

Investor Presentation

Second Quarter 2020



NOURISHING A BETTER WORLD

Grupo Bimbo Today

Control Group: 76%
Float: 24%

US \$7.8 Bn
MARKET CAP¹

US \$15.2 Bn
NET SALES²

US \$2.0 Bn
ADJ. EBITDA³

33
COUNTRIES

197
PLANTS

+55,000
ROUTES

+2.8 M
POINTS OF SALE

1,700
SALES CENTER

+134,000
ASSOCIATES

+100
BRANDS

+13,000
PRODUCTS



**“Delicious and nutritious
baked goods and snacks
in the hands of all.”**

Argentina
Brazil
Canada
Chile
China
Colombia
Costa Rica
Ecuador
El Salvador
France
Guatemala
Honduras
India
Italy
Kazakhstan
Mexico
Morocco
Nicaragua
Panama
Paraguay
Peru
Portugal
Russia
South Africa
South Korea
Spain
Switzerland
Turkey
Ukraine
United Kingdom
United States
Uruguay
Venezuela

(1) As of June 30th, 2020. Expressed in US\$ at the FX of \$22.99 Ps./US. (2) LTM Net sales and Adjusted EBITDA with IFRS16 effect were Ps. \$311,073 million and Ps. \$41,356 million, respectively. Converted to US dollars using an average FX rate of the period of Ps. 20.46US\$. (3) Adj. EBITDA: Earnings before interests, taxes, depreciation, amortization, Multiemployer Pension Plans (MEPPs)

Leading Brands Across our Markets

NORTH AMERICA

U.S.



CANADA



MEXICO



LATIN AMERICA



EAA



Global Leader in the Baking Industry



Market share leader within 8 categories

North America⁽¹⁾

26K Associates
78 plants

Canada

Sliced bread
Bagels
Snack cakes
Tortillas

USA

Sliced bread
Breakfast
Premium bread
Buns & rolls

Mexico

75.9K Associates
38 plants



Market share leader within 8 categories

Sliced bread
Buns & rolls

Sweet baked goods
Snack cakes

Toasted bread
Flatbread
Tostadas
Bars

Latin America⁽²⁾

20.4K Associates
32 plants



Market share leader in sliced bread and buns & rolls

EAA⁽³⁾

12K Associates
49 plants



Top 3 market share within 7 categories in most countries⁽⁴⁾



Figures for the last twelve months ended as of June 30, 2020. Market share information from Nielsen, IRI and Company Information for the countries and categories where Grupo Bimbo participates.

(1) Includes operations in the U.S. and Canada. (2) Includes operations in Central and South America. (3) Includes operations in Europe, Asia and Africa.

(4) Buns and rolls category excludes U.K and India. Cakes excludes China, Morocco and U.K., Bagels only in the UK market. and Confectionery by a distributor

Global Undisputed Baking Industry Leader



represents **4.2%** of the **US\$473 Bn Global Baking Industry**¹

Over **1.2x** second player, **Mondelez** & **3.5x** third player, **Campbells' Soup**¹

Artisanal and Private labels representing 46% of industry sales¹

Industry Fundamentals²

- Highly fragmented industry

Average Growth
2014-2019

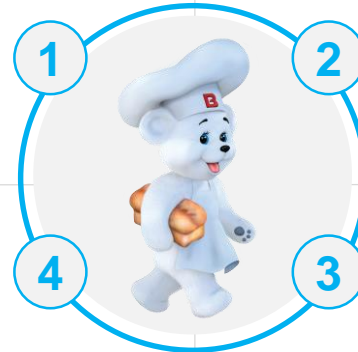


4.2%

Average Growth
2019-2024



4.8%



Industry Performance

- Resilience to economic downturns
- Europe & North America: largest contributors to industry revenue in 2019
- North Asia: rising income levels and changing diets to bread

Industry Structure

- Mature Life Cycle
- Increasing Regulation Level
- High Competition Level
- Medium Technology Change
- Low Revenue Volatility
- Low Barriers to Entry

