática habitual del desarrollo de sus funciones.

-La figura del Auditor Interno en la compañía depende de la Comisión de Auditoría y Control y ejerce la función de aseguramiento, mejora y control conforme a estándares internacionales de auditoría interna alineados con las mejores prácticas del mercado, así como a los requerimientos de los diferentes marcos regulatorios que resultan de aplicación en los países donde el Grupo Naturhouse realiza negocios y actividades. Adicionalmente a la evaluación realizada sobre el control financiero, se realiza una revisión mensual de cada una de las filiales que componen el Grupo, cuyo objetivo es la homogeneidad de operaciones, la exportación de las best practices de la compañía y el aprovechamiento de sinergias en la gestión corporativa.

Por otra parte, el procedimiento de gestión de riesgos es sistemático e implica ejecutar tareas de identificación, análisis, evaluación y propuestas de tratamiento sobre riesgos financieros de forma permanente e íntegra. Los participantes de dicho procedimiento han sido descritos anteriormente en el apartado E.2. Finalmente, cuando se obtienen las conclusiones al respecto de los riesgos financieros (identificación, tolerancia y respuesta), se procede a la adaptación de la SCIF para la consideración de los factores de riesgo definidos.

F.5.2. Si cuenta con un procedimiento de discusión mediante el cual, el auditor de cuentas (de acuerdo con lo establecido en las NTA), la función de auditoría interna y otros expertos puedan comunicar a la alta dirección y a la comisión de auditoría o administradores de la entidad las debilidades significativas de control interno identificadas durante los procesos de revisión de las cuentas anuales o aquellos otros que les hayan sido encomendados. Asimismo, informará de si dispone de un plan de acción que trate de corregir o mitigar las debilidades observadas.

El Comité de Auditoría tiene establecido un procedimiento formal que asegura las comunicaciones periódicas con los auditores de cuentas externos para recibir información sobre aquellas cuestiones que puedan poner en riesgo su independencia y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como aquellas otras comunicaciones previstas en la legislación de auditoría de cuentas y en normas de auditoría.

En todo caso deberá recibir anualmente de los auditores de cuentas externos la confirmación de su independencia frente a la entidad o entidades vinculadas a éste directa o indirectamente, así como la información de los servicios adicionales de cualquier clase prestados a estas entidades por los citados auditores, o por las personas o entidades vinculados a éstos de acuerdo con los dispuesto en la norma reguladora de la auditoría de cuentas.

Posteriormente, debe informar a la Alta Dirección y al Consejo de Administración de las incidencias y debilidades significativas del sistema de control interno de la compañía, al Comité de Auditoría y a la función de auditoría interna. Las incidencias identificadas pasan a formar parte de la hoja de ruta de la compañía, la cual define el sistema de supervisión de la auditoría interna con el fin último de desarrollar planes de contingencia que mitiguen las debilidades observadas.

Existe un canal eficiente de comunicación con la Comisión de Auditoría y Alta Dirección por el cual la auditoría interna comunica las medidas necesarias dentro del plan de remediación y tras su aprobación, se estudian los recursos necesarios para su puesta en marcha, actualización periódica y monitorización. Igualmente, el Auditor Interno y los Auditores de Cuentas se reúnen periódicamente para alinear conclusiones y recibir un feedback mutuo que permita la cooperación en ambos sentidos.

F.6 Otra información relevante

No aplica

F.7 Informe del auditor externo

Informe de:

F.7.1. Si la información del SCIIF remitida a los mercados ha sido sometida a revisión por el auditor externo, en cuyo caso la entidad debería incluir el informe correspondiente como anexo. En caso contrario, debería informar de sus motivos.

Naturhouse Health, S.A. no ha sometido a revisión por parte del auditor externo la información del SCIIF remitida a los mercados. No obstante, la Dirección de Naturhouse Health tiene previsto realizar el encargo de esta revisión a un auditor externo en futuros ejercicios.

G. GRADO DE SEGUIMIENTO DE LAS RECOMENDACIONES DE GOBIERNO CORPORATIVO

Indique el grado de seguimiento de la sociedad respecto de las recomendaciones del Código de buen gobierno de las sociedades cotizadas.

En el caso de que alguna recomendación no se siga o se siga parcialmente, se deberá incluir una explicación detallada de sus motivos de manera que los accionistas, los inversores y el mercado en general, cuenten con información suficiente para valorar el proceder de la sociedad. No serán aceptables explicaciones de carácter general.

- 1. Que los estatutos de las sociedades cotizadas no limiten el número máximo de votos que pueda emitir un mismo accionista, ni contengan otras restricciones que dificulten la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado.**

Cumple Explique

2. Que, cuando la sociedad cotizada esté controlada, en el sentido del artículo 42 del Código de Comercio, por otra entidad, cotizada o no, y tenga, directamente o a través de sus filiales, relaciones de negocio con dicha entidad o alguna de sus filiales (distintas de las de la sociedad cotizada) o desarrolle actividades relacionadas con las de cualquiera de ellas informe públicamente con precisión acerca de:
- a) Las respectivas áreas de actividad y eventuales relaciones de negocio entre, por un lado, la sociedad cotizada o sus filiales y, por otro, la sociedad matriz o sus filiales.
 - b) Los mecanismos previstos para resolver los eventuales conflictos de intereses que puedan presentarse.

Cumple X Cumple parcialmente Explique No aplicable

3. Que durante la celebración de la junta general ordinaria, como complemento de la difusión por escrito del informe anual de gobierno corporativo, el presidente del consejo de administración informe verbalmente a los accionistas, con suficiente detalle, de los aspectos más relevantes del gobierno corporativo de la sociedad y, en particular:
- a) De los cambios acaecidos desde la anterior junta general ordinaria.
 - b) De los motivos concretos por los que la compañía no sigue alguna de las recomendaciones del Código de Gobierno Corporativo y, si existieran, de las reglas alternativas que aplique en esa materia.

Cumple X Cumple parcialmente Explique

4. Que la sociedad defina y promueva una política relativa a la comunicación y contactos con accionistas e inversores institucionales en el marco de su implicación en la sociedad, así como con los asesores de voto que sea plenamente respetuosa con las normas contra el abuso de mercado y dé un trato semejante a los accionistas que se encuentren en la misma posición. Y que la sociedad haga pública dicha política a través de su página web, incluyendo información relativa a la forma en que la misma se ha puesto en práctica e identificando a los interlocutores o responsables de llevarla a cabo.

