Report on Limited Review

NATURHOUSE HEALTH, S.A. AND SUBSIDIARIES
Consolidated Abridged Interim Financial Statements
and Consolidated Management Report corresponding to the six-month period ended June 30, 2020

Building a better
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REPORT ON LIMITED REVIEW OF THE CONSOLIDATED ABRIDGED INTERIM FINANCIAL STATEMENTS

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

To the shareholders of NATURHOUSE HEALTH, S.A. at the request of management:

Introduction

We have carried out a limited review of the accompanying consolidated abridged interim financial statements (hereinafter to be referred as the interim financial statements) of Naturhouse Health, S.A., (the Parent) and its subsidiaries (the Group), which consists of the balance sheet at June 30, 2020, the profit and loss account, the statement of changes in equity, the cash flow statement and the explanatory notes (all of them consolidated and abridged) for the six-month period then ended. The members of Management are responsible for the preparation of the Company's interim financial statements in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of consolidated abridged interim financial information and for such internal control as they determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error. Our responsibility is to express a conclusion on said interim financial statements based on our limited review.

Scope of the review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing audit regulations in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

As a result of our limited review, which under no circumstances should be considered an audit of financial statements, nothing came to our attention that would lead us to conclude that the accompanying interim financial statements for the six-month period ended at June 30, 2020 are not prepared, in all material respects, in conformity with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim financial statements.

Domicilio Social: C/Raimundo Fernández Villaverde, 65. 28003 Madrid -Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1, Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited.

Emphasis-of-matter paragraphs

We draw attention to the matter described in Note 3 of the accompanying explanatory notes, which explains the currently known effects that the COVID-19 crisis situation has had on operations during the period, the main actions taken by the Group's directors and management to mitigate future impacts, and the scenario of uncertainty in which the Group's assets have been valued. This matter does not modify our conclusion.

We draw attention to the matter described in Note 2.a of the accompanying explanatory notes, which indicates that the abovementioned accompanying interim financial statements do not include all the information that would be required for complete financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. Therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2019. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The attached consolidated interim management report for the six-month period ended June 30, 2020 contains the explanations that the Parent's management consider appropriate regarding the important events that occurred in this period and their impact on the interim financial statements presented. We have verified that the accounting information contained in the management report is consistent with the interim financial statements for the six-month period ended June 30, 2020. Our work is limited to verifying the consolidated interim management report with the scope mentioned in this paragraph and does not include the review of information other than that obtained from the accounting records of Naturhouse Health, S.A. and its subsidiaries.

Paragraph on other issues

This report has been prepared at the request of the management of Naturhouse Health, S.A. in relation to the publication of the half-year financial report required by the Securities Market Law.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

María del Tránsito Rodríguez Alonso

September 28, 2020

Naturhouse Health, S.A. and Subsidiaries

Consolidated Abridged Interim Financial Statements and Consolidated Management Report for the six-month period ending 30 June 2020, drawn up in accordance with International Accounting Standard 34, together with the Limited Review Report

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Naturhouse Health, S.A. and Subsidiaries

CONSOLIDATED ABRIDGED INTERIM STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2020 AND 31 DECEMBER 2019

(thousands of euros)

ASSET	Notes	30/06/2020 (Unaudited)	31/12/2019
NON-CURRENT ASSETS:			
Intangible fixed assets	**5**	**1,268**	**1,296**
Tangible fixed assets	**5**	**6,772**	**9,618**
Non-current financial assets	**6**	**808**	**828**
Investments in associates			
Holdings consolidated under the equity method	**7**	3,165	3,152
Deferred tax assets	**10.1**	**132**	**138**
Non-current assets		**12,145**	**15,032**
CURRENT ASSETS:			
Inventory		**3,018**	**4,124**
Customer receivables for sales and services		**4,661**	**3,355**
Customers, related companies	**14**	**195**	**151**
Current tax assets and other receivables with public administrations		**3,209**	**3,639**
Other current assets		**463**	**955**
Cash and cash equivalents		**15,526**	**10,305**
Total current assets		**27,072**	**22,529**
Total assets		**39,217**	**37,561**

EQUITY AND LIABILITIES	Notes	30/06/2020 (Unaudited)	31/12/2019
NET EQUITY:			
Capital and reserves-			
Subscribed capital		3,000	3,000
Issue premium		2,149	2,149
Premium		14,406	11,175
Treasury Shares		(142)	(142)
Conversion differences		(1,772)	(1,587)
Results of the year		3,630	13,257
Interim dividend		-	(11,400)
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY		**21,271**	**16,452**
NET EQUITY ATTRIBUTABLE TO MINORITY INTERESTS		**50**	**62**
Total net equity	**8**	**21,321**	**16,514**
NON-CURRENT LIABILITIES:			
Non-current provisions	**13**	**1,112**	**1,107**
Non-current liabilities	**9**	**7,576**	**7,757**
Deferred tax liabilities	**10.2**	**-**	**9**
Non-current liabilities		**8,688**	**8,873**
CURRENT LIABILITIES:			
Current liabilities	**9**	**1,391**	**2,662**
Trade creditors and other receivables		**3,860**	**5,091**
Suppliers, related companies	**14**	**1,794**	**3,243**
Current tax liabilities and other payables with public administrations		**2,163**	**1,178**
Total current liabilities		**9,208**	**12,174**
TOTAL NET EQUITY AND LIABILITIES		**39,217**	**37,561**

Notes 1 to 16 and Annex I attached are an integral part of the consolidated abridged statement of financial position as of 30 June 2020.

Naturhouse Health, S.A. and Subsidiaries

CONSOLIDATED ABRIDGED INTERIM PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2020 AND 2019

(thousands of euros)

	Notes	First Half Year 2020 (Unaudited)	First Half Year 2019 (Unaudited)
CONTINUING OPERATIONS:			
Net amount of revenue	**12**	28,224	46,120
Supplies		(8,152)	(13,516)
Gross Margin		**20,072**	**32,604**
Other operating income		219	405
Personnel costs	**11.a**	(6,285)	(9,823)
Other operating costs		(5,835)	(9,077)
Operating income before amortisation, impairment and other income		**8,171**	**14,109**
Amortization of fixed assets		(1,697)	(2,214)
Impairment losses and income from disposal of fixed assets		(1,014)	(38)
Other results		(137)	(96)
OPERATING INCOME		**5,323**	**11,761**
FINANCIAL RESULT	**11.b**	32	(188)
Share in profits from equity accounted companies	**7**	**95**	246
CONSOLIDATED PROFIT BEFORE TAX		**5,450**	**11,819**
Corporation Tax		(1,824)	(3,575)
NET INCOME FROM CONTINUING OPERATIONS		**3,626**	**8,244**
CONSOLIDATED NET INCOME		**3,626**	**8,244**
Equity attributable to third-party shareholders		4	-
NET PROFIT OR LOSS ATTRIBUTABLE TO THE PARENT COMPANY		**3,630**	**8,244**
Profit per share (in Euros per share)(*)	**8**		
- Basic		**0.06**	**0.14**
- Diluted		**0.06**	**0.14**

Notes 1 to 16 and Annex I attached are an integral part of the consolidated abridged interim profit and loss account for the first half of the 2020 financial year.

