



CORPORATE
PRESENTATION
JUNE 2021



FORWARD-LOOKING STATEMENT

The information contained herein (the “Information”) has been prepared by Grupo Herdez, S.A.B. de C.V., its subsidiaries and/or affiliated companies (“Grupo Herdez”), and may contain forward-looking statements that reflect Grupo Herdez’s current expectations and views, which may vary materially due to various factors, risks and uncertainties.

Therefore, Grupo Herdez and/or its officers, employees or agents, assume no responsibility or liability for any such variations in the Information. In particular, and notwithstanding the foregoing, no guarantee is given as to possible future variations of the Information.

The Information has been provided solely for informational purposes. The issuance of this Information shall not be taken as any form of commitment of Grupo Herdez to proceed with any transaction.

All the information contained in this document is prepared in accordance with International Financial Reporting Standards (IFRS) as of June 30, 2021, unless otherwise stated.

INVESTMENT CASE

+100 Years of Experience

+ 25 Brands
Market Leaders



Diversified Portfolio



Solid Corporate Governance



Committed with Sustainability



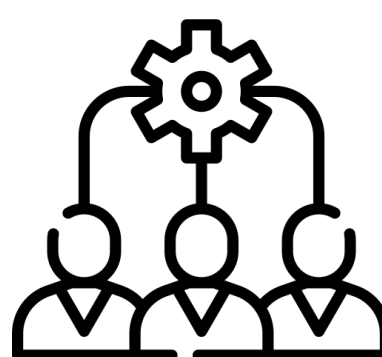
Sound Financial Structure



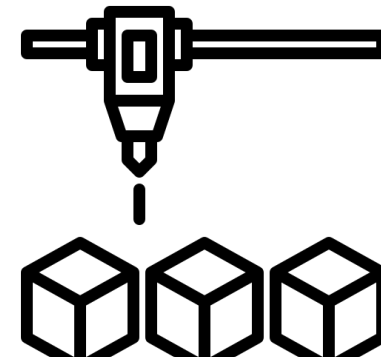
Profitable Growth Strategy



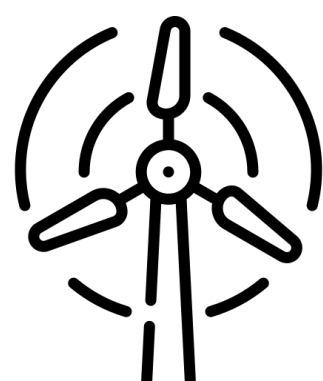
STRATEGY



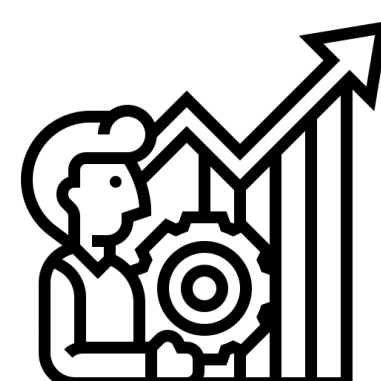
MAINTAIN AND FORM
PARTNERSHIPS THROUGH
THE DEVELOPMENT OF
INTELLIGENCE



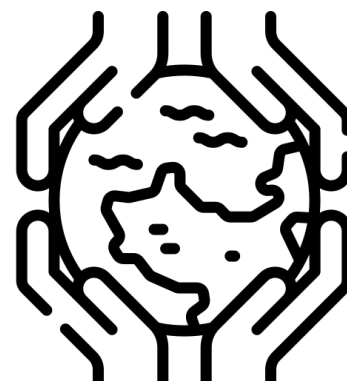
IMPLEMENT
TECHNOLOGIES
THAT ACCELERATE
PROCESSES



PROMOTE SUSTAINABLE
MANAGEMENT
PRIORITIZING WATER
CONSERVATION AND
EFFICIENT USE OF ENERGY



SUPPORT AND GENERATE
GROWTH THROUGH THE
DEVELOPMENT OF TALENT
AND INVESTMENT IN
INFRASTRUCTURE



RESPONSIBLE CORPORATE
CITIZENSHIP

Corporate Structure



Grupo Herdez consolidates 100 percent of its Frozen division, Herdez Del Fuerte - Mexico, Barilla México and McCormick de México in its financial statements

The proportional stake of Herdez Del Fuerte in MegaMex is registered in “Equity Investment in Associated Companies.”

Leading Brands

Our Brands in Mexico



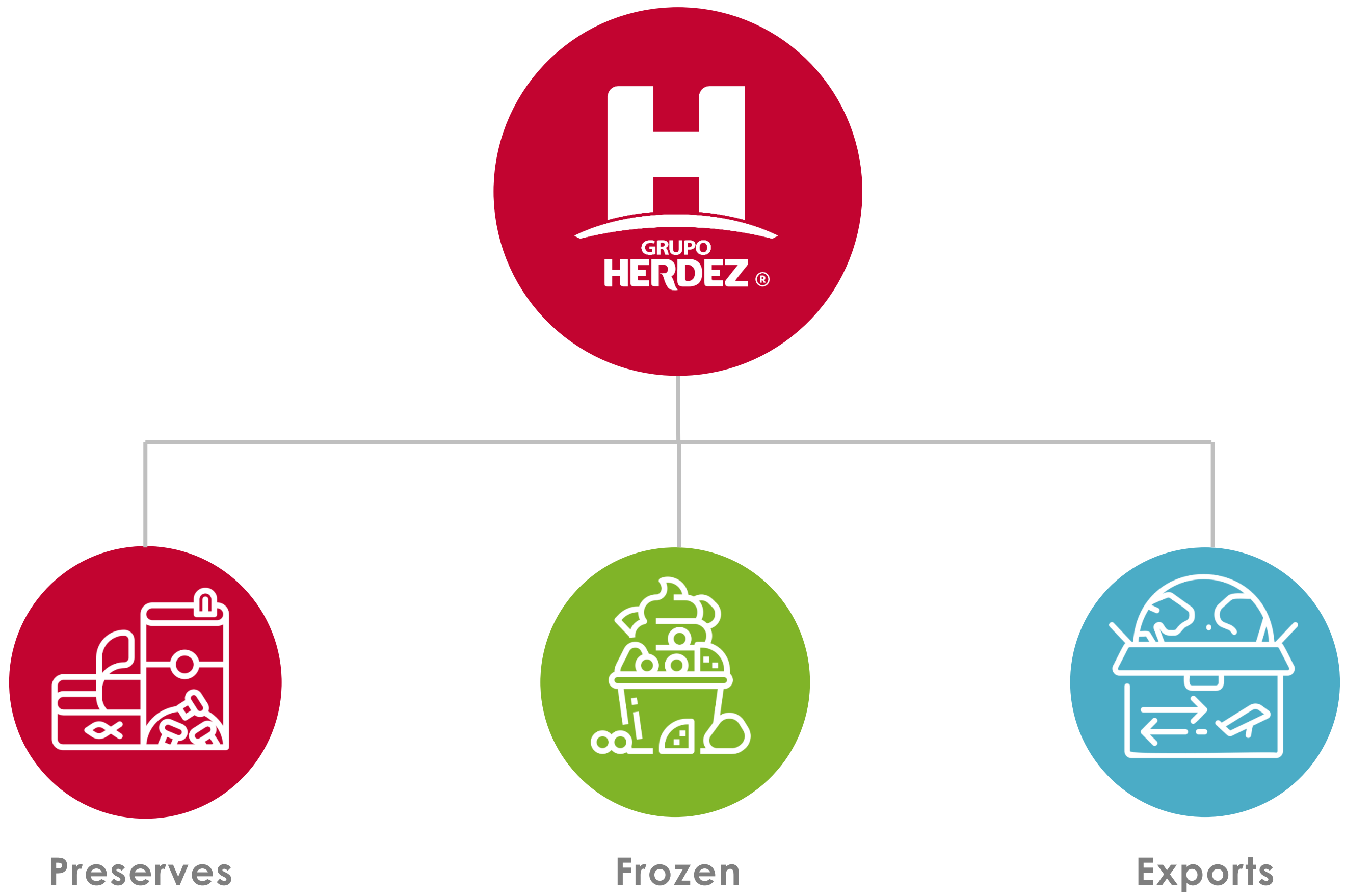
Our Brands in the U.S.