Y que, sin perjuicio de las obligaciones legales de difusión de información privilegiada y otro tipo de información regulada, la sociedad cuente también con una política general relativa a la comunicación de información económico-financiera, no financiera y corporativa a través de los canales que considere adecuados (medios de comunicación, redes sociales u otras vías) que contribuya a maximizar la difusión y la calidad de la información a disposición del mercado, de los inversores y demás grupos de interés.

Cumple Cumple parcialmente X Explique

Hasta finales de 2018, esta función estaba específicamente encomendada a una persona que asumía la dirección de relaciones institucionales, función que posteriormente fue asumida internamente por la dirección financiera, que ha venido trabajando, al igual que la persona anteriormente indicada, con una agencia especializada contratada al efecto.

La comunicación con los accionistas es fluida, transparente y respetuosa. La web corporativa de la sociedad cuenta con una dirección de correo electrónico habilitada a tal efecto (accionistas@naturhouse.com), a disposición de los accionistas en el siguiente enlace: <http://www.naturhouse.com/contactos/>

La Sociedad tal y como recoge la norma interna de la compañía, se rige por unos principios de transparencia, igualdad y respeto entre otros, de aplicación a todos los grupos de interés con los que se relaciona. Si bien es cierto que no tiene publicada una política de comunicación, el compromiso de la Sociedad con los accionistas se mantiene firme. Muestra de ello es que la Sociedad regularmente publica notas de prensa sin perjuicio de la comunicación al igual que toda Información Privilegiada de interés para el accionista cuando procede.

5. **Que el consejo de administración no eleve a la junta general una propuesta de delegación de facultades, para emitir acciones o valores convertibles con exclusión del derecho de suscripción preferente, por un importe superior al 20% del capital en el momento de la delegación. Y que cuando el consejo de administración apruebe cualquier emisión de acciones o de valores convertibles con exclusión del derecho de suscripción preferente, la sociedad publique inmediatamente en su página web los informes sobre dicha exclusión a los que hace referencia la legislación mercantil.**

Cumple X Cumple parcialmente Explique

6. **Que las sociedades cotizadas que elaboren los informes que se citan a continuación, ya sea de forma preceptiva o voluntaria, los publiquen en su página web con antelación suficiente a la celebración de la junta general ordinaria, aunque su difusión no sea obligatoria:**

- a) **Informe sobre la independencia del auditor.**
- b) **Informes de funcionamiento de las comisiones de auditoría y de nombramientos y retribuciones.**
- c) **Informe de la comisión de auditoría sobre operaciones vinculadas.**

Cumple Cumple parcialmente X Explique

Se presentarán en próximas memorias.

7. **Que la sociedad transmita en directo, a través de su página web, la celebración de las juntas generales de accionistas. Y que la sociedad cuente con mecanismos que permitan la delegación y el ejercicio del voto por medios telemáticos e incluso, tratándose de sociedades de elevada capitalización y en la medida en que resulte proporcionado, la asistencia y participación activa en la Junta General.**

Cumple X Cumple parcialmente Explique

En la Junta Ordinaria de 2020, única junta que se ha celebrado en dicho ejercicio, por razones del COVID-19, acogiéndose a la normativa en vigor específicamente aprobada por esta circunstancia, se previó, entre otros extremos, específicamente la asistencia telemática a la junta habiéndose arbitrado por la sociedad los mecanismos necesarios para ello, circunstancia que fue anunciada y publicada en la página web corporativa de la sociedad.

8. Que la comisión de auditoría vele por que las cuentas anuales que el consejo de administración presente a la junta general de accionistas se elaboren de conformidad con la normativa contable. Y que en aquellos supuestos en que el auditor de cuentas haya incluido en su informe de auditoría alguna salvedad, el presidente de la comisión de auditoría explique con claridad en la junta general el parecer de la comisión de auditoría sobre su contenido y alcance, poniéndose a disposición de los accionistas en el momento de la publicación de la convocatoria de la junta, junto con el resto de propuestas e informes del consejo, un resumen de dicho parecer.

Cumple X Cumple parcialmente Explique

9. Que la sociedad haga públicos en su página web, de manera permanente, los requisitos y procedimientos que aceptará para acreditar la titularidad de acciones, el derecho de asistencia a la junta general de accionistas y el ejercicio o delegación del derecho de voto.

Y que tales requisitos y procedimientos favorezcan la asistencia y el ejercicio de sus derechos a los accionistas y se apliquen de forma no discriminatoria.

Cumple X Cumple parcialmente Explique

10. Que cuando algún accionista legitimado haya ejercitado, con anterioridad a la celebración de la junta general de accionistas, el derecho a completar el orden del día o a presentar nuevas propuestas de acuerdo, la sociedad:

- a) Difunda de inmediato tales puntos complementarios y nuevas propuestas de acuerdo.
- b) Haga público el modelo de tarjeta de asistencia o formulario de delegación de voto o voto a distancia con las modificaciones precisas para que puedan votarse los nuevos puntos del orden del día y propuestas alternativas de acuerdo en los mismos términos que los propuestos por el consejo de administración.
- c) Someta todos esos puntos o propuestas alternativas a votación y les aplique las mismas reglas de voto que a las formuladas por el consejo de administración, incluidas, en particular, las presunciones o deducciones sobre el sentido del voto.
- d) Con posterioridad a la junta general de accionistas, comunique el desglose del voto sobre tales puntos complementarios o propuestas alternativas.

Cumple X Cumple parcialmente Explique No aplicable

11. Que, en el caso de que la sociedad tenga previsto pagar primas de asistencia a la junta general de accionistas, establezca, con anterioridad, una política general sobre tales primas y que dicha política sea estable.

