



GRUPO BIMBO

REPORTS SECOND QUARTER 2023 RESULTS

Mexico City, July 25, 2023



"I am very proud of the remarkable results of the quarter, we reached record levels of Net Sales, which grew at a double-digit rate excluding FX effect, and the Adjusted EBITDA margin expanded 50 basis points, and also posted record levels for a second quarter. This is a result of the strength of our brands and the hard work of our associates who have done an outstanding job executing at the point of sale, with laser focus in the baking and snack industries. We are committed to achieving our year-end objectives and will continue to invest in our business to expand our brands globally."

– Daniel Servitje, Chairman and CEO

"Second quarter results continued to be outstanding, as we reached record levels of Sales and Adjusted EBITDA, while strengthening our financial profile with a successful issuance of our first sustainability-linked bond in the Mexican market."

– Diego Gaxiola, CFO

Grupo Bimbo S.A.B. de C.V. ("Grupo Bimbo" or "the Company") (BMV: BIMBO) reports its results for the three months ended June 30, 2023.¹

HIGHLIGHTS OF THE QUARTER

- Net Sales reached a record level for a second quarter at Ps. 100,366 million, an increase of 4.1%, primarily due to a favorable price/mix effect, which was offset by FX rate translation effect. Excluding the translation effect, Net Sales increased 13.9%
- Adjusted EBITDA² rose 7.8% and the margin expanded 50 basis points, reaching a record margin at 14.0%
- Net Majority Income decreased 35.7% and the margin contracted 240 basis points to 3.9%, primarily reflecting the MEPPs³ non-cash benefit registered during 2Q22
- Return on Equity⁴ closed the quarter at 16.4%
- Net Debt/ Adjusted EBITDA⁵ closed the quarter at 1.8 times

RECENT DEVELOPMENTS

- The Company acquired National Choice Bakery; a U.S. based high-quality co-manufacturer of bagels
- Canada Bread resolved allegations made against it as part of an investigation by the Competition Bureau of Canada into packaged bread, claims of facts that happened when Canada Bread was majority owned and controlled by Maple Leaf Foods Inc., not by Grupo Bimbo
- The Company issued Ps. 15,000 million in Sustainability-Linked Bonds (SLB) in the Mexican market, the largest corporate SLB in the history of the Mexican market, the fifth SLB for Scope 3 globally and the first in Latin America
- Bimbo in China, Morocco and Kazakhstan is now operating with 100% renewable electricity; with this, Grupo Bimbo has 24 countries operating with 100% renewable electricity

FINANCIAL SUMMARY

(MILLIONS OF MEXICAN PESOS)

	2Q23	2Q22	Change
Net Sales	100,366	96,415	4.1%
Gross Profit	51,134	49,687	2.9%
Operating Income (includes MEPPs effect)	9,357	10,206	(8.3%)
Adjusted EBITDA	14,002	12,992	7.8%
Net Majority Income	3,953	6,148	(35.7%)
Net Debt/Adj. EBITDA	1.8x	1.9x	(0.1x)
ROE	16.4%	15.1%	1.3pp

- Excluding the MEPPs effect, Operating Income increased 10.4% and the margin expanded 50 basis points

1. Figures included in this document are prepared in accordance with International Financial Reporting Standards (IFRS).

2. Earnings before interests, taxes, depreciation, amortization, impairments and Multiemployer Pension Plans ("MEPPs").

3. Multiemployer Pension Plans ("MEPPs").

4. Adjusted with MEPPs and Ricolino's divestiture.

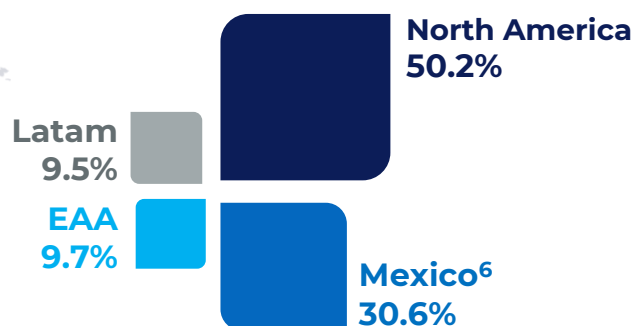
5. For this ratio's calculation Adjusted EBITDA does not consider the effect of IFRS16.