Distribution Agreements in Mexico



Consolidated

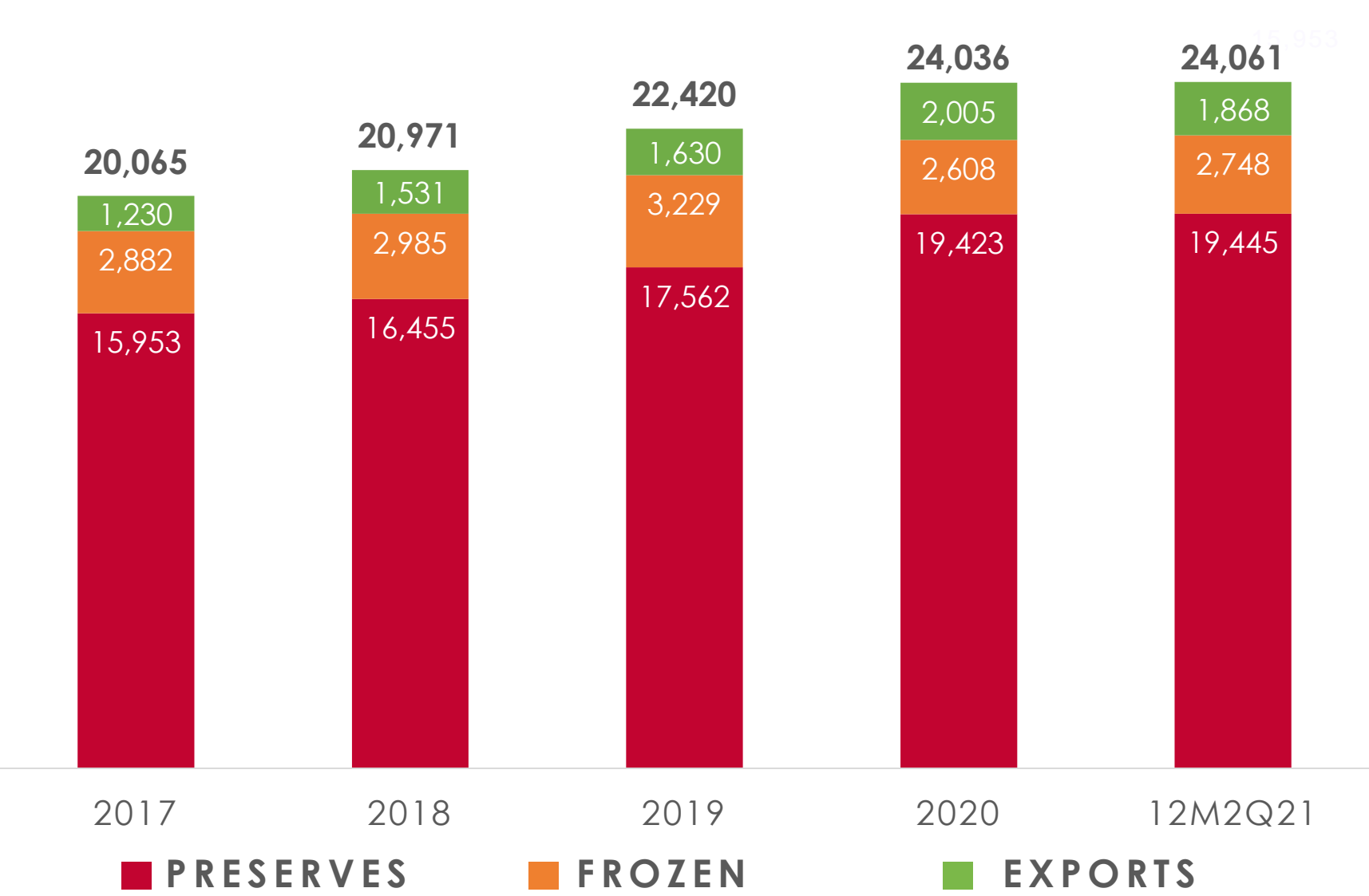


Current Situation

CONSOLIDATED



Net Sales

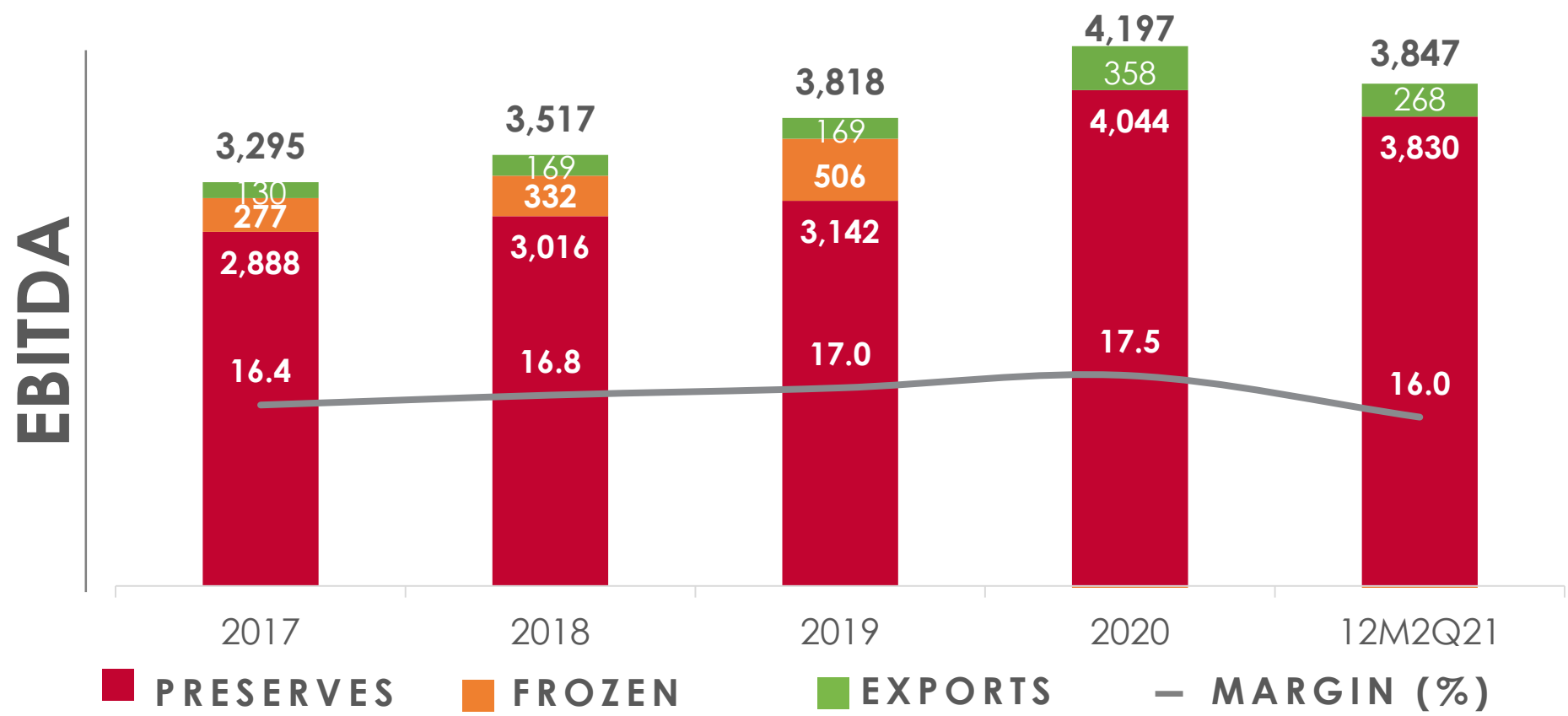
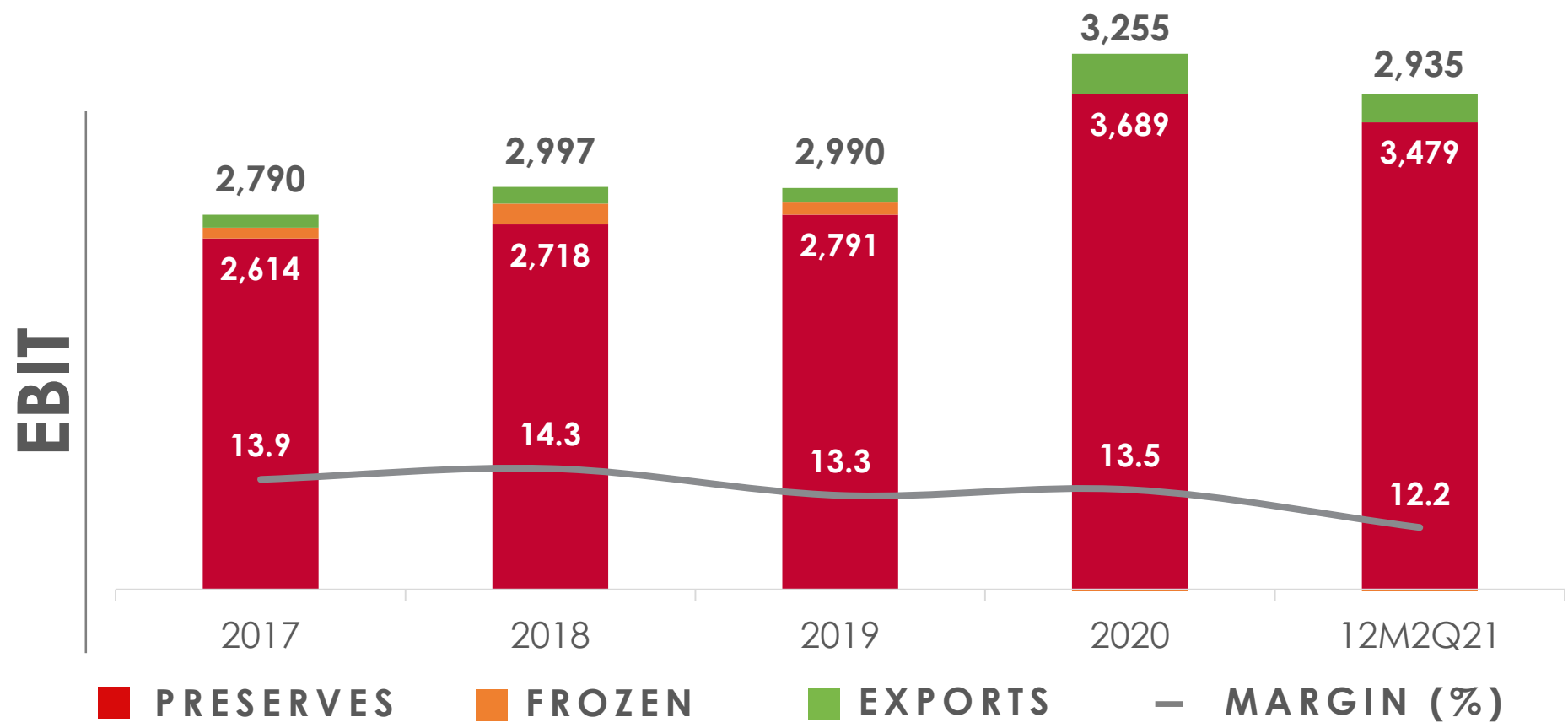


