



GRUPO BIMBO

REPORTS SECOND QUARTER 2022 RESULTS

Mexico City, July 21, 2022



“Topline performance was exceptional in this second quarter, as we reached a record level of sales and saw broad-based share gains across our portfolio. Our volumes strongly grew across all our regions as a reflection of the high demand we are experiencing as our brands continue to resonate with our consumers. We will continue to invest in our brands as we move forward.”

– Daniel Servitje, Chairman and CEO

“Our Net Sales and Profits reached historic levels for a second quarter, despite higher commodity prices and a high overall inflationary environment. We are pulling several levers to offset the rising inflation, including revenue growth management strategies, our category and product mix, pricing actions, productivity initiatives, and we continue to proactively look for restructuring opportunities.”

– 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, 2022.¹

The second quarter results of the confectionary business in process of sale are presented as a discontinued operation in the income statement. The main captions of the income statement of 2Q 2022 and 2021, attributable to this business, presented as Results from Discontinued Operations are (figures in million Mexican Pesos): Sales \$2,653 (\$2,248 for 2021), Operating Costs and Expenses \$2,107 (\$1,837 for 2021) and Net Income \$434 (\$319 for 2021). See note “Information to disclose on Discontinued Operations” of the Mexican Stock Exchange Report.

HIGHLIGHTS OF THE QUARTER

- Net Sales reached a record level for a second quarter at Ps. 96,434 million, an increase of 18.1%, primarily due to strong price/mix and volumes performance across every region
- Adjusted EBITDA² grew 12.5%; while the margin contracted 60 basis points mainly due to higher raw material costs and a higher inflationary environment
- Net Majority Income more than doubled and the margin expanded 270 basis points, reaching a record level at 6.4%
- Return on Equity³ reached a record 16.5%
- Net Debt/Adjusted EBITDA⁴ ratio closed the quarter at 1.9 times

RECENT DEVELOPMENTS

- The Bimbo brand was ranked as the most chosen food brand within households in Mexico and Latin America in the Kantar Brand Footprint 2022
- The operations in Ecuador are now operating with 100% renewable electricity, the 22nd Grupo Bimbo country running with 100% renewable electricity

FINANCIAL SUMMARY

(MILLIONS OF MEXICAN PESOS)

	2Q22	2Q21	Change
Net Sales	96,434	81,654	18.1%
Gross Profit	49,694	44,037	12.8%
Operating Income	10,205	6,608	54.4%
Adjusted EBITDA	12,992	11,549	12.5%
Net Majority Income	6,146	3,028	>100%
Net Debt/Adj. EBITDA	1.9x	1.8x	0.1x
ROE	16.5%	13.4%	3.1pp

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

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

3. Adjusted with MEPPs non-cash charges.

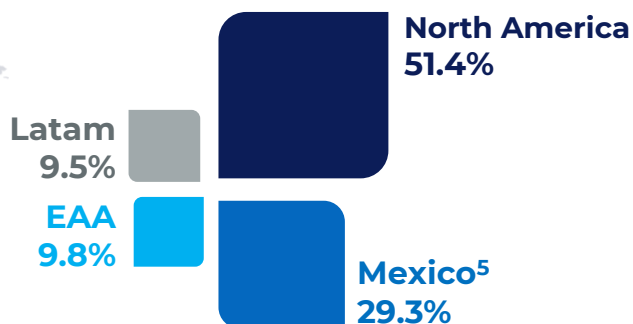
4. Does not consider the effect of IFRS16.

NET SALES

(MILLIONS OF MEXICAN PESOS)

Net Sales	2Q22	2Q21	% Δ
North America	49,452	42,538	16.3
Mexico	31,768	26,119	21.6
EAA	8,906	8,289	7.4
Latin America	9,641	7,369	30.8
Grupo Bimbo	96,434	81,654	18.1

Consolidated results exclude inter-company transactions.



Revenue mix for the last twelve months ended June 30, 2022.

Net Sales reached a record level for a second quarter at Ps. 96,434, an increase of 18.1%, primarily due to strong price/mix and volumes performance across every region.