Naturhouse Health, S.A. and Subsidiaries

CONSOLIDATED ABRIDGED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST HALF OF 2020 AND 2019
(thousands of euros)

	First Half 2020 financial year (Unaudited)	First Half 2019 financial year (Unaudited)
a. RESULT OF THE PROFIT AND LOSS ACCOUNT	**3,630**	**8,244**
b. OTHER GLOBAL RESULT DIRECTLY RECOGNISED IN THE EQUITY		
Line items that will not be transferred to the result:		
Line items that may be transferred to the results later:		
Because of differences in the conversion of financial accounts in foreign currency	(185)	(301)
C. TRANSFER TO THE PROFIT AND LOSS ACCOUNT		
TOTAL COMPREHENSIVE INCOME FROM THE FINANCIAL YEAR (A+B+C)	**3,445**	**7,943**
Total Comprehensive Income attributable to:		
- The parent company	3,445	7,943
- Minority partners	(12)	-
TOTAL COMPREHENSIVE INCOME	**3,433**	**7,943**

Notes 1 to 16 and Annex I attached are an integral part of the consolidated abridged interim statement of comprehensive income for the first half of the 2020 financial year.

Naturhouse Health, S.A. and Subsidiaries

CONSOLIDATED ABRIDGED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST HALF OF 2020 AND 2019
(thousands of euros)

(Note 8)	Share Capital	Issue premium	Premium	Treasury Shares	Conversion differences	Result of the financial period attributed to the dominant 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**
Comprehensive income for the first half of the 2019 financial year	-	-	-	-	(301)	8,244	-	-	7,943
Distribution of profit from financial year 2018									
- Distribution to reserves	-	-	(314)	-	-	314	-	-	-
- Distribution of dividends	-	-	(1,113)	-	-	(15,687)	13,200	-	(3,600)
Operations with own shares (net)	-	-	-	(79)	-	-	-	-	(79)
Other operations with shareholders:									
- Distribution of dividends	-	-	-	-	-	-	(3,600)	-	(3,600)
Balance at 30 June 2019 (Unaudited)	**3,000**	**2,149**	**11,175**	**(143)**	**(1,327)**	**8,244**	**(3,600)**	**6**	**19,504**

(Note 8)	Share Capital	Issue premium	Premium	Treasury Shares	Conversion differences	Result of the financial period attributed to the dominant company	Interim dividend	Minority interests	Total Equity
Balance at 31 December 2019	**3,000**	**2,149**	**11,175**	**(142)**	**(1,587)**	**13,257**	**(11,400)**	**62**	**16,514**
Comprehensive income for the first half of the 2020 financial year	-	-	-	-	(185)	3,630	-	(12)	**3,433**
Distribution of profit from financial year 2019									
- Distribution to reserves	-	-	1,857	-	-	(1,857)	-	-	**-**
- Distribution of dividends	-	-	1,374	-	-	(11,400)	11,400	-	**1,374**
Balance at 30 June 2020 (Unaudited)	**3,000**	**2,149**	**14,406**	**(142)**	**(1,772)**	**3,630**	**-**	**50**	**21,321**

Notes 1 to 16 and Annex I attached are an integral part of the consolidated abridged interim statement of changes in equity for the first half of the 2020 financial year.

Naturhouse Health, S.A. and Subsidiaries

CONSOLIDATED ABRIDGED INTERIM STATEMENT OF CASH FLOWS
FOR THE FIRST HALF OF 2020 AND 2019
(thousands of euros)

	First Half 2020 financial year (Unaudited)	First Half 2019 financial year (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES	**6,369**	**15,870**
Pre-tax profit	**5,450**	**11,819**
Adjustments to profit:	**2,589**	**2,356**
- Depreciation of fixed assets (+)	1,697	2,214
- Impairment losses of tangible fixed assets and stock (+/-)	947	-
- Changes in provisions (+/-)	5	162
- Results from removing or decommissioning fixed assets (+/-)	67	38
- Financial income (-)	(207)	(3)
- Financial expenses (+)	114	191
- Exchange-rate differences (+/-)	61	-
- Share of company profits (losses) stated in net equivalences of dividends (+/-)	(95)	(246)
Changes in working capital	**(2,349)**	**837**
- Stocks (+/-)	1,106	(10)
- Debtors and other accounts payable (+/-)	(1,350)	(168)
- Other current assets (+/-)	492	(86)
- Creditors and other accounts due (+/-)	(2,597)	1,101
Other cash flows from operating activities	**679**	**858**
- Payment of interest (-)	(114)	(138)
- Receipt of interest (+)	207	3
- Receipt (payment) of profit tax (+/-)	586	993
CASH FLOWS FROM INVESTMENT ACTIVITIES>	**485**	**548**
Payments for investments (-)	**(7)**	**(92)**
- Intangible and tangible fixed assets	(7)	(92)
Receipts for divestments (+)	**492**	**640**
- Receipts from related companies	-	477
- Other financial assets	492	163
CASH FLOWS FROM FINANCIAL ACTIVITIES:	**(1,452)**	**(5,464)**
Receipts and payments from equity instruments/	**-**	**(79)**
- Net acquisition of equity instruments (-)	-	(79)
Receipts and payments from financial liability instruments-	**(1,452)**	**(1,785)**
- Issue of:		
Other debts (+)		
- Return and depreciation of:		
Other debts (-)	(1,452)	(1,785)
Payments from dividends and remuneration from other equity instruments	**-**	**(3,600)**
- Dividends (-)	-	(3,600)
EFFECT OF CHANGES IN EXCHANGE RATES	**(181)**	**(301)**
NET INCREASE/DECREASE IN CASH OR EQUIVALENT	**5,221**	**10,653**
Cash or equivalent at the start of the financial year	10,305	8,247
Cash or equivalent at the end of the financial year	15,526	18,900

Notes 1 to 16 and Annex I attached are an integral part of the consolidated abridged interim statement of cash flows for the first half of the 2020 financial year.

Explanatory Notes to the Consolidated Abridged Interim Financial Statements for the first half of the 2020 financial year.

1. Nature and corporate purpose of the Group companies

NATURHOUSE HEALTH, S.A. (hereinafter, the "Company" or "Dominant 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 Dominant Company's corporate purpose, in accordance with its 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 or 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"). 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 Abridged Interim Financial Statements

a) Basis of presentation

These consolidated abridged interim financial statements for the six months ending 30 June 2020 have been drawn up in accordance with International Accounting Standard 34 (IAS 34) "Interim Financial Information" included in the International Financial Reporting Standards adopted by the European Union (EU-IFRS).

These interim financial statements do not include all the information required of complete consolidated financial statements under the EU-IFRS. Therefore, these consolidated abridged interim financial statements should be read in conjunction with the consolidated financial statements for the financial year ending 31 December 2019, which were drawn up in accordance with EU-IFRS. Consequently, it has not been necessary to repeat or update certain notes or estimates included in the aforementioned consolidated financial statements. Instead, the accompanying selected explanatory notes include an explanation, where appropriate, of any events or variations that are material to understanding the changes in the consolidated financial position and in the consolidated results of operations, the consolidated comprehensive income and the consolidated cash flows of the Naturhouse Group from 31 December 2019, the date of the aforementioned consolidated financial statements, to 30 June 2020.