NET SALES

(MILLIONS OF MEXICAN PESOS)

Net Sales	2Q23	2Q22	% Δ
North America	48,556	49,452	(1.8)
Mexico	35,783	31,768	12.6
EAA	10,190	8,906	14.4
Latin America	9,562	9,621	(0.6)
Grupo Bimbo	100,366	96,415	4.1

Consolidated results exclude inter-company transactions.



Revenue mix for the last twelve months ended June 30, 2023

Net Sales reached a record level for a second quarter at Ps. 100,366 million, an increase of 4.1%, primarily due to a favorable price/mix effect, which was offset by FX rate translation effect. Excluding this effect, Net Sales increased 13.9%.

NORTH AMERICA⁷

Net Sales in US dollars increased 11.8%, mainly reflecting the carryover from the successful implementation of price increases and favorable mix. Dollar market share grew across premium and snacks categories.



MEXICO

Net Sales in Mexico grew 12.6%, attributable to favorable price/product mix performance. All categories grew, highlighting the snacks, cookies and buns categories, as well as the convenience and retail channels, which posted double-digit growth.



6. Inter-company transactions have been removed from Mexico.

7. North America region includes operations in the United States and Canada.

EAA⁸

Sales in EAA grew 14.4% in peso terms; excluding FX effect, Net Sales increased 31.2%, primarily reflecting the carryover from pricing actions across most countries in the region most notably Iberia, strong volume growth in Bimbo QSR, including a continued recovery in Asia, as well as the incremental sales from Vel Pitar, the leader in the baking industry in Romania and St. Pierre, leader in the brioche bread and buns categories in the U.K. and the U.S.



LATIN AMERICA⁹

Net Sales decreased 0.6% in peso terms; excluding FX effect, Net Sales increased 17.1%, mainly due to strong sales performance in local currencies in every organization, favorable price/mix across the region and strong results in Brazil, Chile, Argentina and Central America. The tortillas, cakes and snacks categories outperformed.



GROSS PROFIT

(MILLIONS OF MEXICAN PESOS)

	Gross Profit			Gross Margin (%)		
	2Q23	2Q22	% Δ	2Q23	2Q22	Δ pp.
North America	25,404	26,046	(2.5)	52.3	52.7	(0.4)
Mexico	19,112	17,141	11.5	53.4	54.0	(0.6)
EAA	3,089	2,760	11.9	30.3	31.0	(0.7)
Latin America	4,165	4,080	2.1	43.6	42.4	1.2
Grupo Bimbo	51,134	49,687	2.9	50.9	51.5	(0.6)

Consolidated results exclude inter-company transactions.

Gross Profit for the second quarter increased 2.9%, while the margin contracted 60 basis points to 50.9%, mainly attributable to higher raw material costs, partially offset by the pricing strategy implemented in 2022.

OPERATING INCOME

(MILLIONS OF MEXICAN PESOS)

	Operating Income			Operating Margin (%)		
	2Q23	2Q22	% Δ	2Q23	2Q22	Δ pp.
North America	3,306	4,801	(31.1)	6.8	9.7	(2.9)
Mexico	5,276	4,782	10.3	14.7	15.1	(0.4)
EAA	43	150	(71.2)	0.4	1.7	(1.3)
Latin America	360	232	55.5	3.8	2.4	1.4
Grupo Bimbo	9,357	10,206	(8.3)	9.3	10.6	(1.3)

Regional results do not reflect intercompany royalties and consolidated results exclude intercompany transactions.

