

GRUPO BIMBO

REPORTS SECOND QUARTER 2021 RESULTS

MEXICO CITY, JULY 28, 2021



“I am more than proud that our teams reached record profits for a second quarter and Net Sales growth of 6.6%, excluding FX effect. We continue to see strong demand and extraordinary run rates in our core business, we held and grew market share across our key categories and saw a recovery of those channels and categories that suffered during the pandemic. As we move forward, we will continue to invest in our associates, our brands, in the entire value chain, in our sustainability strategy and in our digital transformation projects to achieve our Vision.”

-Daniel Servitje, Chairman and CEO

“This second quarter was remarkable, despite tough comparisons and the FX translation effect, we reached record profits and our Return on Equity expanded by 280 basis points. We strengthened our balance sheet by improving our amortization profile and were able to generate strong cash flow.”

-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, 2021.¹

HIGHLIGHTS OF THE QUARTER VS. 2Q20

- Excluding FX effect, Net Sales increased 6.6% mainly attributable to strong volume performance in most regions. In peso terms, Net Sales declined 2.9%, primarily reflecting FX rate translation effect and difficult comparisons due to prior year peak in panic-buying
- Despite the lack of comparability, Adjusted EBITDA² reported record levels for a second quarter, growing 5.9% and the margin expanded 120 basis points to 14.4%
- Net Majority Income improved by 18.6% with a margin expansion of 70 basis points
- Return on Equity³ reached 13.4%, an expansion of 280 basis points
- Net debt/ Adjusted EBITDA⁴ ratio closed the quarter at 1.8x

HIGHLIGHTS OF THE QUARTER VS. 2Q19

- Net Sales increased 16.2%, mainly as a result of strong volumes and price/mix across every region
- Adjusted EBITDA grew 36.9%, while the margin expanded 220 basis points
- Net Majority Income more than doubled and the margin expanded 200 basis points

RECENT DEVELOPMENTS

- Grupo Bimbo acquired Emmy's Organics in the U.S., the leader in ultra-premium organic cookies and a major player in gluten-free cookies
- Bimbo was ranked in the Brand Footprint Ranking 2021, by Kantar, as the most chosen food brand within households in Mexico and Latin America, and one of the most chosen globally
- The Company completed the acquisition of a plant from Cerealto Siro Foods in Medina del Campo, Spain
- The operations in Chile and Panama are now using 100% renewable electricity. With this, 90% of the electricity consumed by Grupo Bimbo (from 2017 baseline) comes from renewable sources and more than half of the organizations use 100% renewable electricity
- Grupo Bimbo priced US\$600 million in senior unsecured 4.00% notes due 2051, through Bimbo Bakeries USA, Inc

FINANCIAL SUMMARY

(MILLIONS OF MEXICAN PESOS)

	2Q21	2Q20	vs. 2Q20	2Q19	vs. 2Q19
Net Sales	83,789	86,308	(2.9%)	72,094	16.2%
Gross Profit	45,029	46,937	(4.1%)	38,249	17.7%
Operating Income	7,058	6,888	2.5%	4,312	63.7%
Adjusted EBITDA	12,056	11,384	5.9%	8,805	36.9%
Net Majority Income	3,065	2,585	18.6%	1,242	>100%
Net Debt/Adj. EBITDA	1.8x	2.5x	(0.7x)	2.6x	(0.8x)
ROE	13.4%	10.6%	2.8pp	9.3%	4.1pp