Cumple Cumple parcialmente Explique No aplicable X

12. Que el consejo de administración desempeñe sus funciones con unidad de propósito e independencia de criterio, dispense el mismo trato a todos los accionistas que se hallen en la misma posición y se guíe por el interés social, entendido como la consecución de un negocio rentable y sostenible a largo plazo, que promueva su continuidad y la maximización del valor económico de la empresa. Y que en la búsqueda del interés social, además del respeto de las leyes y reglamentos y de un comportamiento basado en la buena fe, la ética y el respeto a los usos y a las buenas prácticas comúnmente aceptadas, procure conciliar el propio interés social con, según corresponda, los legítimos intereses de sus empleados, sus proveedores, sus clientes y los de los restantes grupos de interés que puedan verse afectados, así como el impacto de las actividades de la compañía en la comunidad en su conjunto y en el medio ambiente.

Cumple X Cumple parcialmente Explique

13. Que el consejo de administración posea la dimensión precisa para lograr un funcionamiento eficaz y participativo, lo que hace aconsejable que tenga entre cinco y quince miembros.

Cumple X Explique

14. Que el consejo de administración apruebe una política dirigida a favorecer una composición apropiada del consejo de administración y que:

a) sea concreta y verificable;

b) asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las competencias requeridas por el consejo de administración; y

c) favorezca la diversidad de conocimientos, experiencias, edad y género. A estos efectos, se considera que favorecen la diversidad de género las medidas que fomenten que la compañía cuente con un número significativo de altas directivas.

Que el resultado del análisis previo de las competencias requeridas por el consejo de administración se recoja en el informe justificativo de la comisión de nombramientos que se publique al convocar la junta general de accionistas a la que se someta la ratificación, el nombramiento o la reelección de cada consejero.

La comisión de nombramientos verificará anualmente el cumplimiento de esta política y se informará de ello en el informe anual de gobierno corporativo.

Cumple Cumple parcialmente X Explique

Ver lo que se dijo anteriormente en el apartado correspondiente.

15. Que los consejeros dominicales e independientes constituyan una amplia mayoría del consejo de administración y que el número de consejeros ejecutivos sea el mínimo necesario, teniendo en cuenta la complejidad del grupo societario y el porcentaje de participación de los consejeros ejecutivos en el capital de la sociedad. Y que el número de consejeras suponga, al menos, el 40% de los miembros del consejo de administración antes de que finalice 2022 y en adelante, no siendo con anterioridad inferior al 30%.

Cumple Cumple parcialmente X Explique

Los consejeros dominicales e independientes constituyen mayoría ya que siendo siete los miembros, un dominical y tres independientes.

En cuanto al número de consejeras, actualmente una, podría llegar al 40% si la junta general de 2022, año en el que procede la renovación de consejeros, así lo aprobara, ya que como se ha dicho si bien no

existe una política específica de diversidad, tampoco hay inconveniente ni obstáculo alguno para que ello no pueda ser así.

16. Que el porcentaje de consejeros dominicales sobre el total de consejeros no ejecutivos no sea mayor que la proporción existente entre el capital de la sociedad representado por dichos consejeros y el resto del capital. Este criterio podrá atenuarse:
- a) En sociedades de elevada capitalización en las que sean escasas las participaciones accionariales que tengan legalmente la consideración de significativas.
 - b) Cuando se trate de sociedades en las que exista una pluralidad de accionistas representados en el consejo de administración y no tengan vínculos entre sí.

Cumple X Explique

17. Que el número de consejeros independientes represente, al menos, la mitad del total de consejeros.
Que, sin embargo, cuando la sociedad no sea de elevada capitalización o cuando, aun siéndolo, cuente con un accionista o varios actuando concertadamente, que controlen más del 30% del capital social, el número de consejeros independientes represente, al menos, un tercio del total de consejeros.

Cumple X Explique

En relación al primer párrafo, indicar que el número de consejeros independientes, tres al cierre del ejercicio, no alcanza la mitad del total.

18. Que las sociedades hagan pública a través de su página web, y mantengan actualizada, la siguiente información sobre sus consejeros:
- a) Perfil profesional y biográfico.
 - b) Otros consejos de administración a los que pertenezcan, se trate o no de sociedades cotizadas, así como sobre las demás actividades retribuidas que realice cualquiera que sea su naturaleza.
 - c) Indicación de la categoría de consejero a la que pertenezcan, señalándose, en el caso de consejeros dominicales, el accionista al que representen o con quien tengan vínculos.
 - d) Fecha de su primer nombramiento como consejero en la sociedad, así como de las posteriores reelecciones.
 - e) Acciones de la compañía, y opciones sobre ellas, de las que sean titulares.

Cumple X Cumple parcialmente Explique

19. Que en el informe anual de gobierno corporativo, previa verificación por la comisión de nombramientos, se expliquen las razones por las cuales se hayan nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial sea inferior al 3% del capital; y se expongan las razones por las que no se hubieran atendido, en su caso, peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial sea igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales.

Cumple Cumple parcialmente Explique No aplicable X

20. Que los consejeros dominicales presenten su dimisión cuando el accionista a quien representen transmita íntegramente su participación accionarial. Y que también lo hagan, en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de sus consejeros dominicales.

Cumple Cumple parcialmente Explique No aplicable X

No aplica porque no se ha dado el caso en el ejercicio.

21. Que el consejo de administración no proponga la separación de ningún consejero independiente antes del cumplimiento del período estatutario para el que hubiera sido nombrado, salvo cuando concorra justa causa, apreciada por el consejo de administración previo informe de la comisión de nombramientos. En particular, se entenderá que existe justa causa cuando el consejero pase a ocupar nuevos cargos o contraiga nuevas obligaciones que le impidan dedicar el tiempo necesario al desempeño de las funciones propias del cargo de consejero, incumpla los deberes inherentes a su cargo o incurra en algunas de las circunstancias que le hagan perder su condición de independiente, de acuerdo con lo establecido en la legislación aplicable.

También podrá proponerse la separación de consejeros independientes como consecuencia de ofertas públicas de adquisición, fusiones u otras operaciones corporativas similares que supongan un cambio en la estructura de capital de la sociedad, cuando tales cambios en la estructura del consejo de administración vengán propiciados por el criterio de proporcionalidad señalado en la recomendación 16.

Cumple X Explique

22. Que las sociedades establezcan reglas que obliguen a los consejeros a informar y, en su caso, a dimitir cuando se den situaciones que les afecten, relacionadas o no con su actuación en la propia sociedad, que puedan perjudicar al crédito y reputación de esta y, en particular, que les obliguen a informar al consejo de administración de cualquier causa penal en la que aparezcan como investigados, así como de sus vicisitudes procesales.