8. EAA region includes operations in Europe, Asia and Africa.

9. Latin America region includes operations in Central and South America.

Operating Income declined 8.3% and the margin contracted 130 basis points reaching 9.3%, mainly due to the MEPPs non-cash benefit of US\$90 million, registered during the second quarter of 2022, coupled with the higher cost of sales. **Excluding the MEPPs effect, Operating Income increased 10.4% and the margin expanded 50 basis points**, attributable to the strong sales performance throughout all regions, coupled with lower distribution expenses and productivity benefits across the supply chain arising from past restructuring and capital investments, partially offset by an impairment adjustment in EAA.

ADJUSTED EBITDA

(MILLIONS OF MEXICAN PESOS)

	Adj. EBITDA			Adj. EBITDA Margin (%)		
	2Q23	2Q22	% Δ	2Q23	2Q22	Δ pp.
North America	5,351	5,335	0.3	11.0	10.8	0.2
Mexico	6,649	5,831	14.0	18.6	18.4	0.2
EAA	780	664	17.5	7.7	7.5	0.2
Latin America	944	800	17.9	9.9	8.3	1.6
Grupo Bimbo	14,002	12,992	7.8	14.0	13.5	0.5

Regional results do not reflect intercompany royalties and consolidated results exclude intercompany transactions.

Adjusted EBITDA, which does not include the effect of MEPPs, increased 7.8%, while the margin expanded 50 basis points, reaching a record level at 14.0%, mainly due to the strong topline and productivity savings across the value chain.

NORTH AMERICA

North America margin expanded 20 basis points, mainly due to the strong sales performance, a favorable price/mix effect and strong execution and cost control initiatives, which was offset by continued inflation pressure from commodities and labor.

MEXICO

The margin in Mexico expanded 20 basis points, mainly attributable to the strong sales performance and efficiencies in the distribution network.

EAA

EAA reached a record margin for a second quarter at 7.7%, a 20 basis points expansion mostly due to the strong sales performance and productivity initiatives in several countries, highlighting the U.K., as well as the acquisition of Vel Pitar in Romania. This was partially offset by unfavorable product/mix across the region.

LATIN AMERICA

Latin America Adjusted EBITDA margin expanded 160 basis points reaching a record level for a second quarter at 9.9%, mainly due to the strong sales performance, improved product mix, productivity benefits across the supply chain and margin expansion across the three organizations, highlighting *Latin Sur* and historical results in Brazil.

COMPREHENSIVE FINANCIAL COST

(MILLIONS OF MEXICAN PESOS)

Comprehensive Financial Cost totaled Ps. 2,788 million, a 121.8% increase when compared to the second quarter of 2022, attributable to the negative FX effect and higher interest expenses.

NET MAJORITY INCOME

(MILLIONS OF MEXICAN PESOS)

	Net Majority Income			Net Majority Margin (%)		
	2Q23	2Q22	% Δ	2Q23	2Q22	Δ pp.
Grupo Bimbo	3,953	6,148	(35.7)	3.9	6.4	(2.5)

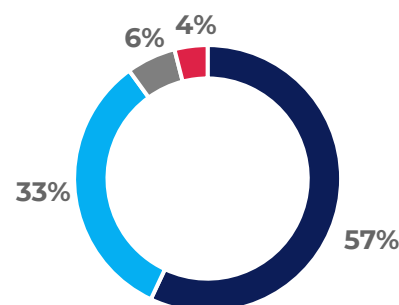
Net Majority Income declined 35.7% and the margin contracted 250 basis points, mainly reflecting the MEPPs benefit registered in the second quarter of 2022 of US\$90 million. **Excluding this effect, Net Majority Income decreased 11.2% and the margin contracted 60 basis points** attributable to the higher financing cost.