Industry Outlook

- Expected Growth from BRIC³ Countries
- US market: organic and gluten-free baked goods
- Western Europe: whole grain and high-fiber breads
- Consumers becoming more health-conscious and busy looking for snacks

High Growth Momentum in Snacks:

Increase in demand for packaged single-serve 100-calorie portions, that can easily be consumed while on the move

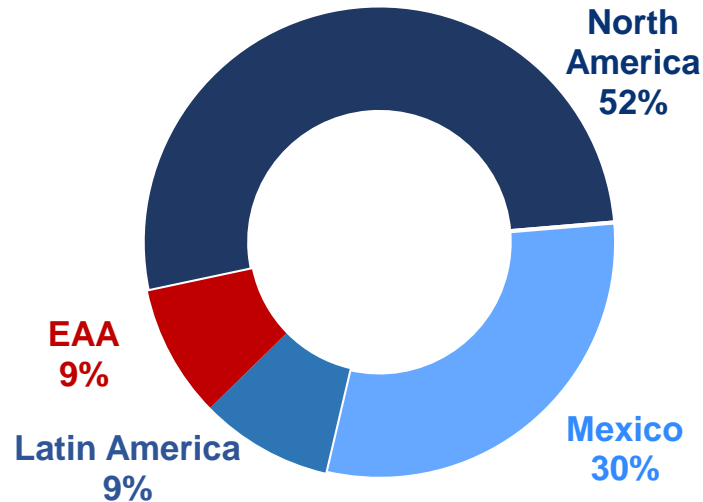
(1) GlobalData as of 2019, includes Bread and Rolls, Sweet Biscuits (cookies), Savory Biscuits (crackers), Morning Goods, Cakes, Pastries & Sweet Pies

(2) Industry Fundamentals, Performance, Structure & Outlook: IBISWorld, Global Bakery Goods Manufacturing, January 2020 edition (3) Brazil, Russia, India and China

Our Strong Presence and Diversification

By Geography

Sales by Geographic Region



We have one of the world's largest DSD networks

Our distribution fleet travels every day the equivalent of

100 laps

around the world

By Categories & Products



By Channel

Retail

Supermarkets, convenience stores, among others

Traditional

"Mom & pops"

QSR

Quick Service Restaurants

Others

Foodservice, wholesale, and vending channels, among others

+1.1 mm

daily store visits



Our Top Brands



Entenmann's
Sara Lee
BIMBO
Marinela
THOMAS

7
+US \$1 billion



1
+US \$500 million

5
+US \$250 million



Ball Park BUNS & ROLLS
Tia Rosa Pan Artesano
Ricolino
Dempster's BAKERY

6
+US \$100 million



MRS BAIRD'S
POM
PULLMAN
Villaggio
IDEAL

Extensive Markets Knowledge Drives Global Expansion

Success Drivers

-  Scale and global diversification
-  Distribution efficiencies
-  Strong brand equity
-  Innovation capabilities
-  Product quality



From **Mexico**
to 19 countries



From **Mexico**
to 16 countries



From **U.S.**
to 6 countries



From **Mexico**
to 11 countries



From **Mexico**
to 17 countries

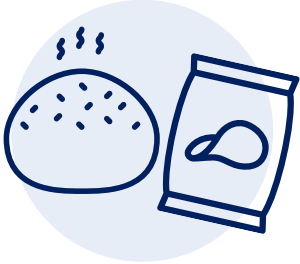


From **U.S.**
to 6 countries



From **Colombia**
to 20 countries

Our Recipe for Growth and Transformation



Serve our consumers with **Great Products**



Expand our **Brand Penetration**

Capture Large and Actionable **Growth Opportunities**



Scale-up our Go-to-Market Strategy



Streamline our **Supply Chain Costs**



SG&A Reduction



Nourish a Better World



Successfully Navigating New Challenges

COVID-19 INITIATIVES



ASSOCIATES

Social distancing Daily hygiene steps
Labor flexibility and remote work: Teams and Zoom