Y que, habiendo sido informado o habiendo conocido el consejo de otro modo alguna de las situaciones mencionadas en el párrafo anterior, examine el caso tan pronto como sea posible y, atendiendo a las circunstancias concretas, decida, previo informe de la comisión de nombramientos y retribuciones, si debe o no adoptar alguna medida, como la apertura de una investigación interna, solicitar la dimisión del consejero o proponer su cese. Y que se informe al respecto en el informe anual de gobierno corporativo, salvo que concurren circunstancias especiales que lo justifiquen, de lo que deberá dejarse constancia en acta. Ello sin perjuicio de la información que la sociedad deba difundir, de resultar procedente, en el momento de la adopción de las medidas correspondientes.

Cumple X Cumple parcialmente Explique

Se hace constar que no se ha dado ninguna circunstancia que haya dado lugar a la dimisión de consejeros o a situaciones como las que se especifican en este apartado 22.

23. Que todos los consejeros expresen claramente su oposición cuando consideren que alguna propuesta de decisión sometida al consejo de administración puede ser contraria al interés social. Y que otro tanto hagan, de forma especial, los independientes y demás consejeros a quienes no afecte el potencial conflicto de intereses, cuando se trate de decisiones que puedan perjudicar a los accionistas no representados en el consejo de administración.

Y que cuando el consejo de administración adopte decisiones significativas o reiteradas sobre las que el consejero hubiera formulado serias reservas, este saque las conclusiones que procedan y, si optara por dimitir, explique las razones en la carta a que se refiere la recomendación siguiente.

Esta recomendación alcanza también al secretario del consejo de administración, aunque no tenga la condición de consejero.

Cumple Cumple parcialmente Explique No aplicable X

No aplica porque no se ha dado el caso en el ejercicio.

24. Que cuando, ya sea por dimisión o por acuerdo de la junta general, un consejero cese en su cargo antes del término de su mandato, explique de manera suficiente las razones de su dimisión o, en el caso de consejeros no ejecutivos, su parecer sobre los motivos del cese por la junta, en una carta que remitirá a todos los miembros del consejo de administración.

Y que, sin perjuicio de que se dé cuenta de todo ello en el informe anual de gobierno corporativo, en la medida en que sea relevante para los inversores, la sociedad publique a la mayor brevedad posible el cese incluyendo referencia suficiente a los motivos o circunstancias aportados por el consejero.

Cumple Cumple parcialmente Explique No aplicable X

No aplica porque no se ha dado el caso en el ejercicio.

25. Que la comisión de nombramientos se asegure de que los consejeros no ejecutivos tienen suficiente disponibilidad de tiempo para el correcto desarrollo de sus funciones.

Y que el reglamento del consejo establezca el número máximo de consejos de sociedades de los que pueden formar parte sus consejeros.

Cumple X Cumple parcialmente Explique

26. Que el consejo de administración se reúna con la frecuencia precisa para desempeñar con eficacia sus funciones y, al menos, ocho veces al año, siguiendo el programa de fechas y asuntos que establezca al inicio del ejercicio, pudiendo cada consejero individualmente proponer otros puntos del orden del día inicialmente no previstos.

Cumple Cumple parcialmente X Explique

El consejo de administración, de acuerdo con lo previsto en los Estatutos Sociales, se reúne al menos cuatro veces al año, considerándose que con esta frecuencia se desempeña eficazmente su función.

27. Que las inasistencias de los consejeros se reduzcan a los casos indispensables y se cuantifiquen en el informe anual de gobierno corporativo. Y que, cuando deban producirse, se otorgue representación con instrucciones.

Cumple X Cumple parcialmente Explique

28. Que cuando los consejeros o el secretario manifiesten preocupación sobre alguna propuesta o, en el caso de los consejeros, sobre la marcha de la sociedad y tales preocupaciones no queden resueltas en el consejo de administración, a petición de quien las hubiera manifestado, se deje constancia de ellas en el acta.

Cumple Cumple parcialmente Explique No aplicable X

No aplica porque no se ha dado el caso en el ejercicio.

29. Que la sociedad establezca los cauces adecuados para que los consejeros puedan obtener el asesoramiento preciso para el cumplimiento de sus funciones incluyendo, si así lo exigieran las circunstancias, asesoramiento externo con cargo a la empresa.

Cumple X Cumple parcialmente Explique

30. Que, con independencia de los conocimientos que se exijan a los consejeros para el ejercicio de sus funciones, las sociedades ofrezcan también a los consejeros programas de actualización de conocimientos cuando las circunstancias lo aconsejen.

Cumple Cumple parcialmente No aplicable X

No aplica porque no se ha dado la circunstancia.

31. Que el orden del día de las sesiones indique con claridad aquellos puntos sobre los que el consejo de administración deberá adoptar una decisión o acuerdo para que los consejeros puedan estudiar o recabar, con carácter previo, la información precisa para su adopción. Cuando, excepcionalmente, por razones de urgencia, el presidente quiera someter a la aprobación del consejo de administración decisiones o acuerdos que no figuraran en el orden del día, será preciso el consentimiento previo y expreso de la mayoría de los consejeros presentes, del que se dejará debida constancia en el acta.

Cumple X Cumple parcialmente Explique

32. Que los consejeros sean periódicamente informados de los movimientos en el accionariado y de la opinión que los accionistas significativos, los inversores y las agencias de calificación tengan sobre la sociedad y su grupo.

Cumple X Cumple parcialmente Explique

33. Que el presidente, como responsable del eficaz funcionamiento del consejo de administración, además de ejercer las funciones que tiene legal y estatutariamente atribuidas, prepare y someta al consejo de administración un programa de fechas y asuntos a tratar; organice y coordine la evaluación periódica del consejo, así como, en su caso, la del primer ejecutivo de la sociedad; sea responsable de la dirección del consejo y de la efectividad de su funcionamiento; se asegure de que se dedica suficiente tiempo de discusión a las cuestiones estratégicas, y acuerde y revise los programas de actualización de conocimientos para cada consejero, cuando las circunstancias lo aconsejen.