Segment Mix

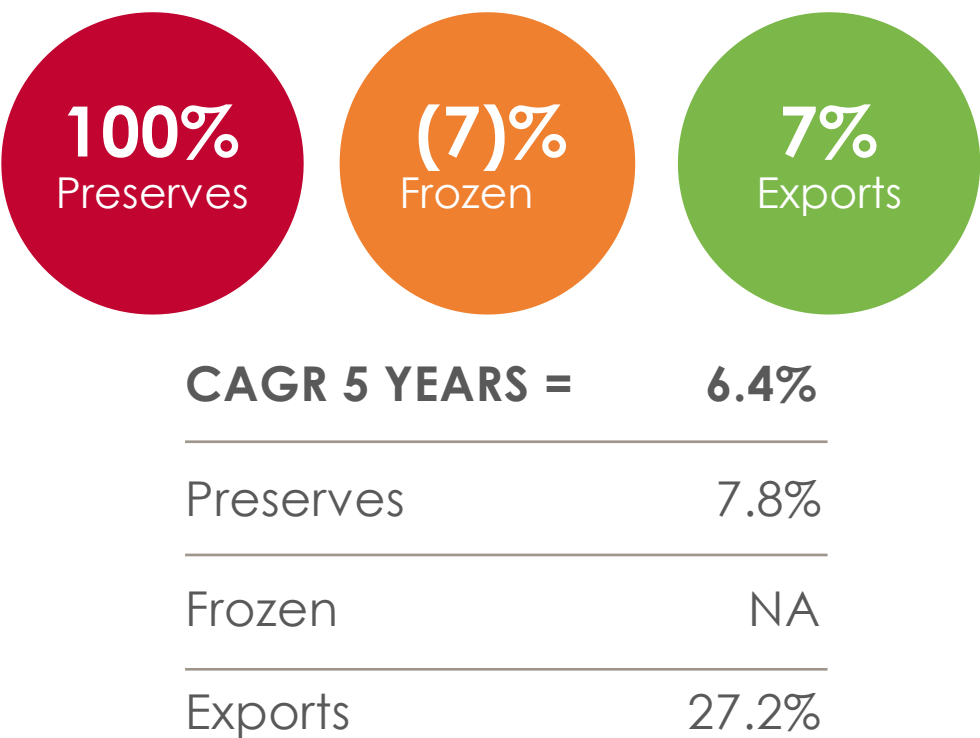
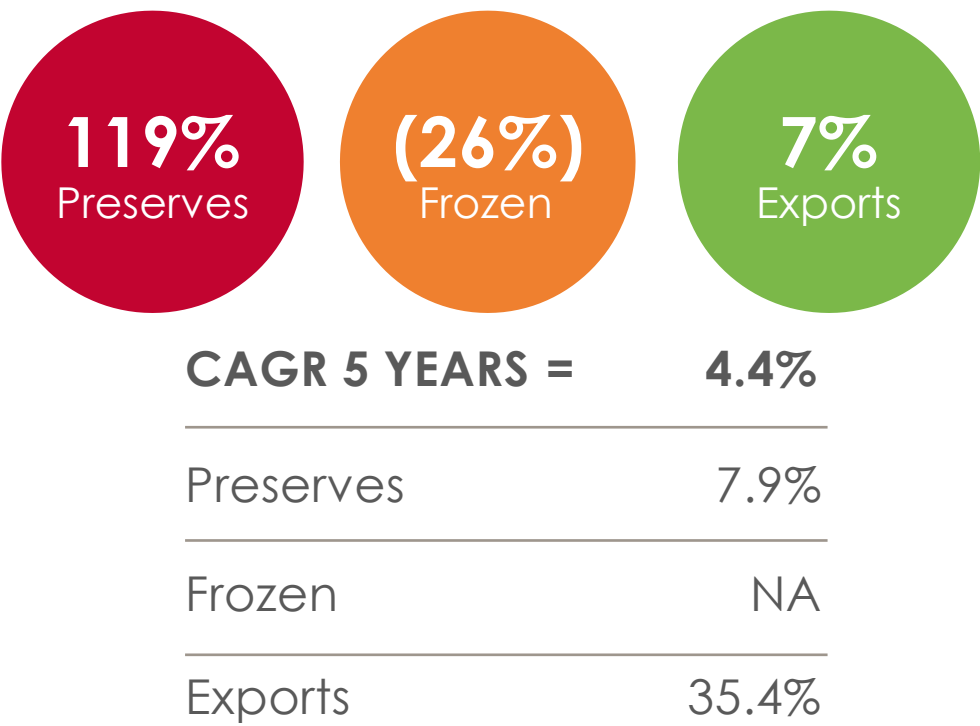


CAGR 5 YEARS =	5.8%
Preserves	6.1%
Frozen	1.2%
Exports	10.0%

EBIT & EBITDA



Segment Mix



Our Segments



Preserves



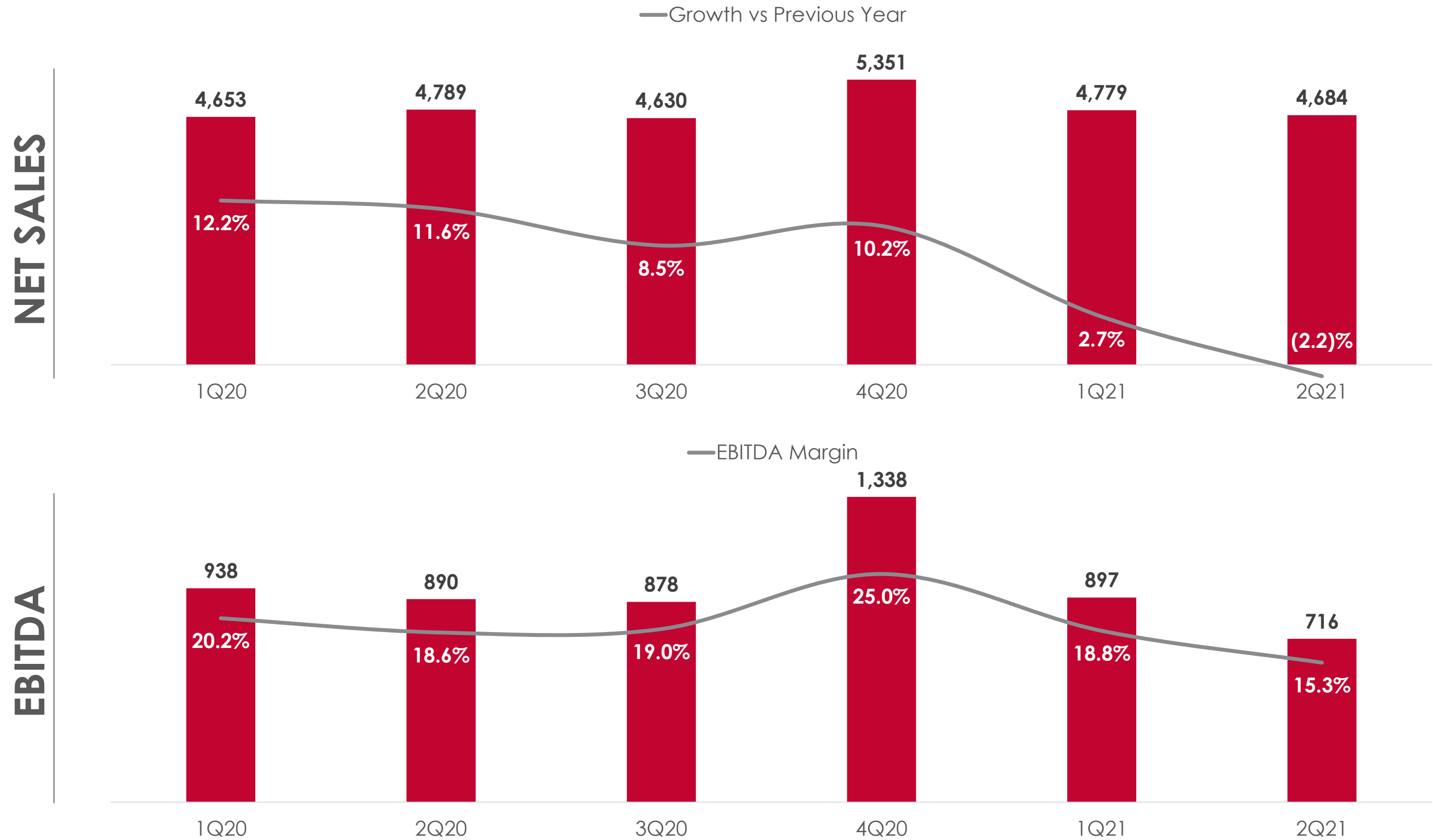
Frozen



Exports

Current Situation

PRESERVES



Preserves Innovation

In **2020** we generated:



395 Ideas

Among which, **95** prototypes were tested with consumers that resulted in **29** ideas with **high potential** to generate volume across 12 categories.