In accordance with IAS 8, the accounting principles and valuation rules applied by the Group have been applied uniformly across all transactions, events and items in the first half of the 2020 financial year and in the 2019 financial year.

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

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

The consolidated abridged financial statements for the first half of 2020 have been subjected to a limited review by the auditor.

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

The preparation of the consolidated abridged interim financial statements under EU-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 abridged interim financial statements, in accordance with IAS 8, any amendment in the future to these estimates would be applied prospectively, 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 accounting principles and policies and valuation criteria are given in Explanatory Notes 2 and 4 to the consolidated annual financial statements for the 2020 financial year, together with the issues indicated in Explanatory Note 4.a on the new rules that entered into force in 2020.

The main estimates and judgements considered in drawing up the consolidated abridged interim financial statements are as follows:

- Useful lives of intangible and tangible fixed assets.
- Impairment losses of non-financial assets.
- Evaluation of occurrence and quantification of litigation, commitments, contingent assets and liabilities at close.
- Estimate of impairments in accounts receivable and inventory obsolescence.
- Estimate of income tax expenses (which, according to IAS 34, is recognised in interim periods based on the best estimate of the average weighted tax rate that the Group expects for the annual period) and recoverability of deferred tax assets.

c) Information comparison

According to paragraph 20 of IAS 34, and in order to have comparative information available, these consolidated abridged interim financial statements include the consolidated abridged statements of financial position as of 30 June 2020 and 31 December 2019 and the consolidated abridged interim profit and loss accounts, the consolidated abridged interim statements of comprehensive income, the consolidated abridged interim statements of changes in equity and the consolidated abridged interim statements of cash flows for the six-month periods ending 30 June 2020 and 2019, in addition to the explanatory notes to the consolidated abridged interim financial statements for the six-month period ending 30 June 2020.

The main variations in the scope of the consolidation are described in Note 4.c.

d) Seasonality of transactions

The Group is subject to seasonal fluctuations in the demand for its dietary, medicinal herbal and natural cosmetic products, primarily. In this regard, it tends to experience higher sales in the months preceding the summer (March to July), although without the seasonality having a very significant impact. Consequently, this aspect should be taken into consideration when comparing the Group's half-yearly and yearly information, as well the interim periods.

e) Relative importance

When determining the information to be broken down in these explanatory notes on the different items of the financial statements or other matters, the Group, in accordance with IAS 34, has taken into consideration the relative importance in relation to the half-yearly consolidated abridged financial statements.

f) Correction of errors

There have been no correction of errors in the consolidated abridged financial statements for the six-month period ending 30 June 2020.

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 rapid evolution of events, both nationally and internationally, has led to an unprecedented health crisis, which is having a very significant impact on the macroeconomic environment and on the evolution of businesses. To address this situation, among other measures undertaken, the Government of Spain declared a state of alarm by publishing Royal Decree 463/2020 of 14 March, and approved a series of extraordinary urgent measures to address the economic and social impact of COVID-19. To this day, with the State of Alarm over, extensive packages of social protection measures and measures to stimulate the economy continue to be enacted by the European Union, the Spanish Government and the other governmental authorities of the countries in which the Group operates.

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 interim statement of financial position as of 30 June 2020, as well as the lines of financing available in Note 9.

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 8 b)).

- 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.

In this regard, 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 30 June 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 9, and own funds, including capital and reserves as discussed in Note 8. 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 30 June 2020 and 31 December 2019 stands at -0.85 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 between the two financial years is due to the application of IFRS 16.

d) 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. Borrowings issued at variable rates expose the Group to interest rate risk on the cash flows. As of the close of the first half of the 2020 financial year and yearend 2019, 100% of the borrowings were at variable interest rates.

Finally, at the close of the first half 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 in the first quarter amounting to 53 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) 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.

With the exception of the brands acquired from Kiluva, S.A. (Note 5 a)), the Group, in accordance with the provisions of IAS 36 *Impairment of assets*, 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 impairment, the Group has conducted a preliminary analysis with a view to identifying the points of sale with less profitability that have had their business 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 conducted, impairment of rights of use of 861 thousand euros as of 30 June 2020 has become apparent (see note 5 c)) which corresponds mainly to own stores which were scheduled to be closed in the short term. Likewise, impairment of the tangible fixed assets (mainly facilities) associated with said points of sale of 86 thousand euros as of 30 June 2020 has become apparent.

Investments recognised using the equity method

The Group has tested the investment in Ichem Sp. Zo.o.for impairment using the multiple comparables method as a measure of fair value less costs to sell, since the result of using this method is higher than value-in-use (which is likewise higher than the investment's carrying amount). Specifically, the applied multiple is EV/EBITDA, which was obtained from a series of comparable listed companies in developed markets similar to Spain, and the multiple obtained was applied to the operating margin for 2019.

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.

g) Going concern

Taking into consideration all the aforementioned measures and impacts, 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.

4. Accounting policies and valuation rules

The accounting policies used in drawing up these consolidated abridged interim financial statements are the same as those applied in the consolidated annual financial statements for the financial year ending 31 December 2019, since none of the rules, interpretations or amendments that are applicable for the first time this financial year have had an impact on the Group's accounting policies.

The Group intends to adopt the rules, interpretations and amendments to the rules issued by the IASB, which are not mandatory in the European Union, when they come into force, if they are applicable. Although the Group is currently analysing their impact, based on the analyses conducted to date, the Group believes that their initial application will not have a significant impact on its consolidated annual financial statements or consolidated abridged interim financial statements.

a) Rules and interpretations approved by the European Union applied for the first time this financial year

New rules, 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	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. 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.	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
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

b) Rules and interpretations issued by the IASB, but not yet applicable in this financial year

New rules, amendments and interpretations not yet approved for use in the European Union		IASB application date
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 (1)
IFRS 17 Insurance policies (published in May 2017)	Replaces IFRS 4 It includes the principles of registration, valuation, presentation and disclosure of insurance contracts with the objective that the entity provides relevant and reliable information that allows the users of the financial information to determine the effect that the 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

(1) The amendment to IFRS 16 *Leases*: “COVID-19-Related Rent Reductions” has not yet been approved by the European Union as of the date that these interim financial statements were drawn up. Nevertheless, and irrespective of said amendment, the Group has obtained waivers of lease debts due that, in application of IFRS 9, have been recognised as income amounting to 58 thousand euros (Note 11 b).

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.

c) Variations in the scope of the consolidation

During the first half of 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, control of said Company. The business combination recognised under IFRS 3 was recorded in the annual financial statements for the financial year ending 31 December 2019.