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

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

3. Adjusted with MEPPs non-cash charges.

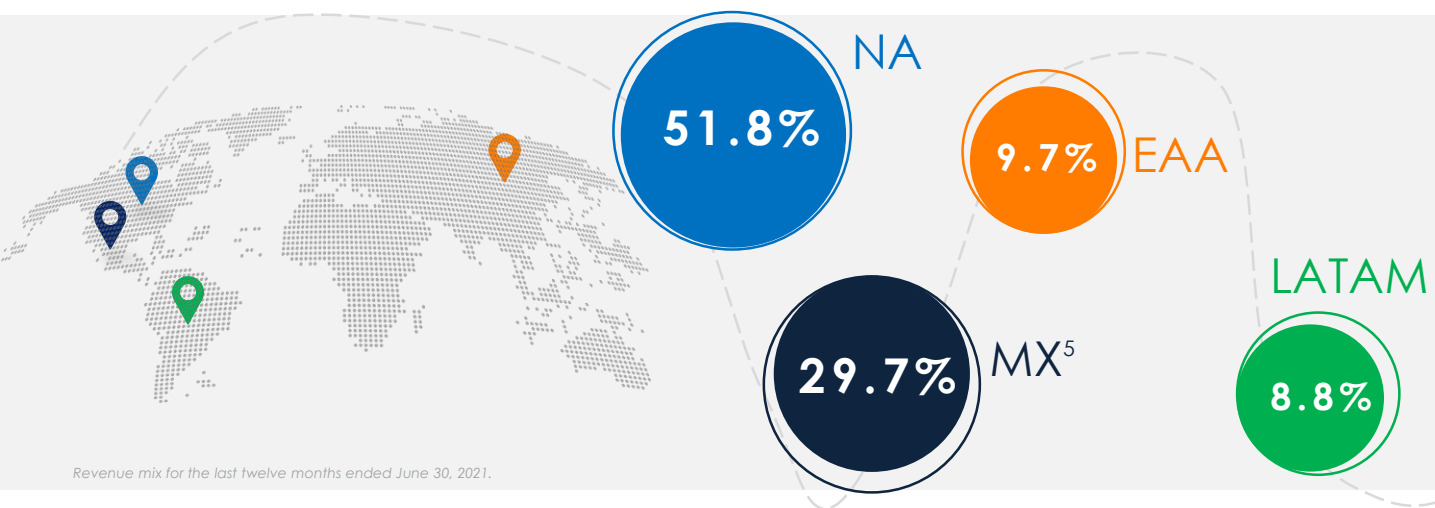
4. Does not consider the effect of IFRS16.

NET SALES

(MILLIONS OF MEXICAN PESOS)

2Q21	Net Sales	2Q20	% Change vs. 2Q20	2Q19	% Change vs. 2Q19
42,744	North America	49,412	(13.5)	36,235	18.0
28,233	Mexico	24,618	14.7	24,917	13.3
8,289	EAA	7,324	13.2	6,634	24.9
7,322	Latin America	7,448	(1.7)	6,664	9.9
83,789	Grupo Bimbo	86,308	(2.9)	72,094	16.2

Consolidated results exclude inter-company transactions.



Vs. 2Q20: Excluding FX effect, Net Sales increased 6.6% mainly attributable to strong volume performance in most regions. In peso terms, Net Sales declined 2.9%, primarily reflecting FX rate translation effect and difficult comparisons due to prior year peak in panic-buying.

Vs. 2Q19: Second quarter Net Sales increased 16.2%, mainly as a result of strong volumes and price mix across every region.

NORTH AMERICA⁶

Despite difficult comparisons as the Company lapped the COVID-19 surge of 2020, Net Sales in US dollars grew 0.9%, due to strong performance of the branded business, market share gains across multiple categories and a recovery of the foodservice channel. In peso terms, Net Sales declined 13.5%.

When compared with 2Q19, Net Sales increased 18% in peso terms and 12.5% in US dollars, run rates continue to be strong reflecting strong demand for the branded business, market share gains and strong brand recognition.



5. Inter-company transactions have been removed from Mexico.
6. North America region includes operations in the United States and Canada.

Net Sales in Mexico rose 14.7%, attributable to volume growth, product mix and price increases. Most categories and channels reported growth, mainly the buns, sweet baked goods, bread, bars and snacks categories, as well as the traditional channel and a recovery of the convenience and vending channels.