MANUFACTURING

Close communication with our main suppliers of raw materials
Prioritizing high volume, fast moving SKUs
Reopened Hazelton Bakery, US



CHANNELS

High demand in retail offsetting QSR and foodservice decline



COMMUNITIES

Global donations to foodbanks and foundations
Product donations: box lunches & face masks



FINANCE

Prepaid US\$400 million of our committed revolving credit facility



Continuously Adapting to New Consumption Trends

Shift to “at-home” consumption

32% of consumers plan to cook at home more after the COVID-19 outbreak

Prioritizing high volume, fast moving SKU's



National road trips substituting air travel

Consumers are more cautious, opt for staycations, RV's are becoming more popular

Ensure execution and availability at the point of sale in the convenience channel



E-commerce as a new purchasing habit

78% of consumers are shopping online for groceries more often during COVID-19 restrictions



Recipes of our products available in different food delivery platforms

&

Developing an e-commerce organizational structure



Snacking and Premium products

42% of consumers are snacking more in quarantine and 33% are buying more savory snacks



Mini presentations

Ricolino & Marinela launching “Duo Packs”

Innovation: Our Key to Success

A brand of ancient ingredients



Continued expansion of clean label & compostable packaging



Snacks expansion



Little Bites Launch in Easter Canada

Entenmann's Pre-packaged Pie Shipper

Natural and simple ingredients



ABO Clean Label Launch

Organic bread

No preservatives and artificial colorants added



Formula's Improvement + Packaging Refresh



Oroweat No Added Nonsense
Stonemill Plant Based Protein Bread

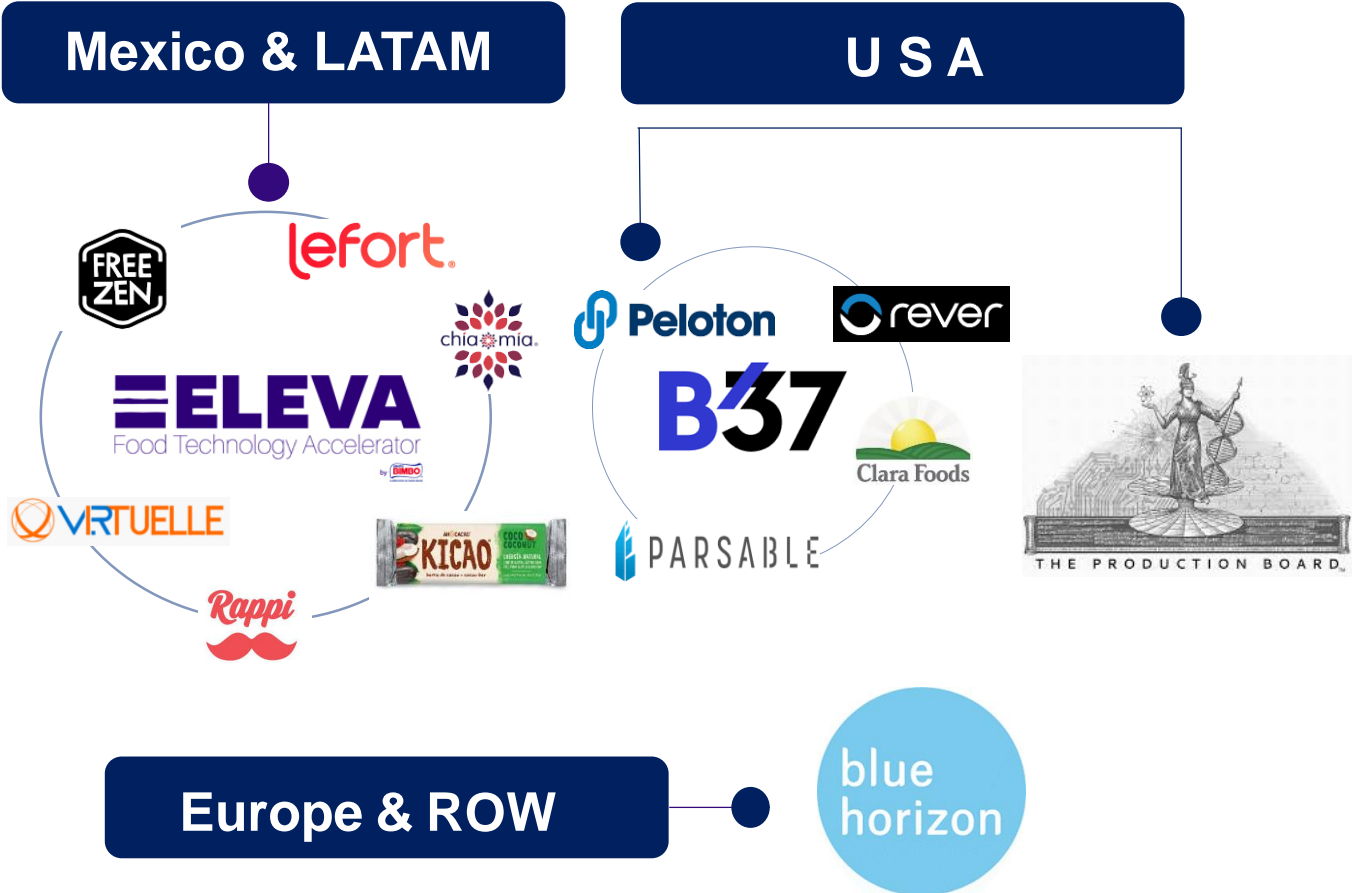
Relaunch LBE "6 ingredients"