Cumple X Cumple parcialmente Explique

34. Que cuando exista un consejero coordinador, los estatutos o el reglamento del consejo de administración, además de las facultades que le corresponden legalmente, le atribuya las siguientes: presidir el consejo de administración en ausencia del presidente y de los vicepresidentes, en caso de existir; hacerse eco de las preocupaciones de los consejeros no ejecutivos; mantener contactos con inversores y accionistas para conocer sus puntos de vista a efectos de formarse una opinión sobre sus

preocupaciones, en particular, en relación con el gobierno corporativo de la sociedad; y coordinar el plan de sucesión del presidente.

Cumple Cumple parcialmente X Explique No aplicable

El Reglamento del Consejo de Administración, en su artículo 13.4, siguiendo lo establecido en el artículo 529 septies de la Ley de Sociedades de Capital, establece la necesidad del nombramiento de un consejero coordinador en el caso de que el Presidente del Consejo de Administración ejerza funciones ejecutivas.

El citado artículo 13.4 del Reglamento del Consejo, hace referencia a las funciones del consejero coordinador, coincidentes en gran parte con lo que se indica en la recomendación 34.

De acuerdo con ello, siendo este el caso de la Sociedad, se nombró por el Consejo de Administración un consejero coordinador en su reunión de fecha 8 de octubre de 2014, el cual fue notificado a la CNMV.

35. Que el secretario del consejo de administración vele de forma especial para que en sus actuaciones y decisiones el consejo de administración tenga presentes las recomendaciones sobre buen gobierno contenidas en este Código de buen gobierno que fueran aplicables a la sociedad.

Cumple X Explique

36. Que el consejo de administración en pleno evalúe una vez al año y adopte, en su caso, un plan de acción que corrija las deficiencias detectadas respecto de:

- a) La calidad y eficiencia del funcionamiento del consejo de administración.
- b) El funcionamiento y la composición de sus comisiones.
- c) La diversidad en la composición y competencias del consejo de administración.
- d) El desempeño del presidente del consejo de administración y del primer ejecutivo de la sociedad.
- e) El desempeño y la aportación de cada consejero, prestando especial atención a los responsables de las distintas comisiones del consejo.

Para la realización de la evaluación de las distintas comisiones se partirá del informe que estas eleven al consejo de administración, y para la de este último, del que le eleve la comisión de nombramientos.

Cada tres años, el consejo de administración será auxiliado para la realización de la evaluación por un consultor externo, cuya independencia será verificada por la comisión de nombramientos.

Las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo deberán ser desglosadas en el informe anual de gobierno corporativo.

El proceso y las áreas evaluadas serán objeto de descripción en el informe anual de gobierno corporativo.

Cumple Cumple parcialmente X Explique

Como se ha indicado en el epígrafe C.1.17, para llevar a cabo el proceso de evaluación la sociedad no ha contado con la colaboración de un consultor externo.

La sociedad cumple parcialmente y no en su totalidad la recomendación 36.

37. Que cuando exista una comisión ejecutiva en ella haya presencia de al menos dos consejeros no ejecutivos, siendo al menos uno de ellos independiente; y que su secretario sea el del consejo de administración.

Cumple Cumple parcialmente Explique No aplicable X

38. Que el consejo de administración tenga siempre conocimiento de los asuntos tratados y de las decisiones adoptadas por la comisión ejecutiva y que todos los miembros del consejo de administración reciban copia de las actas de las sesiones de la comisión ejecutiva.

Cumple Cumple parcialmente Explique No aplicable X

39. Que los miembros de la comisión de auditoría en su conjunto, y de forma especial su presidente, se designen teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría y gestión de riesgos, tanto financieros como no financieros.

Cumple X Cumple parcialmente Explique

40. Que bajo la supervisión de la comisión de auditoría, se disponga de una unidad que asuma la función de auditoría interna que vele por el buen funcionamiento de los sistemas de información y control interno y que funcionalmente dependa del presidente no ejecutivo del consejo o del de la comisión de auditoría.

Cumple X Cumple parcialmente Explique

41. Que el responsable de la unidad que asuma la función de auditoría interna presente a la comisión de auditoría, para su aprobación por esta o por el consejo, su plan anual de trabajo, le informe directamente de su ejecución, incluidas las posibles incidencias y limitaciones al alcance que se presenten en su desarrollo, los resultados y el seguimiento de sus recomendaciones y le someta al final de cada ejercicio un informe de actividades.

Cumple X Cumple parcialmente Explique No aplicable

42. Que, además de las previstas en la ley, correspondan a la comisión de auditoría las siguientes funciones:

1. En relación con los sistemas de información y control interno:

a) Supervisar y evaluar el proceso de elaboración y la integridad de la información financiera y no financiera, así como los sistemas de control y gestión de riesgos financieros y no financieros relativos a la sociedad y, en su caso, al grupo —incluyendo los operativos, tecnológicos, legales, sociales, medioambientales, políticos y reputacionales o relacionados con la corrupción— revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.

b) Velar por la independencia de la unidad que asume la función de auditoría interna; proponer la selección, nombramiento y cese del responsable del servicio de auditoría interna; proponer el presupuesto de ese servicio; aprobar o proponer la aprobación al consejo de la orientación y el plan de trabajo anual de la auditoría interna, asegurándose de que su actividad esté enfocada principalmente en los riesgos relevantes (incluidos los reputacionales); recibir información periódica sobre sus actividades; y verificar que la alta dirección tenga en cuenta las conclusiones y recomendaciones de sus informes.

c) Establecer y supervisar un mecanismo que permita a los empleados y a otras personas relacionadas con la sociedad, tales como consejeros, accionistas, proveedores, contratistas o subcontratistas,

comunicar las irregularidades de potencial trascendencia, incluyendo las financieras y contables, o de cualquier otra índole, relacionadas con la compañía que adviertan en el seno de la empresa o su grupo. Dicho mecanismo deberá garantizar la confidencialidad y, en todo caso, prever supuestos en los que las comunicaciones puedan realizarse de forma anónima, respetando los derechos del denunciante y denunciado.

d) Velar en general por que las políticas y sistemas establecidos en materia de control interno se apliquen de modo efectivo en la práctica.