MEXICO

EAA⁷



Sales in EAA during the second quarter rose 13.2%, driven by strong performance across every country, notably Iberia due to the acquisitions of the Medina and Paterna plants, organic growth in the U.K., as well as a recovery of the QSR channel throughout the region.

Second quarter Net Sales declined 1.7% in peso terms in Latin America, mainly due to FX rates translation effect; **excluding this effect, Net Sales increased nearly 13%**, driven by strong volume and sales performance across every organization, highlighting Chile, Peru and Brazil, as well as the buns and tortillas categories. This was partially offset by the social unrest in Colombia and a fire incident in a plant in Argentina.

LATIN AMERICA⁸



GROSS PROFIT

(MILLIONS OF MEXICAN PESOS)

2Q21	Gross Profit	2Q20	% Change vs. 2Q20	2Q19	% Change vs. 2Q19
24,000	North America	28,058	(14.5)	19,503	23.1
15,397	Mexico	13,453	14.4	13,946	10.4
2,784	EAA	2,579	8.0	2,426	14.8
3,290	Latin America	3,423	(3.9)	3,011	9.3
45,029	Grupo Bimbo	46,937	(4.1)	38,249	17.7

2Q21	Gross Margin (%)	2Q20	Change pp. vs. 2Q20	2Q19	Change pp. vs. 2Q19
56.1	North America	56.8	(0.7)	53.8	2.3
54.5	Mexico	54.6	(0.1)	56.0	(1.5)
33.6	EAA	35.2	(1.6)	36.6	(3.0)
44.9	Latin America	46.0	(1.1)	45.2	(0.3)
53.7	Grupo Bimbo	54.4	(0.7)	53.1	0.6

Consolidated results exclude inter-company transactions.

Consolidated Gross Profit declined 4.1% and the margin contracted 70 basis points to 53.7%, mainly attributable to the abovementioned sales performance and higher commodity costs.

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

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

OPERATING INCOME

(MILLIONS OF MEXICAN PESOS)

2Q21	Operating Income	2Q20	% Change vs. 2Q20	2Q19	% Change vs. 2Q19
2,814	North America	4,067	(30.8)	1,276	>100
4,382	Mexico	3,187	37.5	3,514	24.7
58	EAA	(55)	NA	26	>100
76	Latin America	128	(40.6)	(225)	NA
7,058	Grupo Bimbo	6,888	2.5	4,312	63.7

2Q21	Operating Margin (%)	2Q20	Change pp. vs. 2Q20	2Q19	Change pp. vs. 2Q19
6.6	North America	8.2	(1.6)	3.5	3.1
15.5	Mexico	12.9	2.6	14.1	1.4
0.7	EAA	(0.8)	1.5	0.4	0.3
1.0	Latin America	1.7	(0.7)	(3.4)	4.4
8.4	Grupo Bimbo	8.0	0.4	6.0	2.4

Regional results do not reflect inter-company royalties and consolidated results exclude inter-company transactions.

Operating Income in the second quarter rose 2.5%, with a 40 basis points expansion in the margin mainly due to productivity savings across the value chain coming from past restructuring investments, distribution efficiencies and cost-cutting projects, as well as lower COVID-19 related expenses. This was partially offset by the abovementioned sales performance, higher cost of sales and a US\$38 million non-cash charge related to the adjustment of the MEPPs liability to reflect current interest rates levels.