Thomas' Light Multigrain English Muffin

Our Innovation Platform



Investment in **promising start ups**



- Streamline and digitize our **supply chain**
- Transforming our **distribution models**
- Engaging in disruptive **product innovation**
- Identifying and leveraging **new technologies** for business improvement

Our Environmental & Sustainability Approach

Environmental Strategy




Sustainability

- Renewable Energy**
 - **85% in Mexico**, 100% in U.S
 - In Chile, we have the **largest solar roof** in South America
 - **Piedra Larga Windfarm**, supplies **70% of the electric power** used in Mexico, preventing the emission of 180,000 tons of CO₂ per year
- Electric Vehicles**
 - **657 electric vehicles** and around 2,000 that use alternate fuels
 - Development of electric units by **Moldex**, a Grupo Bimbo affiliate
- Compostable Packaging**
 - **Vital Bread** is the first compostable package in Latin America
 - **Reduced +446,000 kg**, a total of 3.3 million kgs in the last 10 years


2025 Goals

100%
RENEWABLE ELECTRIC POWER



+4,000
ELECTRIC VEHICLES

100%
RECYCLABLE,
BIODEGRADABLE, OR
COMPOSTABLE PACKAGING



-50%
FOOD WASTE IN OPERATIONS

100%
CERTIFIED AND SUSTAINABLE SOURCES OF
PAPER AND BOARD

Leading Company in Corporate Responsibility & Governance

COMMITTEES

Steering Committee

Name	Role
Daniel Servitje	CEO
Diego Gaxiola	CFO
Javier González	Executive VP, GB
Rafael Pamiás	Executive VP, GB
Gabino Gómez	Executive VP, EAA
Raúl Obregón	Chief Information & Transformation Officer
Juan Muldoon	Chief People Officer
Miguel Ángel Espinoza	President, Bimbo Mexico
Alfred Penny	President, BBU

Audit and Corporate

Finance and Planning

Evaluation and Results

BOARD OF DIRECTORS

- 38% are independent
- 83% men, 17% women

TOP MANGEMENT

- **Effective response** to the constantly changing **consumer demands** and **competitive environment**
- Track record of **stability and sustainable growth**
- Successfully developed and consolidated **market leadership**