NORTH AMERICA⁶

Net Sales in US dollars increased 16.8%, the strong topline performance was driven by the successful implementation of pricing strategy and volume growth across all branded categories, especially mainstream and premium breads, as well as snacks.



MEXICO

Net Sales in Mexico grew 21.6%, attributable to strong volumes and favorable price/product mix. Every channel and category posted double-digit growth, most notably the convenience channel, and the bread, sweet baked goods, snack cakes, cookies, and snacks categories.



⁵ Inter-company transactions have been removed from Mexico.

⁶ North America region includes operations in the United States and Canada.

EAA⁷

Net Sales in EAA during the second quarter grew 7.4% in peso terms; excluding FX effect, Net Sales increased 17.4%, reflecting pricing actions, volume growth and a favorable product mix across almost every country most importantly Spain and Portugal, and the inorganic contribution from the acquisition of Medina del Campo in Spain. This was partially offset by a challenging environment in China, mainly related to Covid-19 lockdowns.



LATIN AMERICA⁸

Second quarter Net Sales increased 30.8% in peso terms; excluding the FX effect, Net Sales increased 37.7%, primarily driven by strong volumes and favorable price/mix effect across every organization, highlighting Argentina, Brazil, and the whole *Latin Centro* division, which reached record levels for the quarter. Sales growth was also benefited by the inorganic contribution from the acquisition of Aryzta do Brazil.



GROSS PROFIT

(MILLIONS OF MEXICAN PESOS)

	Gross Profit			Gross Margin (%)		
	2Q22	2Q21	% Δ	2Q22	2Q21	Δ pp.
North America	26,046	23,793	9.5	52.7	55.9	(3.3)
Mexico	17,141	14,500	18.2	54.0	55.5	(1.6)
EAA	2,757	2,784	(1.0)	31.0	33.6	(2.6)
Latin America	4,090	3,262	25.4	42.4	44.3	(1.8)
Grupo Bimbo	49,694	44,037	12.8	51.5	53.9	(2.4)

Consolidated results exclude inter-company transactions.

Gross Profit for the second quarter increased 12.8%, while the margin contracted 240 basis points to 51.5%, mainly attributable to higher raw material costs across every region.

OPERATING INCOME

(MILLIONS OF MEXICAN PESOS)

	Operating Income			Operating Margin (%)		
	2Q22	2Q21	% Δ	2Q22	2Q21	Δ pp.
North America	4,801	2,607	84.1	9.7	6.1	3.6
Mexico	4,782	3,965	20.6	15.1	15.2	(0.1)
EAA	150	58	>100	1.7	0.7	1.0
Latin America	231	(27)	NA	2.4	(0.4)	2.8
Grupo Bimbo	10,205	6,608	54.4	10.6	8.1	2.5

Regional results do not reflect intercompany royalties; Mexico segment results of 2021 have been adjusted of some intercompany royalties' income that were included before; consolidated results exclude intercompany transactions.

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

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

Operating Income for the second quarter rose 54.4% and the margin expanded 250 basis points, mainly due to the strong sales performance, efficiencies across the distribution network, lower administrative expenses and a non-cash benefit of US\$90 million related to the adjustment to the MEPPs liability to reflect current interest rate levels.

ADJUSTED EBITDA

(MILLIONS OF MEXICAN PESOS)

	Adj. EBITDA			Adj. EBITDA Margin (%)		
	2Q22	2Q21	% Δ	2Q22	2Q21	Δ pp.
North America	5,335	5,467	(2.4)	10.8	12.9	(2.1)
Mexico	5,831	4,932	18.2	18.4	18.9	(0.5)
EAA	664	566	17.4	7.5	6.8	0.6
Latin America	800	399	>100	8.3	5.4	2.9
Grupo Bimbo	12,992	11,549	12.5	13.5	14.1	(0.6)

Regional results do not reflect intercompany royalties; Mexico segment results of 2021 have been adjusted of some intercompany royalties' income that were included before; consolidated results exclude intercompany transactions.