2. En relación con el auditor externo:

a) En caso de renuncia del auditor externo, examinar las circunstancias que la hubieran motivado.
b) Velar que la retribución del auditor externo por su trabajo no comprometa su calidad ni su independencia.

c) Supervisar que la sociedad comunique a través de la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido.

d) Asegurar que el auditor externo mantenga anualmente una reunión con el pleno del consejo de administración para informarle sobre el trabajo realizado y sobre la evolución de la situación contable y de riesgos de la sociedad.

e) Asegurar que la sociedad y el auditor externo respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría, los límites a la concentración del negocio del auditor y, en general, las demás normas sobre independencia de los auditores.

Cumple X Cumple parcialmente Explique

43. Que la comisión de auditoría pueda convocar a cualquier empleado o directivo de la sociedad, e incluso disponer que comparezcan sin presencia de ningún otro directivo.

Cumple X Cumple parcialmente Explique

44. Que la comisión de auditoría sea informada sobre las operaciones de modificaciones estructurales y corporativas que proyecte realizar la sociedad para su análisis e informe previo al consejo de administración sobre sus condiciones económicas y su impacto contable y, en especial, en su caso, sobre la ecuación de canje propuesta.

Cumple Cumple parcialmente Explique No aplicable X

No aplica porque no se ha dado el caso.

45. Que la política de control y gestión de riesgos identifique o determine al menos:

a) Los distintos tipos de riesgo, financieros y no financieros (entre otros los operativos, tecnológicos, legales, sociales, medio ambientales, políticos y reputacionales, incluidos los relacionados con la corrupción) a los que se enfrenta la sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.

b) Un modelo de control y gestión de riesgos basado en diferentes niveles, del que formará parte una comisión especializada en riesgos cuando las normas sectoriales lo prevean o la sociedad lo estime apropiado.

c) El nivel de riesgo que la sociedad considere aceptable. d) Las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.

e) Los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.

Cumple X Cumple parcialmente Explique

46. Que bajo la supervisión directa de la comisión de auditoría o, en su caso, de una comisión especializada del consejo de administración, exista una función interna de control y gestión de riesgos ejercida por una unidad o departamento interno de la sociedad que tenga atribuidas expresamente las siguientes funciones:

- a) Asegurar el buen funcionamiento de los sistemas de control y gestión de riesgos y, en particular, que se identifiquen, gestionan, y cuantifican adecuadamente todos los riesgos importantes que afecten a la sociedad.
- b) Participar activamente en la elaboración de la estrategia de riesgos y en las decisiones importantes sobre su gestión.
- c) Velar por que los sistemas de control y gestión de riesgos mitiguen los riesgos adecuadamente en el marco de la política definida por el consejo de administración.

Cumple X Cumple parcialmente Explique

47. Que los miembros de la comisión de nombramientos y de retribuciones –o de la comisión de nombramientos y la comisión de retribuciones, si estuvieren separadas– se designen procurando que tengan los conocimientos, aptitudes y experiencia adecuados a las funciones que estén llamados a desempeñar y que la mayoría de dichos miembros sean consejeros independientes.

Cumple X Cumple parcialmente Explique

48. Que las sociedades de elevada capitalización cuenten con una comisión de nombramientos y con una comisión de remuneraciones separadas.

Cumple Explique No aplicable X

49. Que la comisión de nombramientos consulte al presidente del consejo de administración y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos. Y que cualquier consejero pueda solicitar de la comisión de nombramientos que tome en consideración, por si los encuentra idóneos a su juicio, potenciales candidatos para cubrir vacantes de consejero.

Cumple X Cumple parcialmente Explique

50. Que la comisión de retribuciones ejerza sus funciones con independencia y que, además de las funciones que le atribuya la ley, le correspondan las siguientes:

- a) Proponer al consejo de administración las condiciones básicas de los contratos de los altos directivos.
- b) Comprobar la observancia de la política retributiva establecida por la sociedad.
- c) Revisar periódicamente la política de remuneraciones aplicada a los consejeros y altos directivos, incluidos los sistemas retributivos con acciones y su aplicación, así como garantizar que su remuneración individual sea proporcionada a la que se pague a los demás consejeros y altos directivos de la sociedad.
- d) Velar por que los eventuales conflictos de intereses no perjudiquen la independencia del asesoramiento externo prestado a la comisión.
- e) Verificar la información sobre remuneraciones de los consejeros y altos directivos contenida en los distintos documentos corporativos, incluido el informe anual sobre remuneraciones de los consejeros.

Cumple X Cumple parcialmente Explique

51. Que la comisión de retribuciones consulte al presidente y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos y altos directivos.

Cumple X Cumple parcialmente Explique

52. Que las reglas de composición y funcionamiento de las comisiones de supervisión y control figuren en el reglamento del consejo de administración y que sean consistentes con las aplicables a las comisiones legalmente obligatorias conforme a las recomendaciones anteriores, incluyendo:

- a) Que estén compuestas exclusivamente por consejeros no ejecutivos, con mayoría de consejeros independientes.
- b) Que sus presidentes sean consejeros independientes.
- c) Que el consejo de administración designe a los miembros de estas comisiones teniendo presentes los conocimientos, aptitudes y experiencia de los consejeros y los cometidos de cada comisión, delibere sobre sus propuestas e informes; y que rindan cuentas, en el primer pleno del consejo de administración posterior a sus reuniones, de su actividad y que respondan del trabajo realizado.
- d) Que las comisiones puedan recabar asesoramiento externo, cuando lo consideren necesario para el desempeño de sus funciones.
- e) Que de sus reuniones se levante acta, que se pondrá a disposición de todos los consejeros.

Cumple X Cumple parcialmente Explique

53. Que la supervisión del cumplimiento de las políticas y reglas de la sociedad en materia medioambiental, social y de gobierno corporativo, así como de los códigos internos de conducta, se atribuya a una o se reparta entre varias comisiones del consejo de administración que podrán ser la comisión de auditoría, la de nombramientos, una comisión especializada en sostenibilidad o responsabilidad social corporativa u otra comisión especializada que el consejo de administración, en ejercicio de sus facultades de auto-organización, haya decidido crear. Y que tal comisión esté integrada únicamente por consejeros no ejecutivos, siendo la mayoría independientes y se le atribuyan específicamente las funciones mínimas que se indican en la recomendación siguiente.