CULTURE OF ETHICS

- **Global Integrity Policy:** stipulates our position of Zero Tolerance for any lack of integrity
- **Risks Assessments:** periodically conducted everywhere we operate
- **Public Policy:** we do not make in-kind or monetary contributions to political parties and/or representatives

2Q20 Results

Highlights

- **Posted record second quarter net sales** of Ps. 86,411 million, a 19.9% increase, due to outstanding volume growth in North America and an FX rate benefit
- **Reported record adjusted EBITDA¹**, which grew 29.2% and the margin expanded 100 basis points
- **Net Majority Income more than doubled**, and the margin expanded 130 basis points
- **Cumulative Free Cash Flow² totaled Ps. \$6.8 billion**



Recent Events

- **Paid its outstanding US\$200 million notes** due in June 2020
- **Prepaid US\$400 million** of its committed revolving credit facility
- **Completed the acquisition** of the “Paterna” plant from **Cerealto Siro Foods** in Valencia, Spain



(1) Earnings before interests, taxes, depreciation, amortization, and MEPPs

(2) Free cash flow for the first six months ended June 30, 2020 before dividends and share buybacks.

Well Positioned to Succeed in the New Normal

1 Implement cost initiatives to **reduce expenses**



2 **Cash flow** generation and preservation
“Cash is King”



3 Improve **working capital**

Increase **4** **profitability & return on capital**
Invest in strategic projects

5 Grow with moderate **leverage**



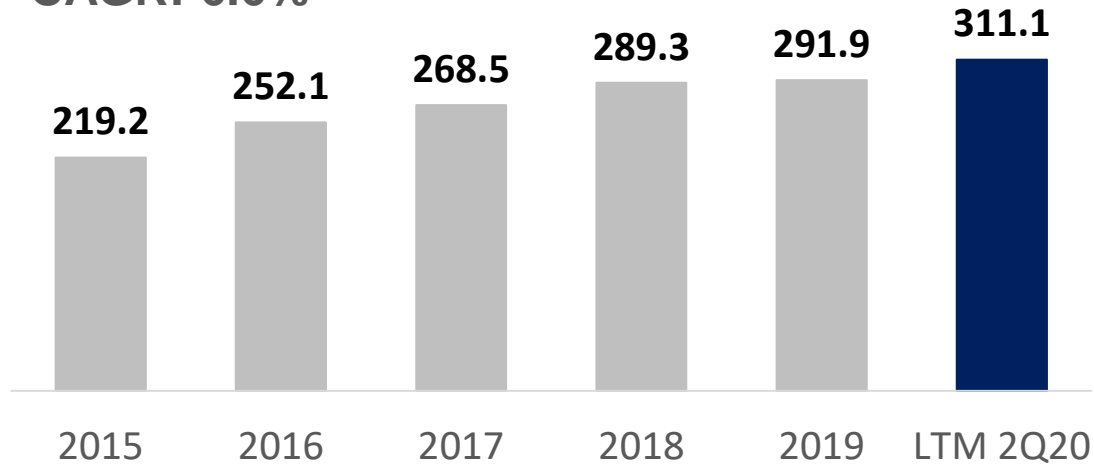
Maintain a conservative **6** **debt profile**