ADJUSTED EBITDA

(MILLIONS OF MEXICAN PESOS)

2Q21	Adjusted EBITDA	2Q20	% Change vs. 2Q20	2Q19	% Change vs. 2Q19
5,673	North America	6,384	(11.1)	4,123	37.6
5,411	Mexico	4,198	28.9	4,355	24.2
566	EAA	415	36.3	410	38.0
498	Latin America	545	(8.6)	196	>100
12,056	Grupo Bimbo	11,384	5.9	8,805	36.9

2Q21	Adj. EBITDA Margin (%)	2Q20	Change pp. vs. 2Q20	2Q19	Change pp. vs. 2Q19
13.3	North America	12.9	0.4	11.4	1.9
19.2	Mexico	17.1	2.1	17.5	1.7
6.8	EAA	5.7	1.1	6.2	0.6
6.8	Latin America	7.3	(0.5)	2.9	3.9
14.4	Grupo Bimbo	13.2	1.2	12.2	2.2

Regional results do not reflect inter-company royalties and consolidated results exclude inter-company transactions.

Despite the lack of comparability, Adjusted EBITDA, which does not include the effect of MEPPs, increased 5.9% reaching a record level for a second quarter, while the margin expanded 120 basis points, to 14.4%, due to strong operating performance mainly in North America, Mexico and EAA.

NORTH AMERICA

North America region achieved a record Adjusted EBITDA margin for a second quarter, at 13.3%, with a margin expansion of 40 basis points, mainly due to favorable branded mix and trade efficiencies, which were partially offset by increased strategic investments in brands.

MEXICO

The margin expanded 210 basis points, attributable to the strong sales performance and productivity benefits across the distribution network.

EAA

EAA posted a 110 basis points expansion in the margin mostly because of a recovery of the QSR business and the acquisitions completed in Iberia.

LATIN AMERICA

Latin America Adjusted EBITDA margin contracted 50 basis points mainly due to the social disruptions in Colombia, the fire incident in a plant in Argentina and restructuring expenses in Brazil, related to the turnaround project.

When compared with 2Q19, Latin America Adjusted EBITDA margin expanded 390 basis points mainly due to strong sales performance, productivity benefits and cost-cutting initiatives captured throughout the region.

COMPREHENSIVE FINANCIAL RESULT

(MILLIONS OF MEXICAN PESOS)

Comprehensive Financial Result remained almost unchanged at Ps. 2,007 million in the period, compared to Ps. 2,011 million during the second quarter of 2020.

NET MAJORITY INCOME

(MILLIONS OF MEXICAN PESOS)

2Q21	Net Majority Income	2Q20	% Change vs. 2Q20	2Q19	% Change vs. 2Q19
3,065	Grupo Bimbo	2,585	18.6	1,242	>100

2Q21	Net Majority Margin (%)	2Q20	Change pp. vs. 2Q20	2Q19	Change pp. vs. 2Q19
3.7	Grupo Bimbo	3.0	0.7	1.7	2.0

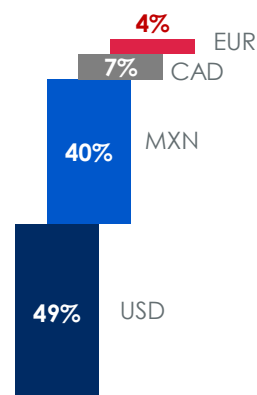
Net Majority Income grew 18.6% and the margin expanded 70 basis points attributable to the strong operating performance across the Company and a lower effective income tax rate.

FINANCIAL STRUCTURE

Total Debt on June 30, 2021, was Ps. 88.5 billion, compared to Ps. 85.2 billion on December 31, 2020.