FINANCIAL STRUCTURE

Total Debt on June 30, 2023, was Ps. 100.5 billion, compared to Ps. 84 billion on December 31, 2022. The increase was primarily due to the payment of the outstanding USD Subordinated Perpetual Notes, which were refinanced through the issuance of sustainability-linked bonds in the Mexican market (*Certificados Bursátiles*).

Average debt maturity was 12.5 years with an average cost of 7.14%. Long-term Debt comprised 79% of the total; 57% of the debt was denominated in Mexican pesos, 33% in US dollars, 6% in Euros and 4% in Canadian dollars.

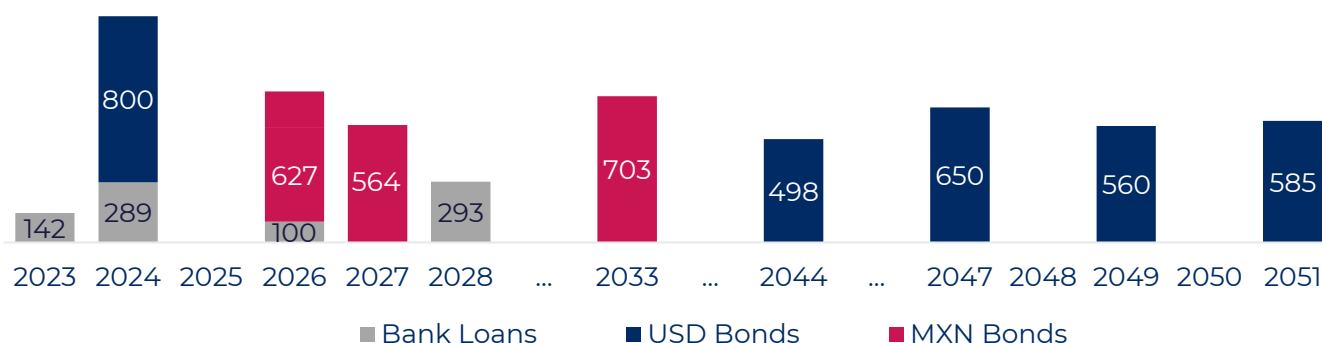
The Net Debt to Adjusted EBITDA ratio, which does not consider the effect of IFRS16 and excludes Ricolino, was 1.8 times, compared to 1.5 times on December 31, 2022.



■ MXN ■ USD ■ EUR ■ CAD

AMORTIZATION PROFILE¹⁰

(MILLIONS OF US DOLLARS)



¹⁰. Does not include US\$ 120 million of long-term debt at subsidiary level. Includes 30-year issuance by BBU.

CONFERENCE CALL INFORMATION

DIAL-IN

A conference call will be held today Tuesday, July 25, 2023, at 7:00 pm Eastern (6:00 pm Central, 5:00pm Mexico City). To access the call, please dial:

US +1 (844) 450 3853

International +1 (412) 317 6375

Mexico +52 (55) 8880 8040

Conference ID: GRUPO BIMBO

WEBCAST

A webcast for this call can also be accessed at Grupo Bimbo's website:

<https://www.grupobimbo.com/en/investors>

REPLAY

A replay will be available until August 1, 2023. You can access the replay through Grupo Bimbo's website

<https://www.grupobimbo.com/en/investors> or by dialing:

US +1 (877) 344 7529

International +1 (412) 317 0088

Canada +1 (855) 669 9658

Conference ID: 3128604

ABOUT GRUPO BIMBO

Grupo Bimbo is the leader and largest baking Company in the world and a relevant participant in snacks. Grupo Bimbo has 216 bakeries and plants and more than 1,500 sales centers strategically located in 34 countries throughout the Americas, Europe, Asia and Africa. Its main product lines include sliced bread, buns & rolls, pastries, cakes, cookies, toast, English muffins, bagels, tortillas & flatbreads, and salty snacks, among others. Grupo Bimbo produces over 9,000 products and has one of the largest direct distribution networks in the world, with more than 3.5 million points of sale, more than 56,000 routes and over 145,000 associates. Its shares trade on the Mexican Stock Exchange (BMV) under the ticker symbol BIMBO, and in the over-the-counter market in the United States with a Level 1 ADR, under the ticker symbol BMBOY.