Sustained Growth in Sales and Profitability

NET SALES

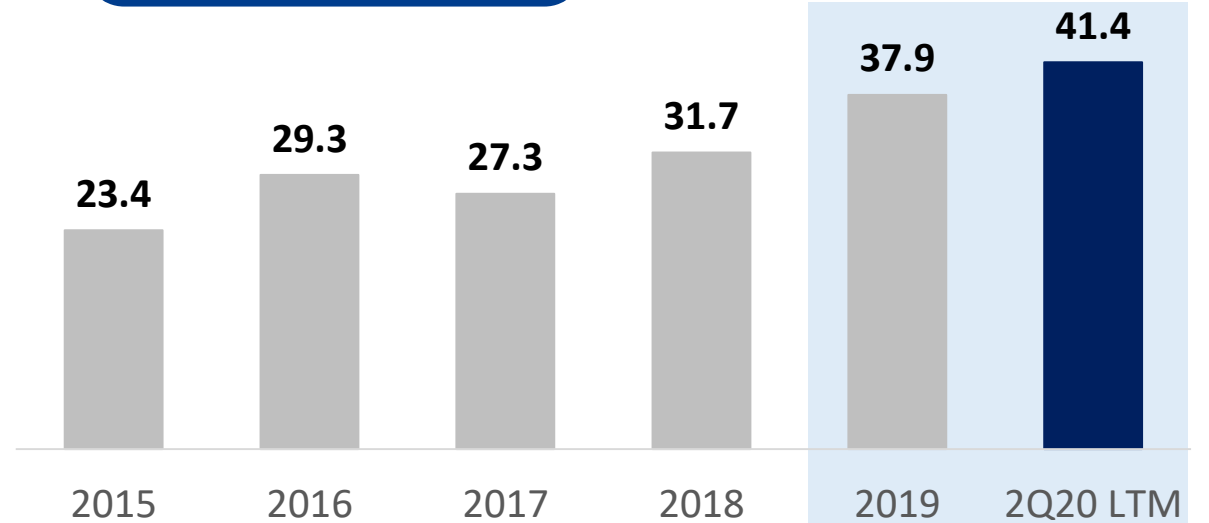
Bn. Mexican pesos

CAGR: 6.6%



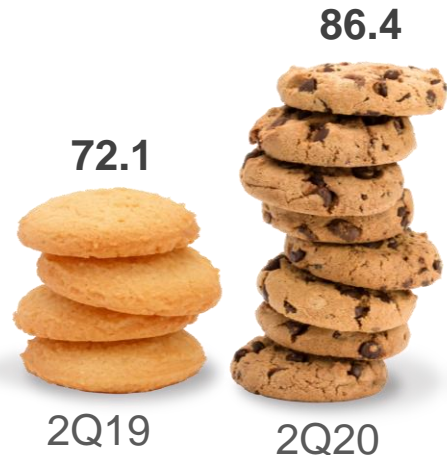
ADJ. EBITDA¹

Includes effect of IFRS16



QUARTER NET SALES

+19.9%



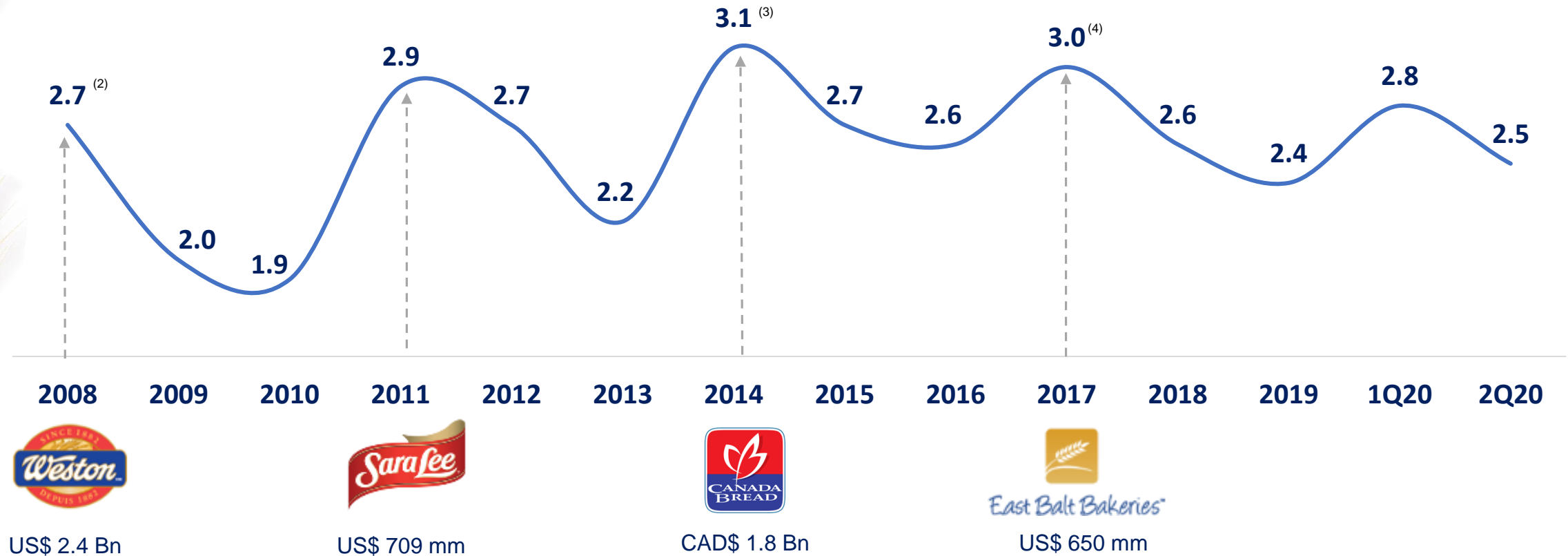
	2015	2016	2017	2018	2019	2Q20 LTM
GB	10.7%	11.6%	10.2%	10.9%	13.0%	13.3%
Mexico	17.6%	19.1%	17.7%	18.2%	20.6%	20.8%
North Am.	8.3%	9.4%	9.2%	9.0%	11.3%	11.7%
LatAm	2.1%	1.0%	1.9%	2.6%	2.2%	3.8%
EAA	-4.4%	1.4%	-8.4%	0.4%	6.3%	6.3%