Adjusted EBITDA, which does not include the effect of MEPPs, increased 12.5%, while the margin contracted 60 basis points, to 13.5%, mainly due to the abovementioned higher cost of sales and inflationary environment, which was partially offset by productivity savings across the value chain and a strict control in administrative expenses.

NORTH AMERICA

North America region margin contraction of 210 basis points was mainly due to a higher inflationary environment, including commodities, labor costs, as well as challenges and shortages across the supply chain. This was partially offset by the strong sales performance, favorable branded mix and productivity benefits from past restructuring investments.

MEXICO

The margin contracted 50 basis points, mainly attributable to higher raw material costs, which was partially offset by the strong sales performance, favorable product and category mix, and productivity savings across the supply chain.

EAA

EAA posted a 60 basis points margin expansion mostly due to the sales performance and savings across the distribution network in Spain, which was partially offset by weak results in China and higher commodity prices in every organization.

LATIN AMERICA

Latin America Adjusted EBITDA margin expanded 290 basis points reaching a record level for a second quarter of 8.3%, mainly due to the strong sales performance across every organization, improved product mix, increased market penetration, productivity benefits and solid results in Brazil and Argentina.

COMPREHENSIVE FINANCIAL RESULT

(MILLIONS OF MEXICAN PESOS)

Comprehensive Financial Result totaled Ps. 1,257 million, the 37% decline was mainly attributable to lower interest expenses.

NET MAJORITY INCOME

(MILLIONS OF MEXICAN PESOS)

	Net Majority Income			Net Majority Margin (%)		
	2Q22	2Q21	% Δ	2Q22	2Q21	Δ pp.
Grupo Bimbo	6,146	3,028	>100	6.4	3.7	2.7

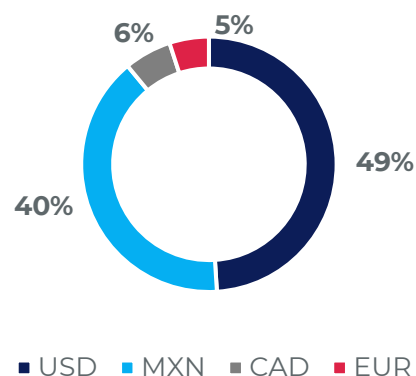
Net Majority Income more than doubled, while the margin expanded 270 basis points attributable to the strong sales performance, efficiencies in selling and administrative expenses, the positive effect from MEPPs, lower financing costs and a lower effective tax rate.

FINANCIAL STRUCTURE

Total Debt on June 30, 2022, was Ps. 94 billion, compared to Ps. 93 billion on December 31, 2021.

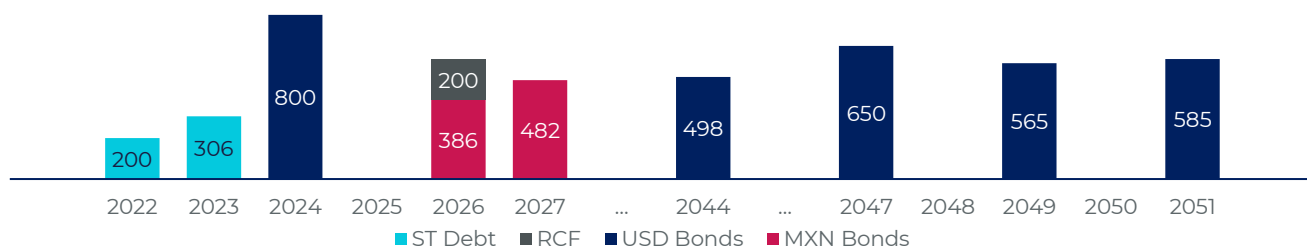
Average debt maturity was 14.5 years with an average cost of 5.8%. Long-term Debt comprised 89% of the total; 49% of the debt was denominated in US dollars, 40% in Mexican pesos, 6% in Canadian dollars and 5% in Euros.

The Net Debt to Adjusted EBITDA ratio, which does not consider the effect of IFRS16 and Ricolino, was 1.9 times, with no change when compared to 1.9 times on December 31, 2021.