Additionally...



We renovated our image



We promote **responsible** consumption habits



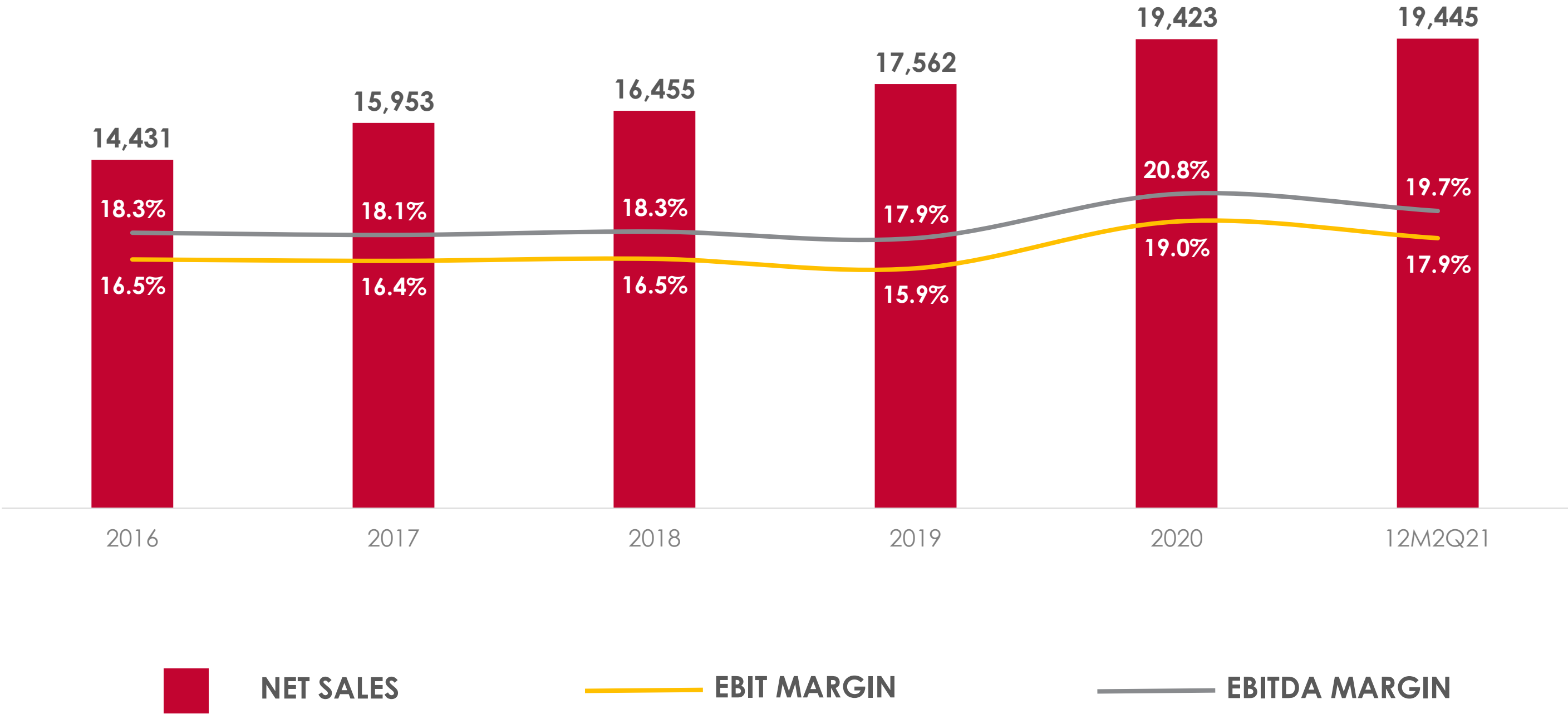
And we created **Premium** versions of our brands