Record margin levels in Mexico and North America

Note: Figures in billions of Mexican pesos and CAGR using a 5.5 year period
 (1) 2015-2018 Adj. EBITDA w/o IFRS16: 2019 and 2Q20 LTM Adj. EBITDA with IFRS16

Proven Ability to Grow with Prudent Leverage

Net Debt / Adj. EBITDA⁽¹⁾



(1) Adj. EBITDA w/o IFRS16: Earnings before interests, taxes, depreciation, amortization and MEPPs

(2) The acquisition of Weston Foods was consummated in January 2009. Leverage ratio giving pro-forma effect to the Weston Foods acquisition as if such acquisition (and the incurrence of the indebtedness thereof) was consummated on December 31, 2008.

(3) The acquisition of Canada Bread was consummated in May 2014. Leverage ratio giving pro-forma effect to the Canada Bread acquisition as if such acquisition was consummated on May 31, 2014 and Adjusted EBITDA includes 5 months of the EBITDA reported by Canada Bread for such year.

(4) The acquisition of East Balt was consummated in October 2017. Leverage ratio giving pro-forma effect to the East Balt acquisition includes 9.5 months of the EBITDA reported by East Balt for such year (Ps. 1,060 million or \$56 million converted at the exchange rate of Ps. 18.92 per \$1 dollar which is the average of the daily exchange rates published by Banco de Mexico for the year ended December 31, 2017). Our Adjusted EBITDA for the year ended December 31, 2017 was Ps. 27,289 million

Debt Profile

Total Debt: US \$4,492 mm ⁽¹⁾

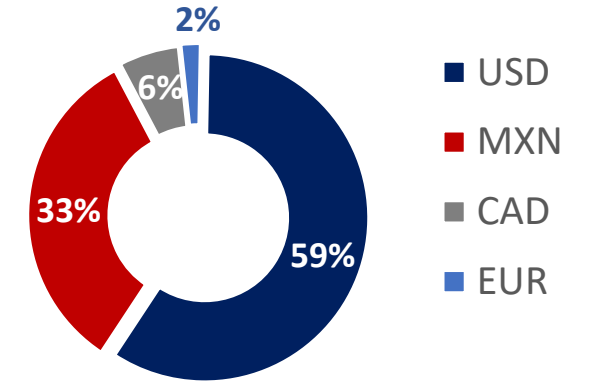
Avg. Tenor: 13.1 yrs.