Cumple X Cumple parcialmente Explique

54. Las funciones mínimas a las que se refiere la recomendación anterior son las siguientes:

- a) La supervisión del cumplimiento de las reglas de gobierno corporativo y de los códigos internos de conducta de la empresa, velando asimismo por que la cultura corporativa esté alineada con su propósito y valores.
- b) La supervisión de la aplicación de la política general relativa a la comunicación de información económico-financiera, no financiera y corporativa así como a la comunicación con accionistas e inversores, asesores de voto y otros grupos de interés. Asimismo se hará seguimiento del modo en que la entidad se comunica y relaciona con los pequeños y medianos accionistas.
- c) La evaluación y revisión periódica del sistema de gobierno corporativo y de la política en materia medioambiental y social de la sociedad, con el fin de que cumplan su misión de promover el interés social y tengan en cuenta, según corresponda, los legítimos intereses de los restantes grupos de interés.
- d) La supervisión de que las prácticas de la sociedad en materia medioambiental y social se ajustan a la estrategia y política fijadas.
- e) La supervisión y evaluación de los procesos de relación con los distintos grupos de interés.

Cumple X Cumple parcialmente Explique

55. Que las políticas de sostenibilidad en materias medioambientales y sociales identifiquen e incluyan al menos:

- a) Los principios, compromisos, objetivos y estrategia en lo relativo a accionistas, empleados, clientes, proveedores, cuestiones sociales, medio ambiente, diversidad, responsabilidad fiscal, respeto de los derechos humanos y prevención de la corrupción y otras conductas ilegales
- b) Los métodos o sistemas para el seguimiento del cumplimiento de las políticas, de los riesgos asociados y su gestión.
- c) Los mecanismos de supervisión del riesgo no financiero, incluido el relacionado con aspectos éticos y de conducta empresarial.
- d) Los canales de comunicación, participación y diálogo con los grupos de interés.
- e) Las prácticas de comunicación responsable que eviten la manipulación informativa y protejan la integridad y el honor.

Cumple X Cumple parcialmente Explique

56. Que la remuneración de los consejeros sea la necesaria para atraer y retener a los consejeros del perfil deseado y para retribuir la dedicación, cualificación y responsabilidad que el cargo exija, pero no tan elevada como para comprometer la independencia de criterio de los consejeros no ejecutivos.

Cumple X Explique

57. Que se circunscriban a los consejeros ejecutivos las remuneraciones variables ligadas al rendimiento de la sociedad y al desempeño personal, así como la remuneración mediante entrega de acciones, opciones o derechos sobre acciones o instrumentos referenciados al valor de la acción y los sistemas de ahorro a largo plazo tales como planes de pensiones, sistemas de jubilación u otros sistemas de previsión social.

Se podrá contemplar la entrega de acciones como remuneración a los consejeros no ejecutivos cuando se condicione a que las mantengan hasta su cese como consejeros. Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar, en su caso, para satisfacer los costes relacionados con su adquisición.

Cumple X Cumple parcialmente Explique

58. Que en caso de remuneraciones variables, las políticas retributivas incorporen los límites y las cautelas técnicas precisas para asegurar que tales remuneraciones guardan relación con el rendimiento profesional de sus beneficiarios y no derivan solamente de la evolución general de los mercados o del sector de actividad de la compañía o de otras circunstancias similares.

Y, en particular, que los componentes variables de las remuneraciones:

a) Estén vinculados a criterios de rendimiento que sean predeterminados y medibles y que dichos criterios consideren el riesgo asumido para la obtención de un resultado.

b) Promuevan la sostenibilidad de la empresa e incluyan criterios no financieros que sean adecuados para la creación de valor a largo plazo, como el cumplimiento de las reglas y los procedimientos internos de la sociedad y de sus políticas para el control y gestión de riesgos.

c) Se configuren sobre la base de un equilibrio entre el cumplimiento de objetivos a corto, medio y largo plazo, que permitan remunerar el rendimiento por un desempeño continuado durante un período de tiempo suficiente para apreciar su contribución a la creación sostenible de valor, de forma que los elementos de medida de ese rendimiento no giren únicamente en torno a hechos puntuales, ocasionales o extraordinarios.

Cumple Cumple parcialmente X Explique No aplicable

La retribución variable de los consejeros ejecutivos que la devengan, se fija en función del resultado operativo antes de amortizaciones, deterioros y otros resultados, consolidado del grupo, formado por la Sociedad y sus sociedades dependientes (equivalente al resultado de restar la suma de las partidas "Importe Neto de la Cifra de Negocios" y "Otros Ingresos" el importe de las partidas "Aprovisionamientos", "Gastos de Personal", y "Otros Gastos de Explotación", denominado en lo sucesivo como "EBITDA") derivado de las cuentas anuales consolidadas de la Sociedad y sus sociedades dependientes.

Aunque no están explícitamente los criterios a lo que se refiere la recomendación 58, estos criterios son tenidos en consideración al determinarse el EBITDA. Dicho indicador es considerado como unos de los drivers más usuales en análisis económicos financiero de empresas, ya que ofrece una información rápida acerca del devenir de las compañías. Entendemos que cualquier retribución ligada a dicho indicador proporciona una justa compensación económica ya que está íntimamente ligada al resultado operativo de la compañía.

En caso de la compañía Naturhouse Health este indicador es históricamente positivo, por lo que ligar una retribución al mismo significa tener como objetivo mantenerlo en valores positivos.

59. Que el pago de los componentes variables de la remuneración quede sujeto a una comprobación suficiente de que se han cumplido de modo efectivo las condiciones de rendimiento o de otro tipo previamente establecidas. Las entidades incluirán en el informe anual de remuneraciones de los consejeros los criterios en cuanto al tiempo requerido y métodos para tal comprobación en función de la naturaleza y características de cada componente variable.

Como se ha indicado la retribución variable está ligada al EBITDA que mientras este sea positivo (objetivo principal) la retribución se llevará a cabo

Que, adicionalmente, las entidades valoren el establecimiento de una cláusula de reducción ('malus') basada en el diferimiento por un período suficiente del pago de una parte de los componentes variables que implique su pérdida total o parcial en el caso de que con anterioridad al momento del pago se produzca algún evento que lo haga aconsejable.