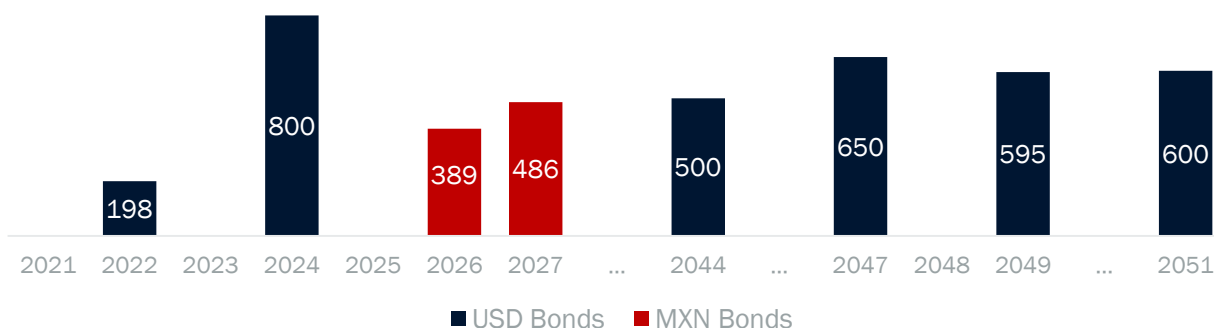
Average debt maturity was 16.8 years with an average cost of 6.0%. Long-term debt comprised 90% of the total; 49% of the debt was denominated in US dollars, 40% in Mexican pesos, 7% in Canadian dollars and 4% in Euros.

The Net Debt to Adjusted EBITDA ratio, which does not consider the effect of IFRS16, was 1.8 times compared to 1.9 times on December 31, 2020.



AMORTIZATION PROFILE⁹

(MILLIONS OF US DOLLARS)



RECENT DEVELOPMENTS

- Grupo Bimbo acquired Emmy's Organics in the U.S., the leading producer of ultra-premium organic cookies and a major player in gluten-free cookies. This acquisition gives Grupo Bimbo an entry point into the quickly growing better-for-you cookie and sweet baked goods market.
- Bimbo was ranked in the Brand Footprint Ranking 2021, by Kantar, as the most chosen food brand within the households in Mexico and Latin America, and one of the most chosen globally.
- Grupo Bimbo completed the acquisition of a plant from Cerealto Siro Foods in Medina del Campo, Spain. This state-of-the-art plant is dedicated to manufacture sweet baked goods for Mercadona and other customers, and it allows the Company to enter the sweet baked goods private label market in Spain.
- The operations in Chile and Panama are now using 100% renewable electricity. With this, 90% of the electricity consumed by Grupo Bimbo (from 2017 baseline) comes from renewable sources and more than half of the organizations use 100% renewable electricity.

⁹. Does not include US\$ 286 million debt at subsidiary level. Includes 30-year issuance by BBU.



- Grupo Bimbo priced US\$600 million in senior unsecured 4.00% notes due 2051, through Bimbo Bakeries USA, Inc. BBU used the proceeds for general corporate purposes, including transfer to Grupo Bimbo for further repayment of its existing indebtedness under its US\$2.0 billion committed revolving credit facility.

“Our strong diversification and increased penetration in developed markets, largely contributed to attract the attention of close to 180 investors and to achieve an oversubscription of 6.5 times, evidencing our global profile within the food industry and affirming our commitment to expand our stakeholder base”, said Diego Gaxiola, Chief Financial Officer. “This is a debt neutral transaction for Grupo Bimbo that reinforces our strong commitment to optimize our capital structure, maintain a solid balance sheet and a conservative debt profile”, he added.

The notes were rated Baa2/BBB/BBB by Moody's, S&P and Fitch.

CONFERENCE CALL INFORMATION

DIAL-IN

A conference call will be held today Wednesday, July 28, 2021, 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:

www.grupobimbo.com/en/investors/press-events/events

REPLAY

A replay will be available until August 6, 2021. You can access the replay through Grupo Bimbo's website

www.grupobimbo.com/en/investors/press-events/events or by dialing:

US +1 (877) 344 7529

International +1 (412) 317 0088

Canada +1 (855) 669 9658

Conference ID: 10153621

ABOUT GRUPO BIMBO

Grupo Bimbo is the leader and largest baking Company in the world and a relevant participant in snacks. Grupo Bimbo has 202 bakeries and other plants and around 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, salty snacks and confectionery products, among others. Grupo Bimbo produces over 13,000 products and has one of the largest direct distribution networks in the world, with more than 2.9 million points of sale, more than 53,000 routes and over 133,000 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 CONTACT