Preserves Performance

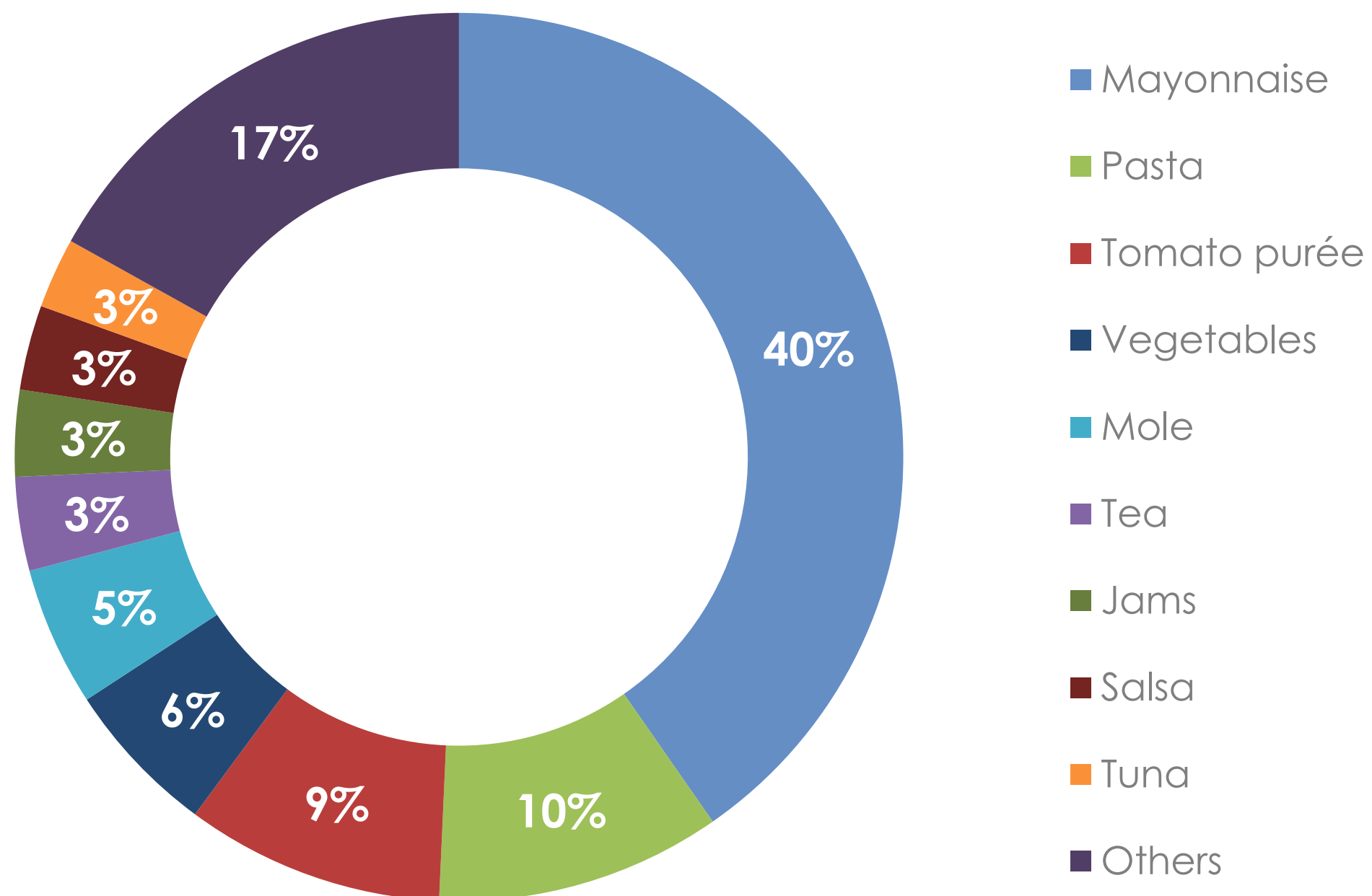
CAGR 5 YEARS

Net sales: 6.1%
EBIT: 7.9%
EBITDA: 7.8%



Preserves Snapshot

Preserves Sales Mix **By Category**



Growth Drivers



Household penetration & Reduction of distribution gaps



Premium Versions



Consumer Insight-Based Innovation



Holistic Communication

Our Segments



Preserves



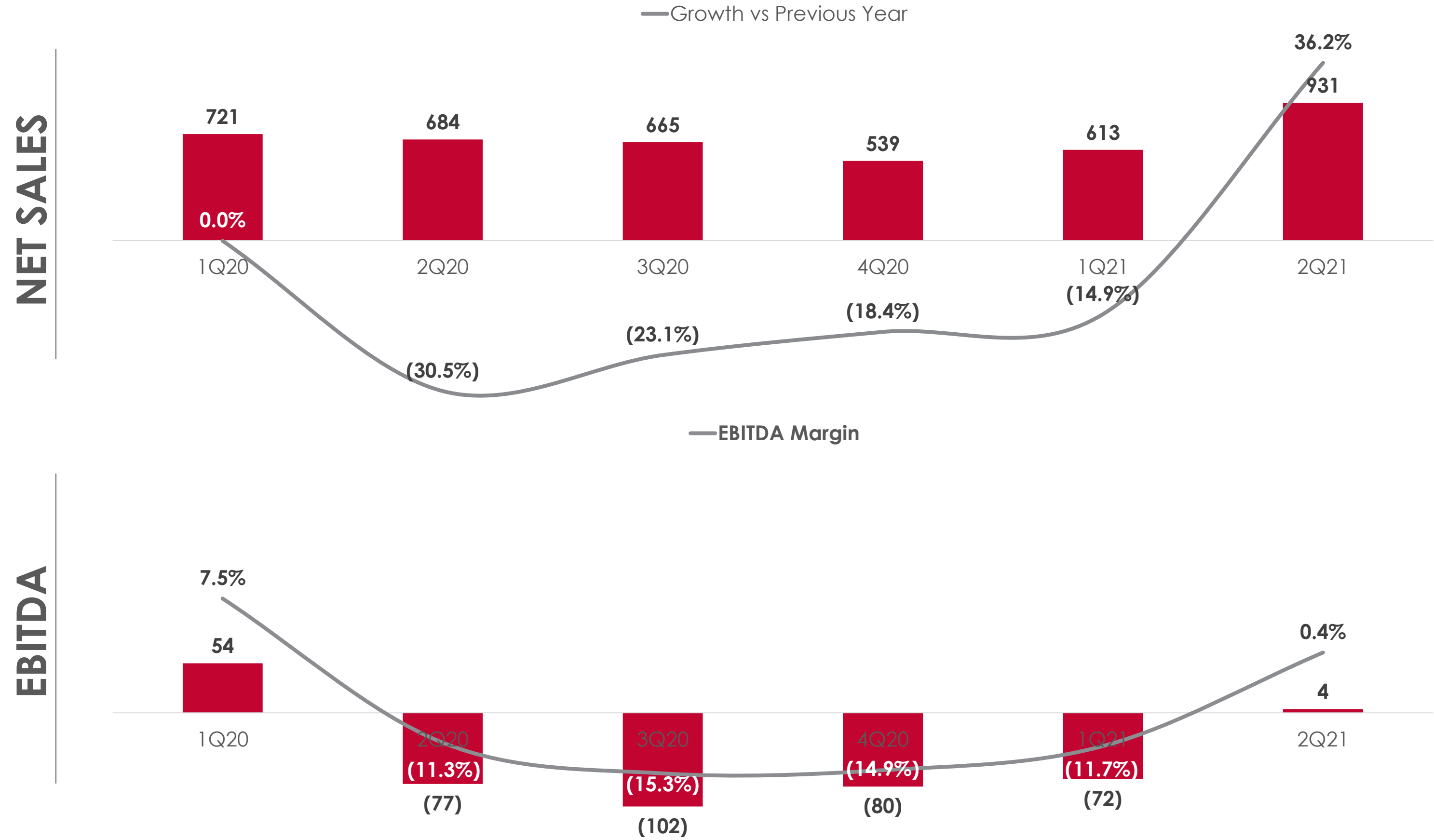
Frozen



Exports

Current Situation

FROZEN



Frozen Innovation



Leverage Brand Power



Renewed Image



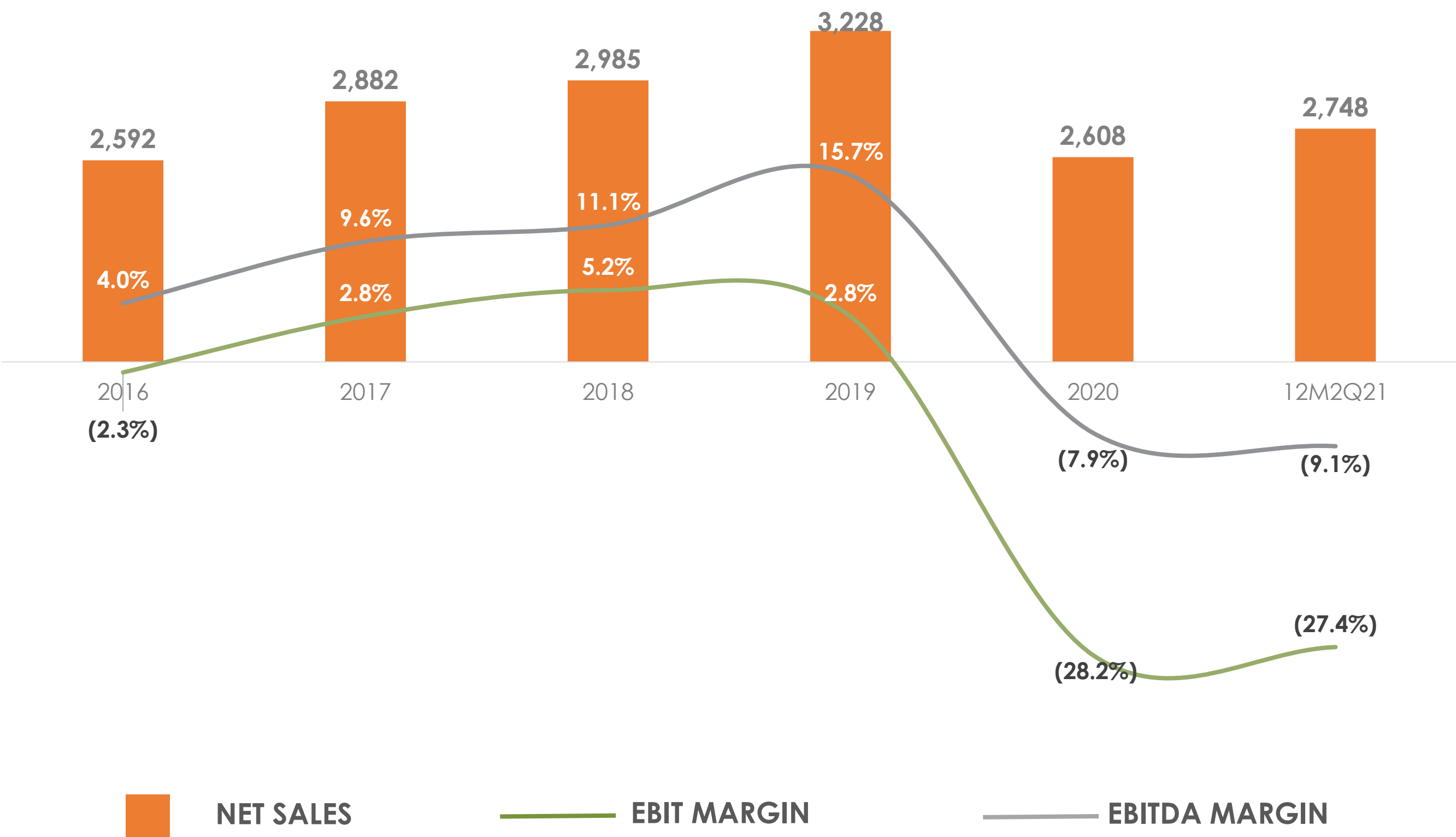
E-Commerce



Frozen Performance

CAGR 5 YEARS

Net sales: 1.2%
EBIT: NA
EBITDA: NA



Frozen Snapshot

Growth Drivers



Portfolio Segmentation by Channel



Increase Store Traffic & Freezer Productivity



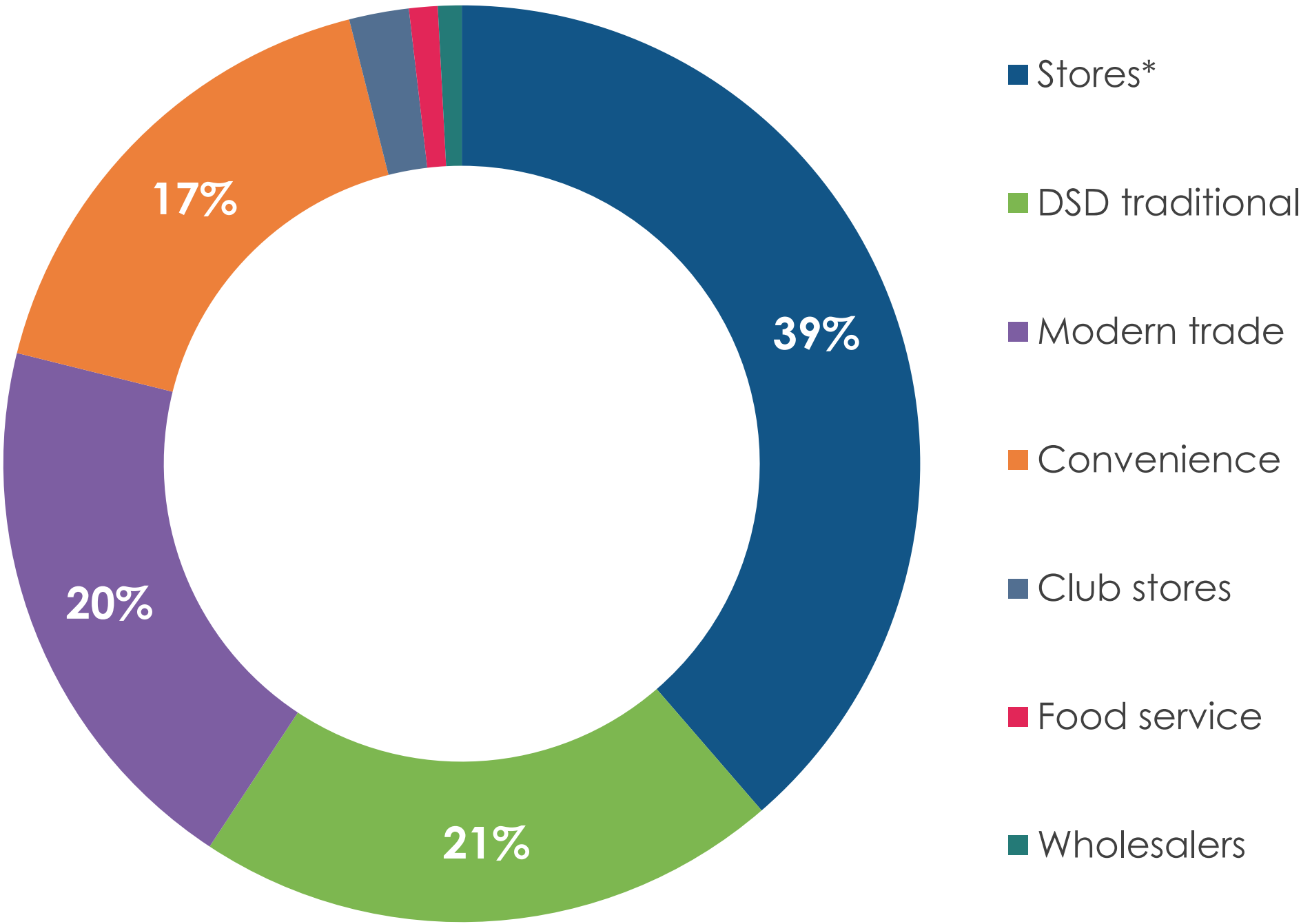