NOTE ON FORWARD-LOOKING STATEMENTS

This announcement contains certain statements regarding the expected financial and operating performance of Grupo Bimbo, S.A.B. de C.V., which are based on current financial information, operating levels, and market conditions, as well as on estimations of the Board of Directors of the Company related to possible future events. The results of the Company may differ in regards with those expressed on these statements, due to different factors that are beyond the Company's control, such as: adjustments in price levels, variations in the costs of its raw materials, changes in laws and regulations, or economic or political conditions not foreseen in the countries where the Company operates. Therefore, the Company is not responsible for such differences in the information and suggests that readers review such statements prudently. Moreover, the Company will not undertake any obligation to publicly release any revisions to the statements due to variations of such factors after the date of this press release.

INVESTOR RELATIONS

www.grupobimbo.com

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(5255) 5268 6830

CONSOLIDATED BALANCE SHEET

(MILLIONS OF MEXICAN PESOS)

	Jun, 2023	Dec, 2022	% Change
TOTAL ASSETS	333,325	347,764	(4.2)
CURRENT ASSETS	59,290	63,470	(6.6)
Cash and Equivalents	6,486	12,313	(47.3)
Accounts and Notes Receivables, Net	25,734	24,864	3.5
Inventories	17,661	16,989	4.0
Other Current Assets	9,292	9,166	1.4
Assets Available for Sale	117	138	(15.2)
Property, Plant and Equipment	113,505	113,505	-
Intangible Assets and Deferred Charges, Net and Investment in Shares of Associated Companies	126,344	136,194	(7.2)
Lease Rights of Use	25,745	28,477	(9.6)
Other Assets	8,441	6,118	38.0
TOTAL LIABILITIES	226,698	220,162	3.0
CURRENT LIABILITIES	94,554	89,734	5.4
Trade Accounts Payable	37,577	45,298	(17.0)
Short-term Debt	20,998	6,435	>100
Short-term lease liability	5,531	5,930	(6.7)
Other Current Liabilities	30,448	32,071	(5.1)
Long-term Debt	79,482	77,619	2.4
Long-term lease liability	20,991	23,255	(9.7)
Other Long-term Non-Financial Liabilities	31,671	29,554	7.2
SHAREHOLDERS' EQUITY	106,627	127,602	(16.4)
Minority Shareholders' Equity	2,962	3,491	(15.2)
Majority Shareholders' Equity	103,665	124,111	(16.5)

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF MEXICAN PESOS)

	2Q23	2Q22	% Change
Net Sales	100,366	96,415	4.1
Cost of Goods Sold	49,232	46,728	5.4
GROSS PROFIT	51,134	49,687	2.9
General Expenses	41,094	40,756	0.8
Other Expenses (Income), Net	683	(1,275)	>100
OPERATING INCOME	9,357	10,206	(8.3)
Comprehensive Financing Cost	2,788	1,257	121.8
Interest Paid Net	2,315	1,016	127.9
Exchange Rate Loss (Gain)	507	266	90.6
Monetary Loss (Gain)	(34)	(25)	36.7
Share in Results of Associated Companies	43	79	(45.7)
NET INCOME BEFORE TAXES	6,612	9,028	(26.8)
Income Taxes	2,315	2,944	(21.4)
INCOME (LOSS) FROM CONTINUED OPERATIONS	4,297	6,084	(29.4)
INCOME FROM DISCONTINUED OPERATIONS	12	434	(97.2)
Net Minority Income	356	370	(3.8)
NET MAJORITY INCOME	3,953	6,148	(35.7)
ADJUSTED EBITDA	14,002	12,992	7.8