5. Non-current assets of a non-financial nature

a) Intangible assets

During the first half of the 2020 financial year, there have been no significant variations in intangible assets. The decrease in this item mainly corresponds to the provision for amortisation for the period. Likewise, the main asset recognised under this item corresponds to brands acquired in previous financial years from Kiluva, S.A. for an amount of 2,331 thousand euros and which as of 30 June 2020 have a net book value of 913 thousand euros (1,030 thousand euros as of 31 December 2019) since the useful life is defined as 10 years. The effects of COVID-19 have not revealed a drop in sales or margins of the products marketed under these brands that would not allow them to recover their net book value within a foreseeable time horizon.

b) Tangible fixed assets

During the first half of the 2020 financial year, there have been significant variations in the Group's tangible fixed assets due to the amortisation and impairments recognised on the rights of use recognised under IFRS 16 Leases (note 5 c)). Additionally, the variation in this item corresponds to the closing of own centres in the Group's four main markets, and to the provision for amortisation of the same.

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 30 June 2020, the Parent Company's Directors deemed that there was no deficit in insuring against these risks.

As of the end of the first half of the 2020 financial year, the Group had no significant firm commitments to purchase tangible assets.

c) Leases

Rights of use

The breakdown and changes by class of assets for rights of use during the six-month period ending 30 June 2020 have been as follows:

	Thousands of Euros (Unaudited)			
	Initial Balance 01.01.2020	Additions	Withdrawals	Final Balance 30.06.2020
Cost	10,066	-	(469)	9,597
Accumulated amortization	(2,434)	(1,284)	282	(3,436)
Impairment	-	(861)	-	(861)
Conversion differences	-	(1)	-	(1)
Net total	**7,632**	**(2,146)**	**(187)**	**5,299**

Practically all the rights of use recognised under IFRS 16 correspond to leased commercial premises where the Group carries out its sales to end customers.

6. Non-current financial assets

As of 30 June 2020 and 31 December 2019, the breakdown on the various non-current financial investment accounts is as follows:

	Thousands of Euros	
	30/06/2020 (Unaudited)	31/12/2019
Equity instruments		
- Assets available for sale	-	-
- Other equity instruments	-	76
Other financial assets		
- Long term deposits and guarantees	808	752
Total	**808**	**828**

All the financial assets correspond to level three on the fair value hierarchy.

During the first half of the 2020 financial year, there have been no significant movements under this heading.

7. Investments in associates

Participation in equity-accounted companies

The participation in equity-accounted companies corresponds to the investee company Ichem, Sp. Zo.o. The breakdown on investment in equity-accounted companies at the end of the first half of the 2020 financial year and the movement occurring during this period is as follows:

	30 June 2020 - thousands of euros (Unaudited)					
	Balance at 1 January 2020	Participation in results from equity-accounted companies	Conversion differences	Other movements	Dividends	Balance at 30 June 2020
Participation in equity-accounted companies	3,152	95	(136)	54	-	3,165
Total	**3,152**	**95**	**(136)**	**54**	**-**	**3,165**

Other information related to this investee is as follows (figures as of 30 June 2020 and in thousands of Euros):

		30 June 2020 - thousands of euros (Unaudited)			
Name and Registered Office	Activity	Total Assets	Equity	Sales (*)	Result after tax (*)
Ichem Sp. Zo.o. Dostawcza 12 93-231 Lodz (Poland)	Production and retail sales of all kinds of products related to dietetics,	15,755	12,709	4,997	379

(*) The sales and results of Ichem, Sp. Zo.o included correspond to the 6-month period ending 30 June 2020. The total assets and equity is presented at the closing exchange rate at 30 June 2020, while sales and the post-tax profit or loss is presented at the average exchange rate for the six-month period ending 30 June 2020.

8. Net equity

a) Share capital

As of 30 June 2020 and 31 December 2019, the Dominant Company's share capital is represented by 60 million 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 30 June 2020 are as follows:

Shareholder	**%**
Kiluva, SA	72.60
Ferev Uno Strategic Plans	4.17

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 the result

On 11 May 2020, the Board of Directors agreed to modify the proposed distribution of profit included in the explanatory notes to the annual financial statements for the financial year ending 31 December 2019, which was approved by the Board of Directors in their meeting on 28 February 2020. The original proposed distribution of the Parent Company's profits consisted of the distribution of the entire profit in 2019 to dividends amounting to 14,200 thousand euros. Of this amount, a total of 11,400 thousand euros had already been distributed on an interim basis during the 2019 financial year. The proposal to modify the distribution of the aforementioned profits maintained the amount already distributed and paid to shareholders on an interim basis from the profit in the 2019 financial year, allocating the remainder (2,800 thousand euros) to the Parent Company's voluntary reserves.

c) *Own shares*

As of the end of the first half of 2020, the Parent Company held own shares in accordance with the following breakdown:

Number of shares	Nominal value (euros)	Average acquisition price (euros)	Total acquisition cost (euros)
50,526	2,526	2.81	141,886

As of 30 June 2020, the Parent Company's shares held by it represented 0.084% of the Parent Company's outstanding shares, totalling 50,526 shares with a value of 141,886 euros and an average purchase price of 2.81 euros per share.

d) *Earnings per share*

The earnings per share are calculated based on the earnings corresponding to the Parent Company's shareholders for the average number of ordinary shares outstanding during the period; the earnings per share as of 30 June 2020 and 30 June 2019 are as follows:

	30.06.2020 (Unaudited)	30.06.2019 (Unaudited)
Weighted average number of shares in circulation	60,000,000	60,000,000
Average number of own shares	50,273	42,812
Average number of shares to determine basic earnings per share	59,949,727	59,957,188
Parent Company's Consolidated Net Profit or Loss (thousands of euros)	3,626	8,244
Profit per share (in Euros per share)(*)		
- Basic	0.06	0.14
- Diluted	0.06	0.14

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

e) Net equity attributable to minority interests

The balance under this heading on the attached consolidated abridged interim statement of financial position as of 30 June 2020 includes the value of the minority shareholders' share in the consolidated companies. In addition, the balance shown on the attached consolidated abridged interim profit and loss account in "Profit or loss attributable to third party shareholders" represents the share of such minority shareholders in the consolidated abridged interim profit or loss.

The breakdown on the interests of third party shareholders in companies that are consolidated by the full integration method in which ownership is shared with third parties is as follows:

	Thousands of Euros	
	30.06.2020 (Unaudited)	31.12.2019
Zamodiet México, S.A de C.V.	6	6
Name 17, S.A. de C.V.	44	56
Total	**50**	**62**

9. Financial Debts

The composition of financial debts as of 30 June 2020 and 31 December 2019 on the attached consolidated abridged interim statement of financial position is as follows, according to maturity:

	30 June 2020 (Unaudited) Thousands of Euros			
	Amount Initial or Limit	Maturity		
		Current	Non-current	Total
Current liabilities				
Lease liabilities	-	1,200	-	1,200
Other financial liabilities	-	191	-	191
Non-current liabilities				
Lease liabilities	-	-	5,044	5,044
Other financial liabilities	-	-	2,532	2,532
Total	**-**	**1,391**	**7,576**	**8,967**

	31 December 2019 - thousands of euros			
	Amount Initial or Limit	Maturity		
		Current	Non-current	Total
Current liabilities				
Lease liabilities	-	2,538	-	2,538
Other financial liabilities	-	124	-	124
Non-current liabilities				
Lease liabilities	-	-	5,150	5,150
Other financial liabilities	-	-	2,607	2,607
Total	**-**	**2,662**	**7,757**	**10,419**

This heading includes lease liabilities for a total amount of 6,244 thousand euros (1,200 short-term and 5,044 long-term) recognised in accordance with IFRS 16 *Leases*.