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(5255) 5268 6830

CONSOLIDATED BALANCE SHEET

(MILLIONS OF MEXICAN PESOS)

	Jun, 2021	Dec, 2020	Change vs. '20	Dec, 2019	Change vs. '19
TOTAL ASSETS	312,771	307,650	1.7%	279,081	12.1%
CURRENT ASSETS	52,792	50,602	4.3%	44,197	19.4%
Cash and Equivalents	11,913	9,268	28.5%	6,251	90.6%
Accounts and Notes Receivables, Net	25,089	27,487	(8.7%)	26,198	(4.2%)
Inventories	12,079	10,893	10.9%	9,819	23.0%
Other Current Assets	3,710	2,954	25.6%	1,929	92.4%
Property, Machinery and Equipment, Net	93,896	91,248	2.9%	84,341	11.3%
Intangible Assets and Deferred Charges, Net and Investment in Shares of Associated Companies	129,020	127,419	1.3%	118,600	8.8%
Right of Use Lease	28,476	29,163	(2.4%)	25,550	11.5%
Other Assets	8,589	9,218	(6.8%)	6,392	34.4%
TOTAL LIABILITIES	223,087	219,639	1.6%	200,770	11.1%
CURRENT LIABILITIES	72,031	61,592	16.9%	54,620	31.9%
Trade Accounts Payable	27,789	28,013	(0.8%)	24,169	15.0%
Short-term Debt	8,681	600	1,347%	5,408	60.5%
Short-term liability for leasing	5,328	5,153	3.4%	4,599	15.9%
Other Current Liabilities	30,233	27,827	8.6%	20,443	47.9%
Long-term Debt	79,781	84,629	(5.7%)	81,264	(1.8%)
Long-term liability for leasing	23,247	23,936	(2.9%)	20,741	12.1%
Other Long-term Non-Financial Liabilities	48,028	49,482	(2.9%)	44,145	8.8%
SHAREHOLDERS' EQUITY	89,684	88,011	1.9%	78,311	14.5%
Minority Shareholders' Equity	4,180	4,298	(2.7%)	4,575	(8.6%)
Majority Shareholders' Equity	85,504	83,713	2.1%	73,737	16.0%

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF MEXICAN PESOS)

	2Q21	2Q20	Change vs. 2Q20	2Q19	Change vs. 2Q19
Net Sales	83,789	86,308	-2.9%	72,094	16.2%
Cost of Goods Sold	38,760	39,371	-1.6%	33,846	14.5%
GROSS PROFIT	45,029	46,937	-4.1%	38,249	17.7%
General Expenses	36,287	38,698	-6.2%	31,971	13.5%
Other Expenses (Income), Net	1,684	1,351	24.6%	1,966	-14.3%
OPERATING INCOME	7,058	6,888	2.5%	4,312	63.7%
Comprehensive Financing Cost	2,007	2,011	-0.2%	1,988	1.0%
Interest Paid Net	1,865	2,147	-13.1%	1,857	0.4%
Exchange Rate Loss (Gain)	157	(129)	-221.7%	106	48.1%
Monetary Loss (Gain)	(15)	(7)	114.3%	25	-160.0%
Equity in Results of Associated Companies	27	89	-69.7%	(48)	-156.3%
EARNINGS BEFORE TAXES	5,077	4,966	2.2%	2,276	123.1%
Income Taxes	1,721	2,082	-17.3%	773	122.6%
NET CONSOLIDATED INCOME	3,356	2,884	16.4%	1,502	123.4%
Net Minority Income	291	300	-3.0%	260	11.9%
NET MAJORITY INCOME	3,065	2,585	18.6%	1,242	146.8%
ADJUSTED EBITDA	12,056	11,384	5.9%	8,805	36.9%