Cumple X Cumple parcialmente Explique No aplicable

60. Que las remuneraciones relacionadas con los resultados de la sociedad tomen en cuenta las eventuales salvedades que consten en el informe del auditor externo y minoren dichos resultados.

Cumple X Cumple parcialmente Explique No aplicable

Ya que tras la revisión de auditoría se produce una merma en el valor del EBITDA o este resulta ser negativo, la remuneración será reducida o no se producirá.

61. Que un porcentaje relevante de la remuneración variable de los consejeros ejecutivos esté vinculado a la entrega de acciones o de instrumentos financieros referenciados a su valor.

Cumple Cumple parcialmente Explique No aplicable X

La retribución variable de aquellos consejeros que la reciben no está vinculada a la entrega de acciones o de instrumentos financieros.

62. Que una vez atribuidas las acciones, las opciones o instrumentos financieros correspondientes a los sistemas retributivos, los consejeros ejecutivos no puedan transferir su titularidad o ejercitarlos hasta transcurrido un plazo de al menos tres años.

Se exceptúa el caso en el que el consejero mantenga, en el momento de la transmisión o ejercicio, una exposición económica neta a la variación del precio de las acciones por un valor de mercado equivalente a un importe de al menos dos veces su remuneración fija anual mediante la titularidad de acciones, opciones u otros instrumentos financieros.

Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar para satisfacer los costes relacionados con su adquisición o, previa apreciación favorable de la comisión de nombramientos y retribuciones, para hacer frente a situaciones extraordinarias sobrevenidas que lo requieran.

Cumple Cumple parcialmente Explique No aplicable X

63. Que los acuerdos contractuales incluyan una cláusula que permita a la sociedad reclamar el reembolso de los componentes variables de la remuneración cuando el pago no haya estado ajustado a las condiciones de rendimiento o cuando se hayan abonado atendiendo a datos cuya inexactitud quede acreditada con posterioridad.

Cumple Cumple parcialmente X Explique No aplicable

No existe como tal una cláusula escrita en los contratos, pero sin duda, si fuera el caso, los propios consejeros ejecutivos perceptores de la remuneración variable, ajustarían su retribución.

64. Que los pagos por resolución o extinción del contrato no superen un importe equivalente a dos años de la retribución total anual y que no se abonen hasta que la sociedad haya podido comprobar que el consejero ha cumplido con los criterios o condiciones establecidos para su percepción.

A efectos de esta recomendación, entre los pagos por resolución o extinción contractual se considerarán cualesquiera abonos cuyo devengo u obligación de pago surja como consecuencia o con ocasión de la extinción de la relación contractual que vinculaba al consejero con la sociedad, incluidos los importes no previamente consolidados de sistemas de ahorro a largo plazo y las cantidades que se abonen en virtud de pactos de no competencia post-contractual.

Cumple X Cumple parcialmente Explique No aplicable

H. OTRAS INFORMACIONES DE INTERÉS

1.Si existe algún aspecto relevante en materia de gobierno corporativo en la sociedad o en las entidades del grupo que no se haya recogido en el resto de apartados del presente informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas de gobierno en la entidad o su grupo, detállelos brevemente.

2.Dentro de este apartado, también podrá incluirse cualquier otra información, aclaración o matiz relacionado con los anteriores apartados del informe en la medida en que sean relevantes y no reiterativos.

En concreto, se indicará si la sociedad está sometida a legislación diferente a la española en materia de gobierno corporativo y, en su caso, incluya aquella información que esté obligada a suministrar y sea distinta de la exigida en el presente informe.

3.La sociedad también podrá indicar si se ha adherido voluntariamente a otros códigos de principios éticos o de buenas prácticas, internacionales, sectoriales o de otro ámbito. En su caso, se identificará el código en cuestión y la fecha de adhesión. En particular, hará mención a si se ha adherido al Código de Buenas Prácticas Tributarias, de 20 de julio de 2010.

Este informe anual de gobierno corporativo ha sido aprobado por el consejo de Administración de la sociedad, en su sesión de fecha _26 02 Febrero_ de 2021_____.

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

Sí No X

Nombre o denominación social del consejero que no ha votado a favor de la aprobación del presente informe	Motivos (en contra, abstención, no asistencia)	Explique los motivos

Observaciones

Declaración de responsabilidad del Consejo de Administración de Naturhouse Health, S.A. conforme al artículo 8 apartado b) del capítulo I del Real Decreto 1362/2007, de 19 de octubre por el que se desarrolla la Ley 24/1988, de 28 de julio, del Mercado de Valores, en relación con los requisitos de transparencia relativos a la información sobre los emisores cuyos valores estén admitidos a negociación en un mercado secundario oficial o en otro mercado regulado de la Unión Europea.

Con fecha 26 de febrero de 2021 se han formulado las Cuentas Anuales consolidadas de Naturhouse Health, S.A. correspondientes al ejercicio anual terminado el 31 de diciembre de 2020 -comprensivas del Balance , Cuenta de Pérdidas y ganancias, estado de flujos de efectivo y estado de cambios en el patrimonio neto y la Memoria- y el Informe de Gestión, constan en 70 hojas de papel común, por una sola cara, numeradas correlativamente de la 1 a la 70, siendo firmadas de la 1 a la 69 por el Secretario del Consejo de Administración y la hoja número 70 por la totalidad de los consejeros asistentes a la reunión. El Informe de Anual de Gobierno Corporativo está contenido en 64 hojas de papel común, por una sola cara, numeradas correlativamente del 1 a la 64.

Las Cuentas Anuales consolidadas y el Informe Anual de Gobierno Corporativo son firmados por el Secretario del Consejo de Administración y por los consejeros asistentes presencialmente, que fueron el Presidente, Don Félix Revuelta Fernández y Don Ignacio Bayón Marine, haciéndose constar que el resto de consejeros, que asistieron telemáticamente a la reunión, formularon las cuentas anuales y el informe de gestión, pero que no han podido firmarlas debido a la situación sanitaria provocada por el estado de alarma.

VºBº

**Presidente
del Consejo de Administración**



Félix Revuelta Fernández

**El Secretario
del Consejo de Administración**



Alfonso Barón Bastarreche