Included under the heading "Other non-current financial liabilities" are the amounts given as surety by franchisees of S.A.S Naturhouse (France) to guarantee compliance with its contractual obligations. Naturhouse as a guarantee of compliance with its contractual obligations. In the rest of the Group companies, these guarantees are obtained through guarantees. As of 30 June 2020 and 31 December 2019, these guarantees are valued at amortised cost, which does not differ significantly from their fair value.

Likewise, the Company has bill discounting facilities with a limit of 1,000 thousand euros, which as of 30 June 2020 and 31 December 2019 has not been drawn on.

10. Corporate Tax

10.1 Deferred tax assets

The breakdown of deferred tax assets as of 30 June 2020 and 31 December 2019 is as follows:

	Thousands of Euros	
	30.06.2020 (Unaudited)	31.12.2019
Temporary differences (prepaid taxes):		
Tax effect of the consolidation adjustments	93	78
70% depreciation limit	37	40
Others	2	20
Total deferred tax assets	**132**	**138**

10.2 Deferred tax liabilities

The heading "Deferred tax liabilities" in the liability figures for the attached consolidated abridged statement of financial position is composed of the following, as of 30 June 2020 and 31 December 2019:

	Thousands of Euros	
	30.06.2020 (Unaudited)	31.12.2019
Temporary differences (deferred taxes):		
Financial leases	-	-
Others	-	**9**
Total deferred tax liabilities	-	**9**

10.3 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.

On 12 November 2019, the Parent Company was notified of the start of inspection actions concerning Corporate Tax for the 2014 and 2015 financial years, and Value Added Tax for the 2015 financial year. As of the date that these consolidated abridged interim financial statements were drawn up, there are no other tax inspections in progress other than the inspection mentioned above. It is not expected that additional liabilities will be accrued for the Group as a result of the upcoming years pending tax inspections.

The Parent Company's Directors consider that the settlements of the remaining taxes that are applicable has been adequately carried out, therefore, even in the event of discrepancies in the current regulatory interpretation due to the tax treatment granted to operations, any resulting liabilities, should they materialize, would not significantly affect these consolidated abridged interim financial statements corresponding to the six-month period ending 30 June 2020.

11. Income and expenses

a) Personnel costs

The composition of Personnel Expenses in the attached consolidated abridged interim profit and loss account is as follows:

	Thousands of Euros (Unaudited)	
	30.06.2020	30.06.2019
Wages, salaries and similar expense	4,851	7,780
Severance indemnities	174	94
Social security contributions	1,260	1,949
Total	**6,285**	**9,823**

The average number of people employed by Group companies, distributed by professional category, was as follows:

Professional category	Average no. of employees (Unaudited)	
	First half of the 2020 financial year	First half of the 2019 financial year
Senior Management	10	11
Rest of Senior Staff	22	25
Administrative and technical staff	45	39
Commercial, sales' staff and operators	429	525
Total	**506**	**600**

In addition, the gender distribution at the end of the first half of 2020 and 2019, detailed by category, is as follows:

	No. of employees		
	30.06.2020 (Unaudited)		
Professional category	Men	Women	Total
Senior Management	9	1	10
Rest of Senior Staff	17	5	22
Administrative and technical staff	14	30	44
Commercial, sales' staff and operators	20	329	349
Total	**60**	**365**	**425**

Professional category	No. of employees 30.06.2019 (Unaudited)		
	Men	Women	Total
Senior Management	10	1	11
Rest of Senior Staff	18	7	25
Administrative and technical staff	12	27	39
Commercial, sales' staff and operators	20	499	519
Total	**60**	**534**	**594**

b) Financial income

The breakdown of financial income during the first half of 2020 and 2019, broken down by the nature thereof, is as follows:

	Thousands of Euros (Unaudited)	
	30/06/2020	30/06/2019
Financial income		
Securities and other financial instruments		
Waivers of lease payments	58	-
In third parties	149	3
Financial expenses		
Leases under IFRS 16	(69)	(102)
Debts with third parties	(45)	(89)
Exchange differences	**(61)**	**-**
Financial result	**32**	**(188)**

12. Segment information

As the Group operates in different countries, the information has been segmented by geographical areas. The information for the consolidated abridged interim profit and loss account for the first half of 2020 and 2019 (both unaudited), broken down by segment, is as follows:

	Thousand of euros																	
	Segments												Others		IFRS 16 Impact		Total	
	Spain		France		Italy		Poland		Other countries		Eliminations							
	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019	30/06/2020	30/06/2019
External sales	5,719	9,710	10,552	18,265	7,406	11,103	3,668	5,680	879	1,363	-	-	-	-	-	-	28,224	46,120
Intersegment sales	766	2,761	168	1,054	24	3	8	19	-	321	(966)	(4,159)	-	-	-	-	-	-
Other operating income	1,600	189	359	47	-	99	44	69	122	-	(2,011)	-	105	-	-	-	219	405
Total income	**8,085**	**12,660**	**11,079**	**13,842**	**7,430**	**11,205**	**3,720**	**5,768**	**1,001**	**1,684**	**(2,977)**	**(4,159)**	**105**	**-**	**-**	**-**	**28,443**	**46,525**
Supplies	(2,137)	(3,383)	(3,254)	(5,651)	(2,219)	(3,299)	(1,348)	(2,534)	(300)	(555)	968	1,905	138		-		(8,152)	(13,516)
Personnel costs	(2,734)	(3,859)	(919)	(1,783)	(1,463)	(2,604)	(714)	(973)	(350)	(604)	-	-	(105)	-	-	-	(6,285)	(9,823)
Amortization	(231)	(250)	(38)	(73)	(105)	(148)	(45)	(81)	(21)	(18)	-	64	27	-	(1,284)	(1,708)	(1,697)	(2,214)
Other operating costs	(2,185)	(3,589)	(3,052)	(5,068)	(2,197)	(2,468)	(1,057)	(1,210)	(599)	(976)	2,003	2,470	(13)	-	1,265	1,765	(5,835)	(9,077)
Other results	(129)	(84)	(9)	(11)	-	-	(4)	-	5	-	-	-	-	-	-	-	(137)	(96)
Impairment losses and income from disposal of fixed asse	(67)	(31)	-	(7)	-	-	-	-	-	-	-	-	(947)	-	-	-	(1,014)	(38)
Operating income	**602**	**1,464**	**3,807**	**1,249**	**1,446**	**2,686**	**552**	**969**	**(264)**	**(470)**	**(6)**	**280**	**(795)**	**-**	**(19)**	**57**	**5,323**	**11,761**
Financial income	3,435	-	4	-	1	-	147	-	1	-	(3,439)	-	-	1	58	2	207	1
Financial expenses	(11)	-	(7)	-	(19)	-	(62)	-	(16)	-	9	-	-	(87)	(69)	(104)	(175)	(191)
Financial result	**3,424**	**-**	**(3)**	**-**	**(18)**	**-**	**85**	**-**	**(15)**	**-**	**(3,430)**	**-**	**-**	**(86)**	**(11)**	**(102)**	**32**	**(188)**
Share in profits from equity accounted companies	-	-	-	-	-	-	-	-	-	-	**95**	**246**	-	-	-	-	**95**	**246**
Consolidated profit before tax	**4,026**	**1,464**	**3,804**	**1,249**	**1,428**	**2,686**	**637**	**969**	**(279)**	**(470)**	**(3,341)**	**280**	**(795)**	**-**	**(30)**	**(45)**	**5,450**	**11,819**

The segment "Eliminations" includes consolidation eliminations and the segment "Others" includes 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. Likewise, the impact of IFRS 16 is included aggregated.