SG&A Control



Strengthening of Sales Channels



Frozen Sales Mix By Channel



19

CONSOLIDATED FIGURES AS OF JUNE 30, 2021
* STORES: INCLUDING CQC, LAVAZZA, MOYO AND NUTRISA
* NOT INCLUDING EXPORTS

MegaMex



Megamex Snapshot



“Reimagining Mexican Flavor”



Salsas and Sauces
Innovation to grow
MegaMex Market Share



Avocado for all.
Increase household
penetration.

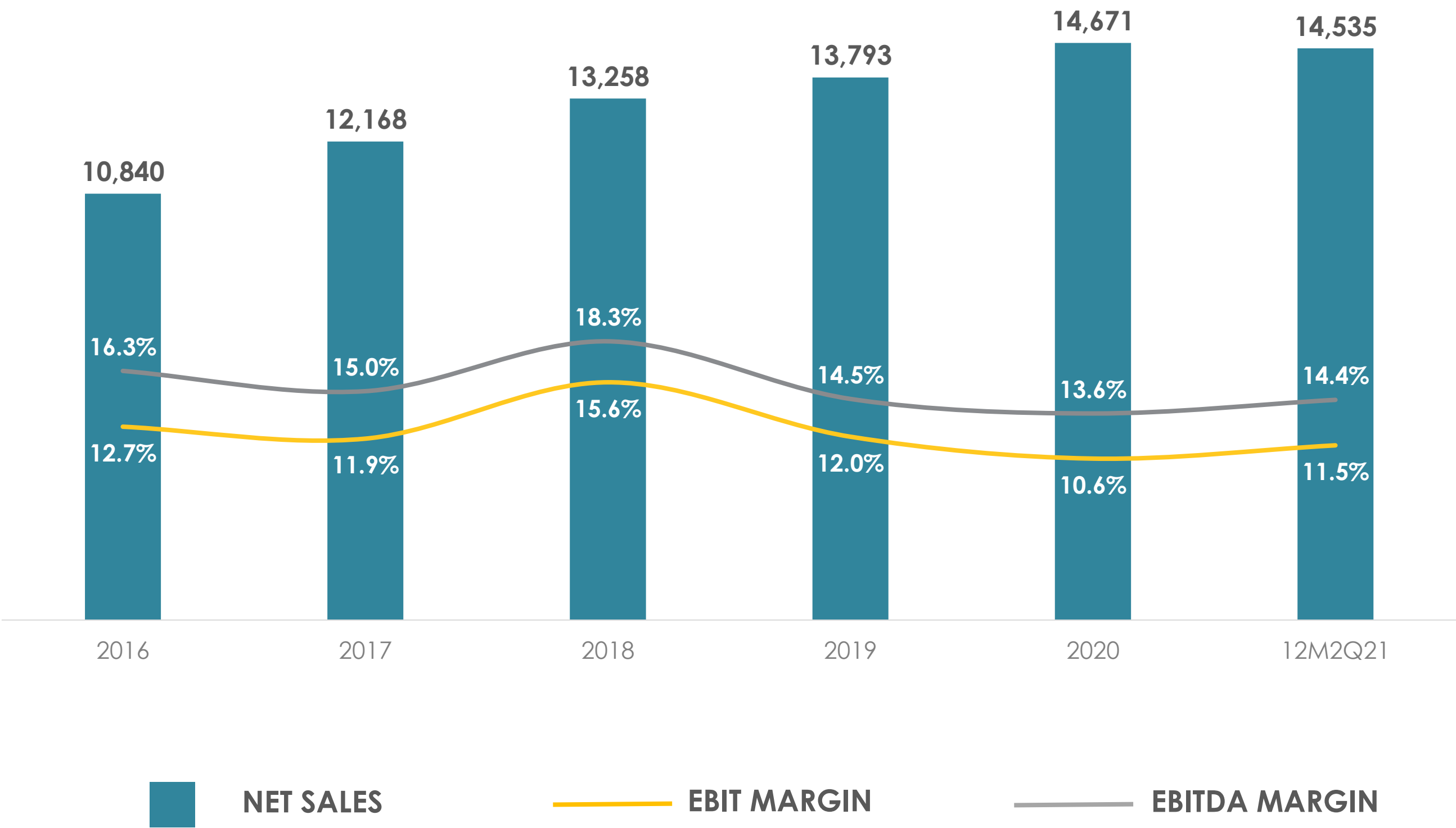


Food away from home,
accelerating penetration
in this segment

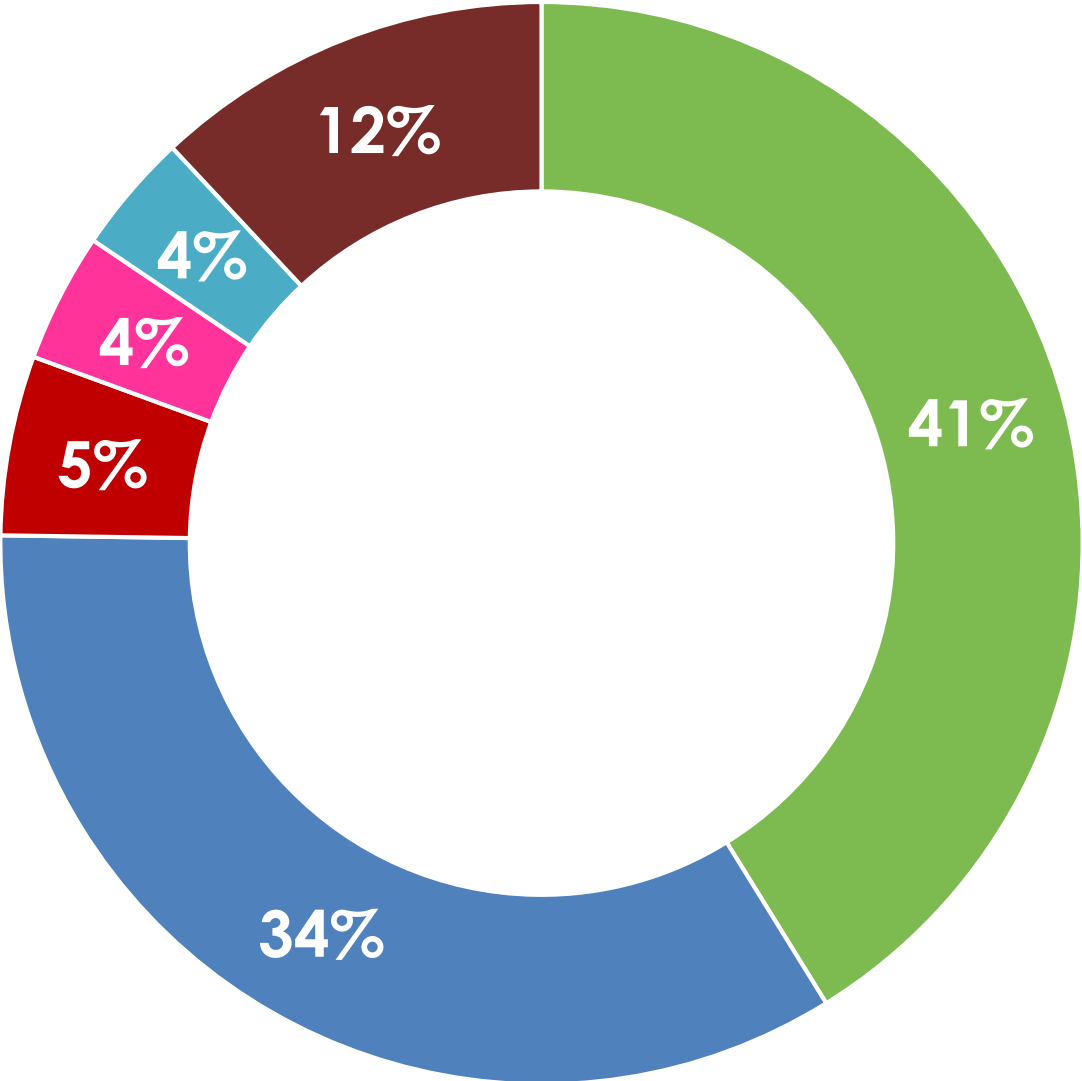
Megamex Performance

CAGR 5 YEARS

Net sales:	6.0%
EBIT:	3.9%
EBITDA:	3.5%



Megamex Portfolio



- Guacamole
- Sauce
- Tortillas & Chips
- Peppers
- Mole
- Others



We have a market share of **75%** in mole, **35%** in guacamole, **14%** in salsa and 2% in tortillas