Avg. Cost: 5.6%

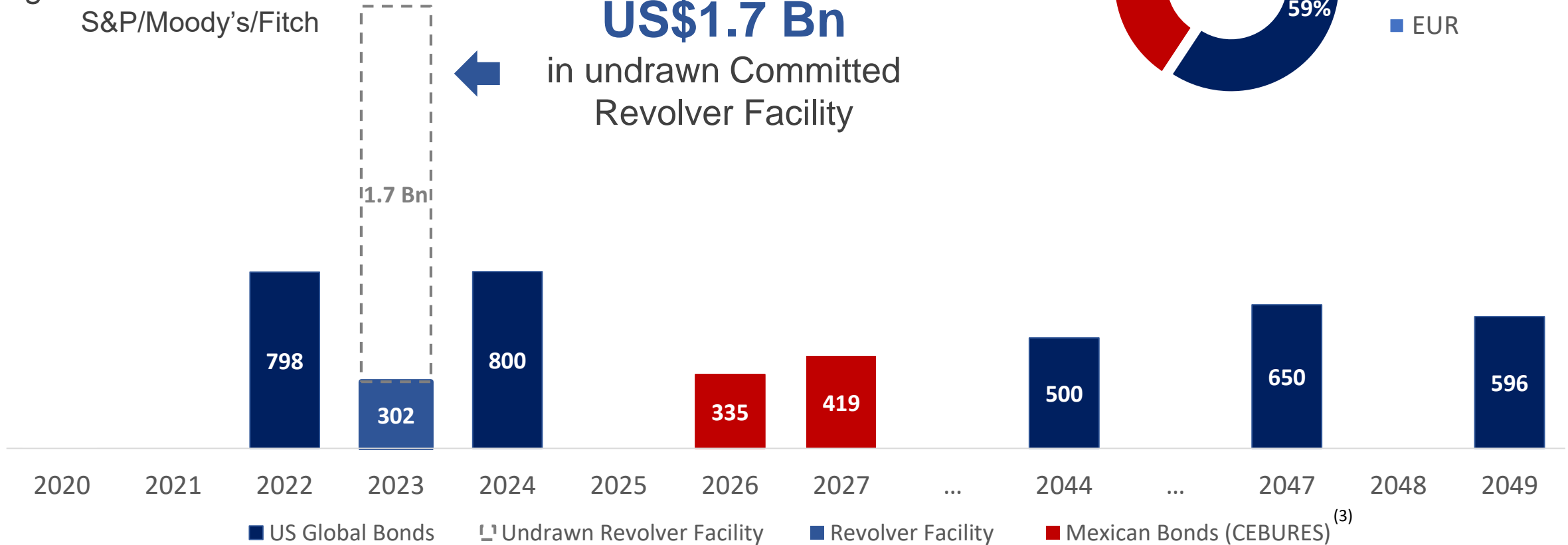
Fixed: 93%, Variable: 7%

Ratings: BBB/Baa2/BBB
S&P/Moody's/Fitch

Debt Split by Currency ⁽²⁾



US\$1.7 Bn
in undrawn Committed
Revolver Facility



Note: Figures in US\$ mm as of June 30th, 2020. Debt profile does not include debt at subsidiary level of US\$ 115 mm
⁽¹⁾ Net of issuance costs ⁽²⁾ Considers derivatives and withholding tax. ⁽³⁾ "Certificados Bursátiles or Mexican Law Bonds"

Looking Forward

New Guidance

2020 

Top line growth

Low double-digit

Adj. EBITDA growth

Mid-to-high teens

Tax Rate

High 30's – Low 40's

Capex

US \$650 – 750 mm



In the Face of New Challenges, **We Are Stronger**

Leading position in a **resilient industry** and **geographic diversification** in our channels and categories

Well-established portfolio of brands and responsiveness of our entire value chain

Strong commitment and determination of our teams on the frontlines

Extensive knowledge and **experience in emerging markets**

Continue to be focused on making the **right investments**,
to ensure our **business continuity and success**





Thank you!



NOURISHING A BETTER WORLD

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