The breakdown by segment of certain items on the consolidated statement of financial position as of 30 June 2020 (unaudited) and 31 December 2019, together with the impact of IFRS 16, is as follows:

	Thousand of euros																	
	Segments												Others		IFRS 16 Impact		Total	
	Spain		France		Italy		Poland		Other countries		Eliminations							
	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019
ASSETS																		
Intangible fixed assets	1,067	1,214	18	18	159	43	16	17	8	4	-	-	-	-	-	-	1,268	1,296
Tangible fixed assets	638	762	317	403	322	530	106	109	176	182	-	-	(947)	-	6,160	7,632	6,772	9,618
Total Assets	**19,902**	**7,260**	**14,393**	**10,960**	**8,334**	**6,607**	**3,392**	**3,696**	**2,816**	**1,756**	**(14,820)**	**(350)**	**(960)**	**-**	**6,160**	**7,632**	**39,217**	**37,561**
Total Liabilities	**2,429**	**2,104**	**8,662**	**5,657**	**4,265**	**3,460**	**652,000**	**829,000**	**2,356**	**1,309**	**(6,712)**	**-**	**-**	**-**	**6,244**	**7,688**	**17,896**	**21,047**

The "Others and eliminations" segment includes assets and liabilities considered to be corporate non-assignable to any specific segment, which basically corresponds to "Investments in associates", "Investments in related companies" and "Current financial assets", and to "Non-current debt" and "Current debt", respectively, as well as the eliminations from consolidation.

Other segment information

None of the Group's customers accounts for over 10% of revenues from ordinary activities.

The net additions and disposals of intangible and tangible assets during the first half of the 2020 financial year is as follows (thousands of euros):

	Spain	**France**	**Italy**	**Poland**	**Other**	**Total**
Capex first half 2020	(54)	(49)	(371)	(96)	1	**(569)**

During the first half of the 2020 financial year, no significant additions of fixed assets have been carried out.

13. Provisions and contingencies

a) Non-current provisions

The balance of other non-current provisions mainly refers to a commitment that the Group has with employees of the company Naturhouse S.R.L. amounting to 842 thousand euros as of 30 June 2020 (756 thousand euros as of 31 December 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 established for the TFR to 31 December 2006 has remained in the company, revalued with the parameters of Act 297/82 and the subsequent retention of each employee paid to INPS (the Italian state agency for social security). This commitment is not externalised and the expenses thereof are recorded under "Personnel Expenses" on the consolidated profit and loss account.

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 Dominant 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 interim financial statements.

14. Transactions and balances with related parties

Transactions between the Parent Company and its subsidiaries have been eliminated in the consolidation process and are not broken down in this note.

Transactions between the Group and its related companies are broken down below:

Balances with affiliate companies

	Thousands of Euros			
	Debit balances		Credit balances	
Company	30.06.2020 (Unaudited)	31.12.2019	30.06.2020 (Unaudited)	31.12.2019
Short-term commercial balances				
Girofibra, SL	-	-	59	99
Ichem, Sp. Zo.o.	-	-	1,393	2,491
Indusen, SA	-	-	299	614
Laboratorios Abad, S.L.U.	1	1	6	2
Zamodiet, SA	-	-	8	8
Ferev, S.A.R.L.	194	150	-	-
Tartales, SLU	-	-	29	29
Tartales, S.r.l.	-	-	-	-
Total short-term commercial balances	**195**	**151**	**1,794**	**3,243**
Total balances with related companies	**195**	**151**	**1,794**	**3,243**

Transactions with related companies

During the first half of the 2020 and 2019 financial years, Group companies conducted the following transactions with related companies that are not part of the Group:

Company	Thousands of Euros (Unaudited)	
	30.06.2020	30.06.2019
Sales		
Ferev, S.A.R.L.	41	89
Total revenues	**41**	**89**
Purchases		
Girofibra, SL	322	619
Ichem, Sp. Zo.o.	4,138	7,637
Indusen, SA	1,013	1,717
Laboratorios Abad, S.L.U.	54	93
Services received		
Ichem, Sp. Zo.o.	13	14
Health House Sun, S.L.	2	10
U.D. Logroñés, S.A.D.	112	150
Luair, S.L.U. (Directly and indirectly)	-	389
Tartales, S.r.l.	7	-
Casewa, S.L.	54	-
Leases		
Tartales, SLU	293	254
Total operating expenses	**6,008**	**10,883**

Finally, there are transactions with a company related to a member of the Parent Company's Board of Directors amounting to 30 thousand euros (61 thousand euros in the 2019 financial year).

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

The transactions and balances between the Group and other related parties (Directors and Management) are broken down in Note 15.

15. Information on Directors and Management

Remuneration and commitments to Directors

During the first half of the 2020 financial year, the Parent Company’s Directors accrued remuneration by way of fixed allowance and expenses for attending meetings of the Board of Directors amounting to 188 thousand euros (158 thousand euros during the first half of the 2019 financial year). Additionally, they have received remuneration indicated in the following paragraph for the development of their executive positions. On the other hand, no members of the Board of Directors hold any advances with the Parent Company. Finally, as of 30 June 2020 and 31 December 2019, there are no guarantees granted or other commitments in terms of pensions or life insurance policies with the Directors.

The members of the Parent Company's Board of Directors as of 30 June 2020 are 9 men and 1 woman (9 men and 1 woman as of 31 December 2019).

The remuneration received by the Group's Senior Executives during the first half of the 2020 financial year for salaries and wages and provision of services amounted to 1,375 thousand euros (1,520 thousand euros in the first half of 2019). Of this amount, 692 thousand euros were received by members of the Board of Directors in the development of their executive positions (795 thousand euros in the first half of 2019). The Senior Management of the Group has received no remuneration for other services.

As of the end of the period ending 30 June 2020 and 31 December 2019, Senior Management is made up of the following persons:

Categories	30.06.2020 (Unaudited)		31.12.2019	
	Men	Women	Men	Women
Senior Management	9	1	9	1

There are no advances or loans granted to Senior Management, or pensions or life insurance commitments, as of the end of the period ending 30 June 2020.

Information relating to conflicts of interest by the Directors

As of the end of the six-month period ending 30 June 2020, neither the members of the Board of Naturhouse Health, S.A. nor any persons related to them as defined by 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 Parent Company's interests.

16. Subsequent events

There have been no significant subsequent events after the close of 30 June 2020 and the formulation of these consolidated abridged interim financial statements.