70% of American households buy Avocado



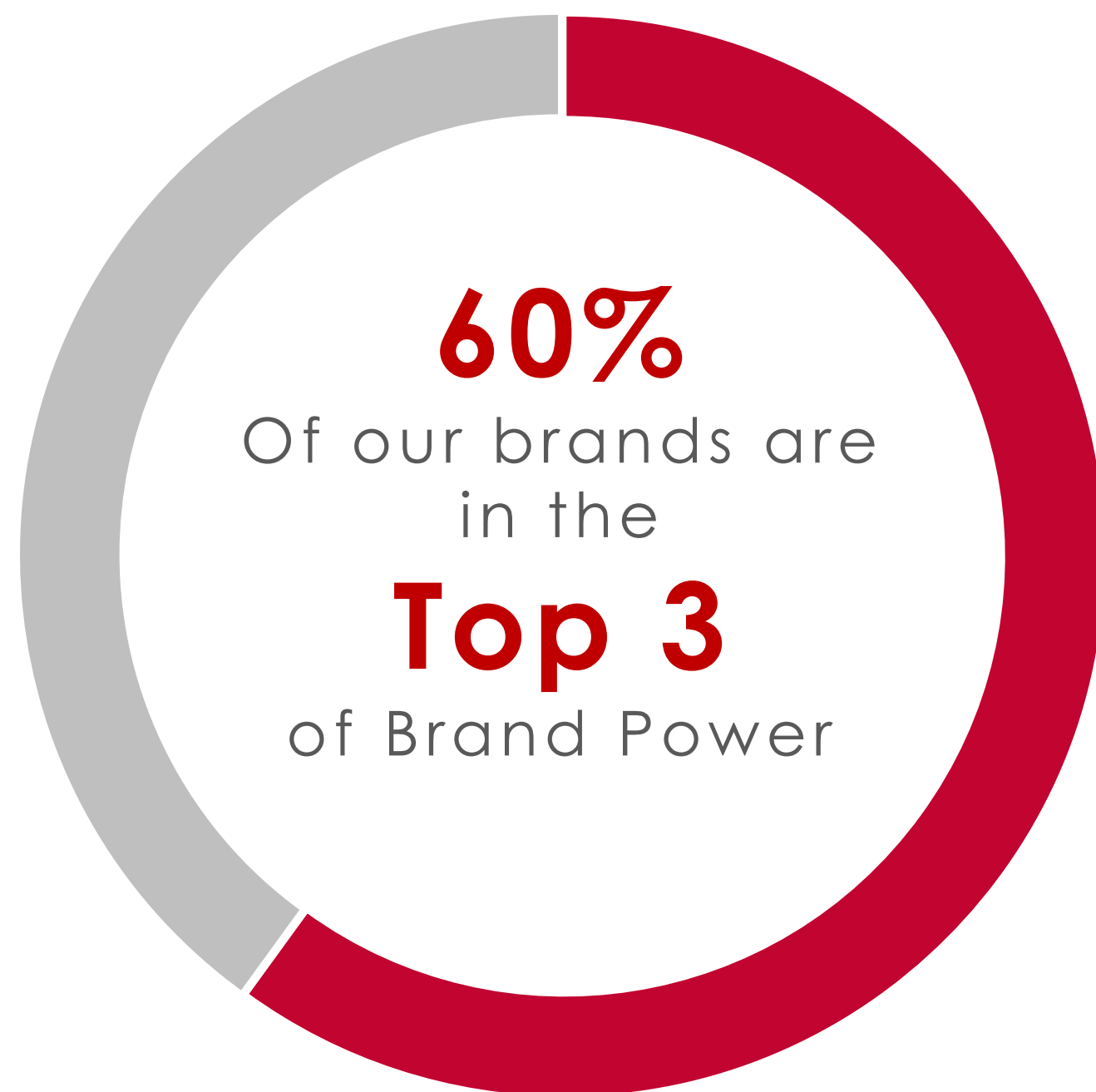
Leveraging Green Sauce and Street Food Adoption

*THIRD-PARTY INFORMATION
INCLUDING MODERN TRADE AND WHOLESALE AS OF JUNE 30, 2021

Our Business Model



Commercial Leadership



We are #1 or #2

in categories that represent

86% of our sales in Mexico.

99%

Of Mexican households buy our products.

18 times

Are bought our products by each household in Mexico.

44%

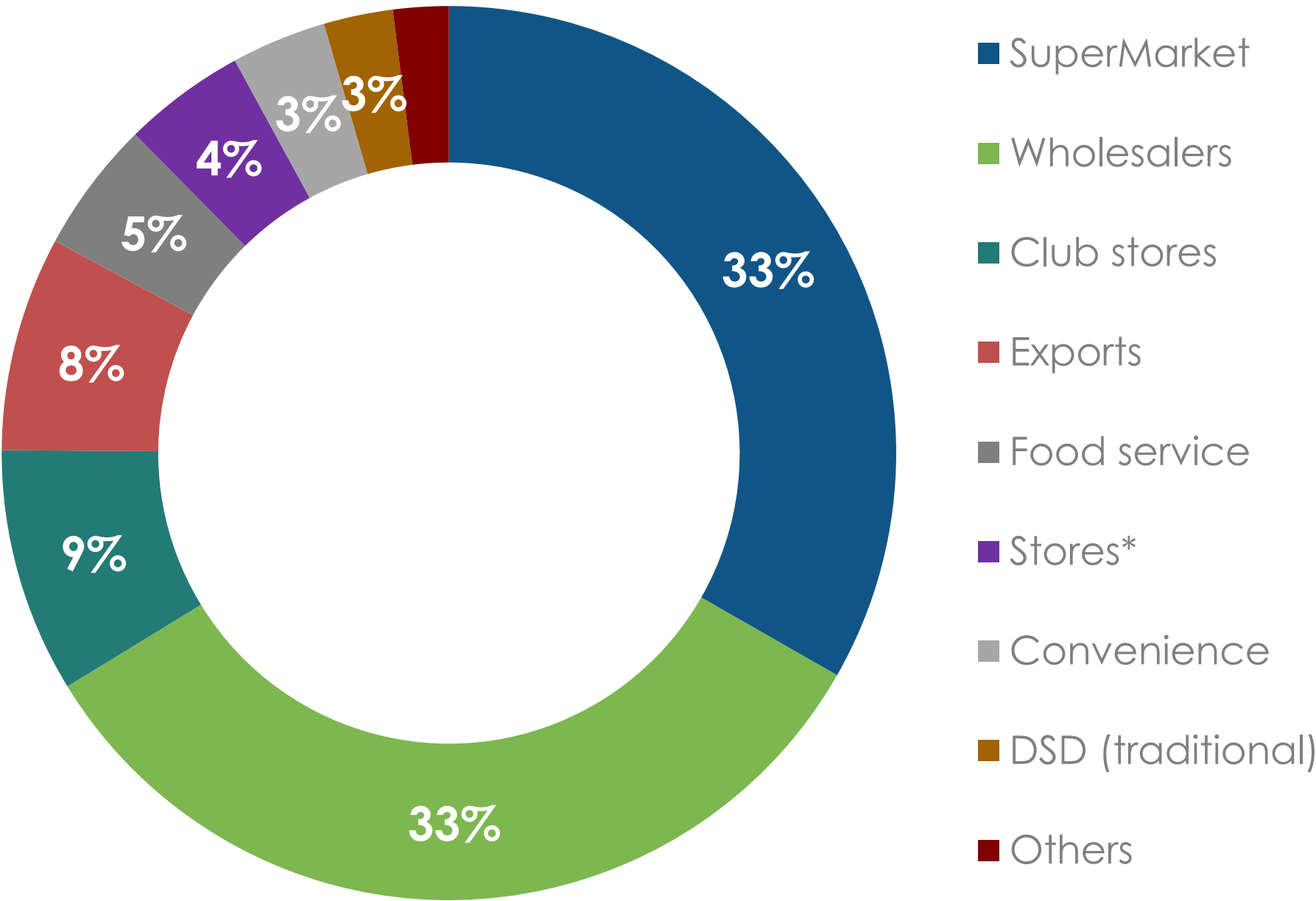
Of market share for preserves in the wholesale channel.