AMORTIZATION PROFILE⁹

(MILLIONS OF US DOLLARS)



9. Does not include US\$ 52 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 Thursday, July 21, 2022, at 6:00 pm Eastern (5:00 pm Central). 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/events>

REPLAY

A replay will be available until August 1, 2022. You can access the replay through Grupo Bimbo's website

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

US +1 (877) 344 7529

International +1 (412) 317 0088

Canada +1 (855) 669 9658

Conference ID: 8235190

ABOUT GRUPO BIMBO

Grupo Bimbo is the leader and largest baking Company in the world and a relevant participant in snacks. Grupo Bimbo has 203 bakeries and other plants and 1,600 sales centers strategically located in 33 countries throughout the Americas, Europe, Asia and Africa. Its main product lines include sliced bread, buns & rolls, pastries, cakes, cookies, toast bread, English muffins, bagels, tortillas & flatbreads and salty snacks products, among others. Grupo Bimbo produces over 10,000 products and has one of the largest direct distribution networks in the world, with more than 3.1 million points of sale, more than 54,000 routes and over 135,000 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

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CONSOLIDATED BALANCE SHEET

(MILLIONS OF MEXICAN PESOS)

	Jun, 2022	Dec, 2021	% Change
TOTAL ASSETS	339,080	339,114	(0.0%)
CURRENT ASSETS	62,533	59,120	5.8%
Cash and Equivalents	6,773	8,747	(22.6%)
Accounts and Notes Receivables, Net	25,164	22,882	10.0%
Inventories	15,469	12,710	21.7%
Other Current Assets	7,704	7,026	9.6%
Assets Available for Sale	7,424	7,754	(4.3%)
Property, Machinery and Equipment, Net	103,806	101,722	2.0%
Intangible Assets and Deferred Charges, Net and Investment in Shares of Associated Companies	134,556	137,883	(2.4%)
Lease Right of Use	29,755	30,525	(2.5%)
Other Assets	8,429	9,864	(14.5%)
TOTAL LIABILITIES	235,571	237,511	(0.8%)
CURRENT LIABILITIES	86,639	82,823	4.6%
Trade Accounts Payable	37,468	36,005	4.1%
Short-term Debt	10,107	10,625	(4.9%)
Short-term liability for leasing	5,871	5,717	2.7%
Other Current Liabilities	30,112	27,668	8.8%
Liabilities Related to Assets Available for Sale	3,081	2,807	9.7%
Long-term Debt	83,566	82,230	1.6%
Long-term liability for leasing	24,396	25,180	(3.1%)
Other Long-term Non-Financial Liabilities	40,970	47,279	(13.3%)
SHAREHOLDERS' EQUITY	103,509	101,603	1.9%
Minority Shareholders' Equity	4,459	4,506	(1.0%)
Majority Shareholders' Equity	99,050	97,097	2.0%

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF MEXICAN PESOS)

	2Q22	2Q21	% Change
Net Sales	96,434	81,654	18.1%
Cost of Goods Sold	46,740	37,617	24.3%
GROSS PROFIT	49,694	44,037	12.8%
General Expenses	40,761	35,727	14.1%
Other Expenses (Income), Net	(1,272)	1,702	NA
OPERATING INCOME	10,205	6,608	54.4%
Comprehensive Financing Cost	1,258	1,996	(37.0%)
Interest Paid Net	1,017	1,851	(45.1%)
Exchange Rate Loss (Gain)	266	164	62.7%
Monetary Loss (Gain)	(25)	(19)	33.9%
Share in Results of Associated Companies	79	27	>100%
NET INCOME BEFORE TAXES	9,026	4,639	94.6%
Income Taxes	2,944	1,639	79.6%
NET INCOME FROM CONTINUED OPERATIONS	6,082	3,000	>100%
NET INCOME FROM DISCONTINUED OPERATIONS	434	319	36.1%
Net Minority Income	370	291	27.1%
NET MAJORITY INCOME	6,146	3,028	>100%
ADJUSTED EBITDA	12,992	11,549	12.5%