Madrid, 28 September 2020

Board of Directors

Management Report

Consolidated abridged interim financial statements

First half of the 2020 financial year

INDEX

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 the close of the first half of 2020, it had an active presence in 28 countries through a network of 2,010 centres, with its most relevant markets being France, Italy, Spain and Poland.

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 - Nutriçao 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 17 S.A. of C.V. (Mexico), Nutrition Naturhouse Inc. (Canada), Naturhouse d.o.o. (Croatia) and Naturhouse Inc. (USA).

The first half of 2020 was marked by the impact of COVID-19 and the company's efforts to optimise operating costs and implement the online business to minimise the negative effect of COVID-19 on the company.

The company started 2020 with the ambitious challenge of introducing the Naturhouse online sales channel with the aim of complementing the current business and attracting a younger target and customers who do not have access to the Naturhouse method because of not having a physical centre close by.

On 31 January 2020, the liquidity contract signed with Renta 4 was terminated for failing to meet the expectations of increasing the share’s liquidity in the 2019 financial year.

On 13 March 2020, the closure of stores in the Italian market as a result of COVID-19 was announced.

On 23 March 2020, the closure of stores in the French and Spanish markets as a result of COVID-19 was announced.

On 25 March 2020, the presentation of Temporary Layoffs (EREs) due to force majeure in France, Italy and Spain was announced.

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 2.019.
- Non-Financial Information Statement of the Consolidated Group of Naturhouse Health, S.A.
- The modified proposed distribution of profit for the 2019 financial year.
- Approval of the management of the Board of Directors corresponding to the year 2019.
- Appointment of Ernst & Young, S.L. as the Company's auditors for a term of no less than three years nor greater than nine years, that is, for the Naturhouse Group's individual and consolidated financial statements 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

(Thousands of Euros)	30 June 2020 (Unaudited)	30 June 2019 (Unaudited)
Net amount of revenue	28,224	46,120
Supplies	(8,152)	(13,516)
Gross Margin	**20,072**	**32,604**
Other operating income	219	405
Personnel costs	(6,285)	(9,823)
Other operating costs	(5,835)	(9,077)
Operating income before depreciation and amortization, impairment and other results	**8,171**	**14,109**
Depreciation and amortization	(1,697)	(2,214)
Impairment losses and income from disposal of fixed assets	(1,014)	(38)
Other results	(137)	(96)
OPERATING INCOME	**5,323**	**11,761**
FINANCIAL RESULT	**32**	**(188)**
Results of equity method associated companies	95	246
CONSOLIDATED PROFIT BEFORE TAX	**5,450**	**11,819**
Corporation Tax	(1,824)	(3,575)
NET INCOME FROM CONTINUING OPERATIONS	3,626	8,244
CONSOLIDATED NET INCOME	**3,626**	**8,244**

	30.06.2020 (Unaudited)	30.06.2019 (Unaudited)
Average number of employees	506	600
Gross Margin without Sales	71%	71%
Operating Income before amort. and impairment without Sales	29%	31%
Net Income without Sales	13%	18%

The Group's activity in the first half of 2020 was marked by the impact of the COVID-19 health crisis, in which we have been forced to close a large number of the Naturhouse centres in France, Italy and Spain, and in centres that have not closed because the measures implemented by their governments have been more moderate, sales have been affected by the reduced customer mobility.
This situation has forced the Group to work to contain operating costs to the extent possible, with the aim being that the impact on results of the decrease in sales as a consequence of COVID-19 is kept to a minimum and cash liquidity is preserved.

- 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, master franchising or centres of our property). This represents the bulk of the income, 98.1% in the first half of 2020.

2. Provision of services
    a. €600 annual fee paid by each franchise to subsidiaries of the Group. This represents 1.73% of net turnover for the first half of 2020.
    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 7 years. The amount of the fee varies according to the estimated potential number of Naturhouse centres in that country. No new master franchise contracts were signed during this period, consequently, the income is the proportional part of the contracts signed previously. This represents 0.16% of net turnover for the first half of 2020.

- Net turnover in the first half of 2020 amounted to 28,224 thousand euros, representing a reduction of -38.8% compared to the previous year, caused by the COVID-19 crisis.
    o In France sales are 10,552 thousand Euros. In the first half of 2019, there was 18,265 thousand euros, a reduction of -42.22%. Major impact on the sales network of the restrictive mobility measures applied by the French government.
    o In Spain, sales are 5,719 thousand euros. In the first half of 2019, there was 9,710 thousand euros, an increase of -41.1%. Major impact on the sales network of the restrictive mobility measures applied by the Spanish government.
    o In Italy, sales are 7,406 thousand euros. In the first half of 2019, there was 11,103 thousand euros, a reduction of -33.29%. The drop in sales is less than in the French and Spanish markets, despite the fact that the measures applied by the government have been similar to these markets, because the Italian market amassed a considerable increase in sales in February compared to 2019.
    o In Poland, sales are 3,668 thousand euros. In the first half of 2019, there was 5,680 thousand euros, a reduction of -35.42%. The decline in sales is less than in the French and Spanish markets because the Polish government's measures to fight COVID-19 have been more moderate than in these markets. Only the Naturhouse centres located in shopping centres had to be closed. But the lack of customer mobility has slowed the rate of sales of Naturhouse centres.

- 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 first six months there is an average workforce of 506 employees in the Group, of which 85% 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 15% of staff corresponds to general management, administration and accounting, logistics, marketing and technical staff.
  Personnel Costs have been reduced by -36% as a result of applying temporary layoffs (EREs) in the centres we have been forced to close, with the aim of adjusting the personnel costs to the new sales figure. With these measures, it has been possible to curb the weight of this item on total sales, with only a one-point increase, currently it is 22% of net turnover.

- Other Operating Expenses has reduced by -35.72% compared to the first half of 2019, mainly due to the expense containment applied by the Group during the impact of COVID-19:
    o Leases; the total or partial waiver of rents has been negotiated with owners during the period we have been forced to have the Naturhouse centres closed.

o Independent Agents: in the first half of 2019, we had the expense of the logistics storage service in Spain, in respect of which as of 1 July 2019, the Group started to directly operate inventories and order preparation for the Spanish and Portuguese markets.

o Advertising: in mid-March 2020, advertising investment was completely frozen, coinciding with the months of the year when advertising spending is highest.

o Travel Expenses; significant decrease in travel expenses arising from mobility in our sales network not being possible, adapting face-to-face visits to virtual visits and meetings.

- The operating result on turnover dropped two points, currently it is 29%, as a result of the decrease in sales caused by the impact of COVID-19. The Group has achieved the impact only being a two-point decrease thanks to the great management in the reduction of operating costs.

- The increase in the figure “Impairment and result from disposals of fixed assets” is the consequence of applying an impairment of 861 thousand euros of the rights of use activated under IFRS 16, 86 thousand euros of property, plant and equipment and the decrease of the profitability of the own center due to the impact of COVID- 19.

- As a result of the 24.9% stake of the company Ichem Sp zo.o, in the first half of 2020, 95 thousand euros was registered in the "Share in profits from equity accounted companies" in the attached abridged profit and loss account. It has also been reduced as a consequence of COVID-19, since Ichem’s results have been less than that in an ordinary first half.

- If we isolate the 861 thousand euros of impairment of the rights of use under IFRS 16 and the 86 thousand euros of property, plant and equipment activated by COVID-19, the net result on turnover dropped only two percentage points, from 18% to 16%, compared to the first half of 2019, as a consequence of the decrease in sales during the period.

3. Consolidated Statement of Financial Position

ASSET (Thousands of Euros)	30.06.2020 (Unaudited)	31.12.2019
NON-CURRENT ASSETS:		
Intangible fixed assets	**1,268**	**1,296**
Tangible fixed assets	**6,772**	**9,618**
Non-current financial assets	**808**	**828**
Investments in associates	**3,165**	**3,152**
Deferred tax assets	**132**	**138**
Total Non-current assets	**12,145**	**15,032**
CURRENT ASSETS:		
Inventory	**3,018**	**4,124**
Customer receivables for sales and services	**4,661**	**3,355**
Customers, related companies	**195**	**151**
Current tax assets and other receivables with public administrations	**3,209**	**3,639**
Other current assets	**463**	**955**
Cash and cash equivalents	**15,526**	**10,305**
Total current assets	**27,072**	**22,529**
Total assets	**39,217**	**37,561**

LIABILITIES (Thousands of Euros)	30.06.2020 (Unaudited)	31.12.2019
NET EQUITY:		
Capital and reserves-		
Subscribed capital	3,000	3,000
Issue premium	2,149	2,149
Premium	14,406	11,175
Own shares and company shares	(142)	(142)
Conversion differences	(1,772)	(1,587)
Results of the year	3,630	13,257
Interim dividend	-	(11,400)
NET EQUITY ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	**21,271**	**16,452**
NET EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	50	62
Total net equity	**21,321**	**16,514**
NON-CURRENT LIABILITIES:		
Non-current provisions	**1,112**	**1,107**
Non-current liabilities	**7,576**	**7,757**
Deferred tax liabilities	**-**	**9**
Non-current liabilities	**8,688**	**8,873**
CURRENT LIABILITIES:		
Current liabilities	**1,391**	**2,662**
Trade creditors and other receivables	**3,860**	**5,091**
Suppliers, related companies	**1,794**	**3,242**
Current tax liabilities and other payables with public administrations	**2,163**	**1,178**
Total current liabilities	**9,208**	**12,174**
TOTAL NET EQUITY AND LIABILITIES	**39,217**	**37,561**

- The reduction in "Tangible fixed assets" is due to the amortisation of the rights of use over the leases of owned centres, and the reduction in the same, which falls within the commercial optimisation strategy that the

Group is applying. Added to this reduction in own centers, is added the impairment of the rights to use financial leases caused by the drop in profitability of some of these own centers during COVID-19.

- The increase in "Customer receivables for sales and services" is the result of making collections more flexible in some cases to help our customers' liquidity to the extent possible, always without compromising the Group's liquidity or putting the payment at risk.

- The increase in "Cash and cash equivalents" is a consequence of the measures applied since March 2020 with the emergence of COVID-19 and the Group's desire to preserve the solidity of the balance sheet and not compromise liquid assets. Despite the drop in sales, the reduction in expenses and the cancellation of the dividend payment in May means we have a 50% increase in this item. The Group's intention is to revert much of the liquidity into dividend payments to shareholders when Spanish regulations allow us to do so.

4. 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 30 June 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.

The evaluation of these risks and its conclusions have been disclosed in note 3 of the Interim Financial Statements.

5. 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.

The competitive environment: 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.

The global pandemic we are experiencing at the moment with COVID-19 means that the consequences that this situation could cause are included as a risk factor for the Naturhouse Group. If there is an extreme lockdown, such as the lockdown experienced in April and May, an impact on the group's sales is inevitable. This is why the company wants to mitigate this future risk by developing and giving more weight to the online business.

6. R + D + i activities

The method used by the Group 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 our 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 Group 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 main supplier of the Group is the Polish company Ichem Sp. Zo.o, as it accounts for 50% of total consolidated purchases to 30 June 2020. The Group 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 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, has stakes (Indusen, Girofibra SL and Laboratorios Abad SLU), which represent approximately 17% of total purchases in the first semester of 2020, and those suppliers that are not affiliated, Naturhouse Health and Kiluva S.A., representing 33% of total purchases in the first half of 2020.

7. Treasury Shares

As of 30 June 2020, the Parent Company holds a total of 50,020 treasury shares. No affiliate company owns any shares or holdings of the Parent Company.

8. Subsequent events

There are no significant subsequent events.

9. Capital structure and significant shareholdings

As of 30 June 2019, 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 30 June 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 4.17%.

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 Nueno 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.

Madrid, 28 September 2020

ANNEX I
Companies included in the Consolidation

As of 30 June 2020, the subsidiaries consolidated by full integration and by the equity method and the information related thereto is as follows:

Company	Activity	% participation
Naturhouse Health S.A. 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 (Francia)	Retail sales of all kinds of products related to dietetics, medicinal herbs and natural cosmetics	100%
Kiluva Portuguesa –Nutriçao e Dietetica, Lda Avenida Dr. Luis SA, 9 9ª Parque Ind Montserrate Fraçao "M" Abruhneira 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, nº 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, nº 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-accounted method and the rest by full consolidation.

Statement of responsibility of the Naturhouse Health, S.A. Board of Directors under Article 11 section b) of Chapter I of Royal Decree 1362/2007 of 19 October, developing Law 24/1988 of 28 July on the Stock Market, regarding transparency requirements concerning information on issuers whose securities are admitted to trading on an official secondary market or on another regulated market of the European Union.

On 28 September 2020, we formulated the consolidated abridged interim financial statements for Naturhouse Health, S.A. and its subsidiaries for the first half of 2019.

In this regard, we declare that, to the best of our knowledge, the consolidated abridged interim financial statements for the first half of the 2019 financial year, prepared in accordance with the applicable accounting principles and consolidation, offer a true and fair view of the assets, financial position and results of Naturhouse Health, S.A. and its subsidiaries for the first half of the 2019 financial year, taken together, and that the Management Report accompanying the consolidated abridged interim financial statements for the first half of 2019 includes an accurate analysis of the information required.

In compliance with the provisions of current legislation, the Directors of Naturhouse Health, S.A. have formulated the Consolidated Abridged Interim Financial Statements and consolidated Management Report for the six-month period ending 30 June 2019, prepared in accordance with International Accounting Standard 34.

The Consolidated Management Report and Consolidated Abridged Interim Financial Statements for Naturhouse Health, S.A. and its Subsidiaries extend to 35 sheets of plain paper, including these; the Non-Board Member Secretary has signed them all and this latter page is for the signatures of the members of the Board of Directors, in the space provided.

Madrid, 28 September 2020

Félix Revuelta Fernández

Vanesa Revuelta Rodríguez

Kilian Revuelta Rodríguez

Rafael Moreno Barquero

José María Castellano

Pedro Nueno Iniesta

Ignacio Bayon Mariné