31%

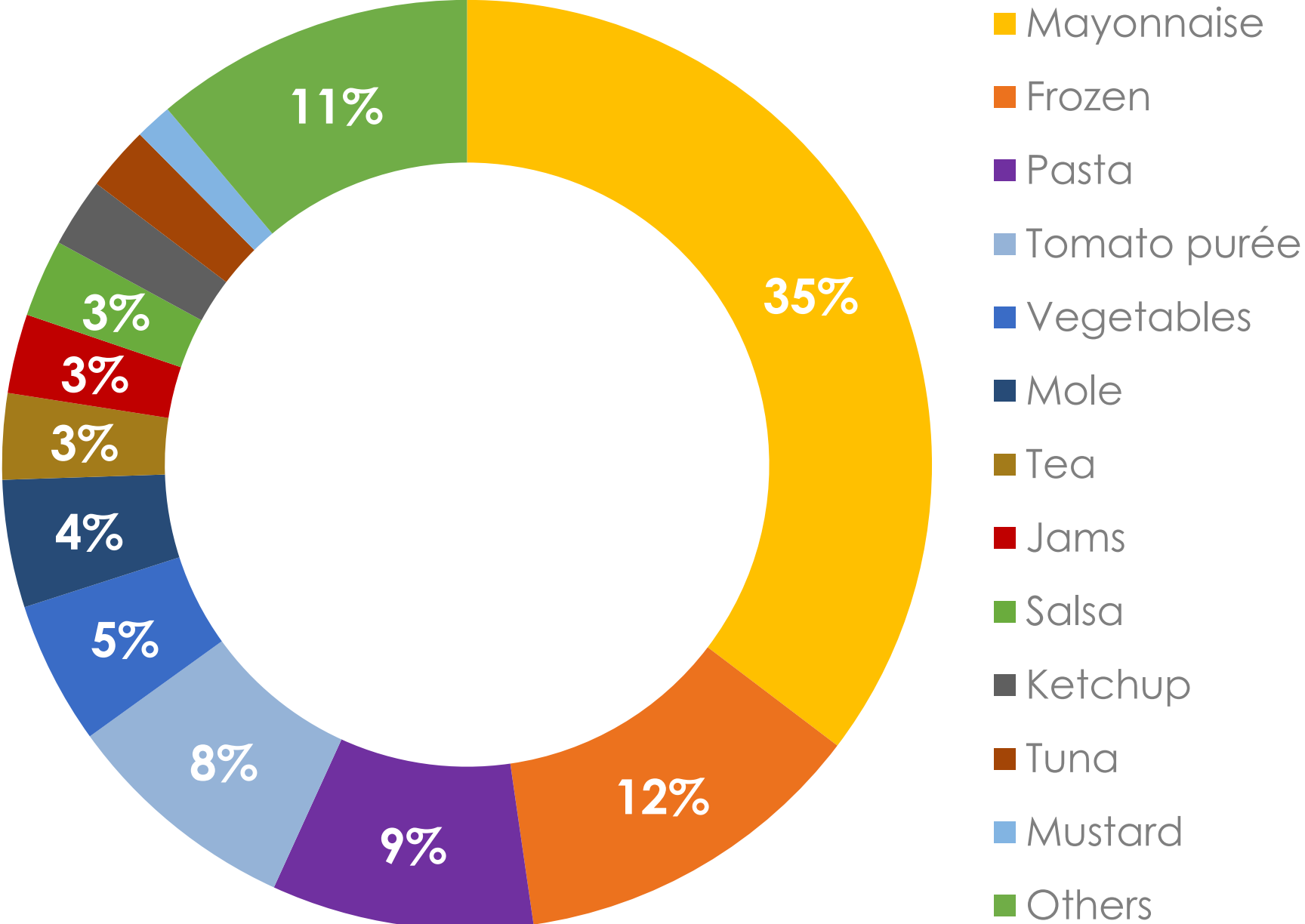
Of market share for preserves in the supermarkets channel.

Commercial Leadership

Consolidated Sales Mix
By Channel

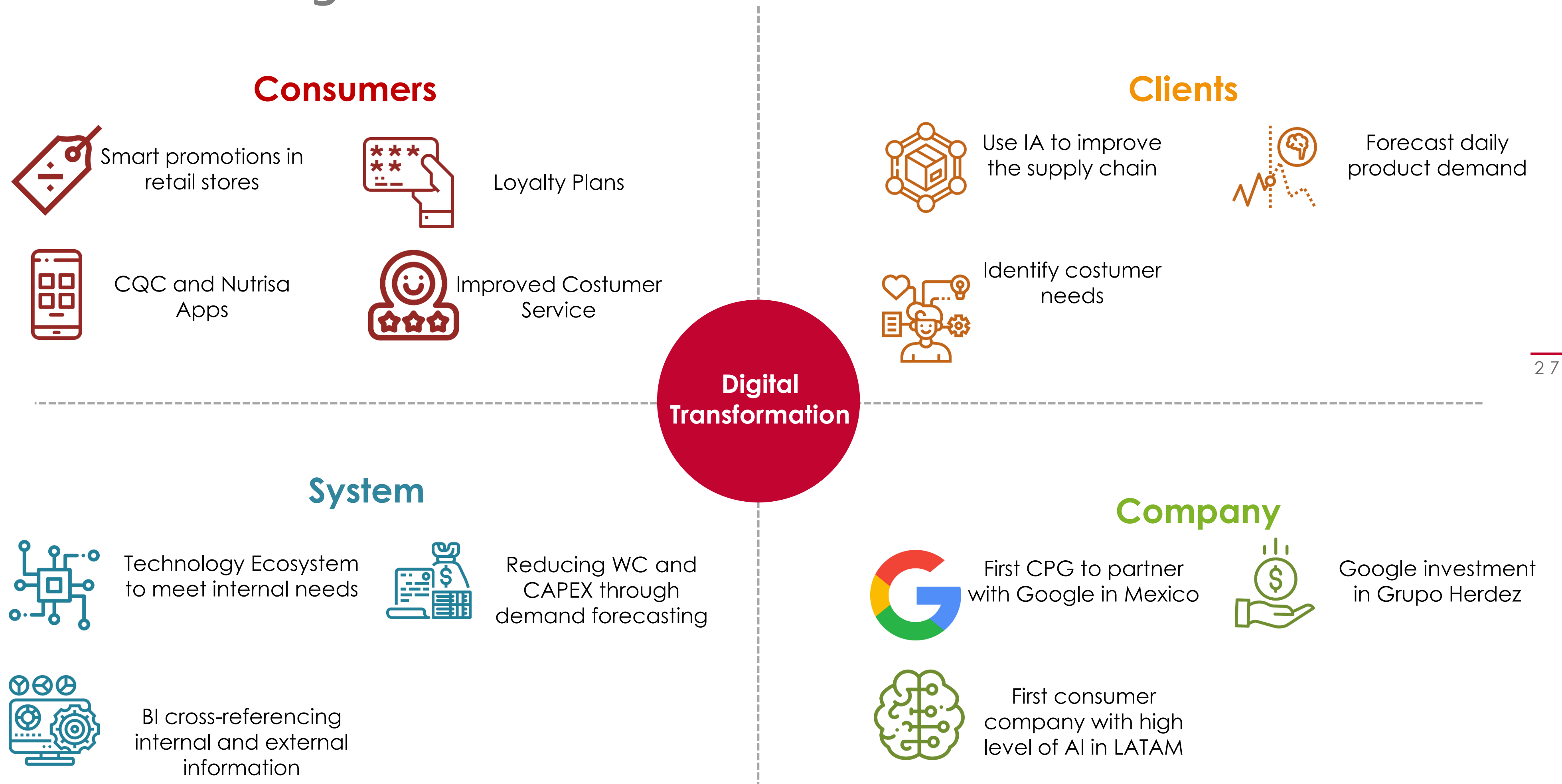


Consolidated Sales Mix
By Category*



CONSOLIDATED FIGURES AS OF JUNE 30, 2021
* STORES: INCLUDING CQC, LAVAZZA, MOYO AND NUTRISA
* NOT INCLUDING EXPORTS

Technologic Investment



Sustainability Model

Pillars:



People

We are focused on promoting inclusion, diversity and equal opportunities, generating quality jobs.



Community

We are committed to food health, seeking to promote healthy habits.



Planet

We are taking measures to ensure adequate resource management and a positive ecological balance.



5 GENDER
EQUALITY



6 CLEAN WATER
AND SANITATION



8 DECENT WORK
AND
ECONOMIC
GROWTH



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



2 ZERO
HUNGER



13 CLIMATE
ACTION

28



We are signatories of the United Nations Global Compact

Main Achievements

82% of the waste we generate gets recycled

62% of our energy consumption comes from clean sources

2.8% of our consolidated net income is invested in social programs

1.9% Of our consolidated net income is invested in environmental initiatives



We promote labor equality through the installation of 8 lactation rooms across corporate and plants, creating stronger bonds with our employees.



We have a Sustainable Agriculture Program.



We created Semillero Nutrisa to promote growth at women-owned SMEs.

Awards



12 years with the “Empresa Socialmente Responsable” mark



Six plants of Grupo Herdez have the “Industria Limpia” certification

MSCI
ESG RATINGS

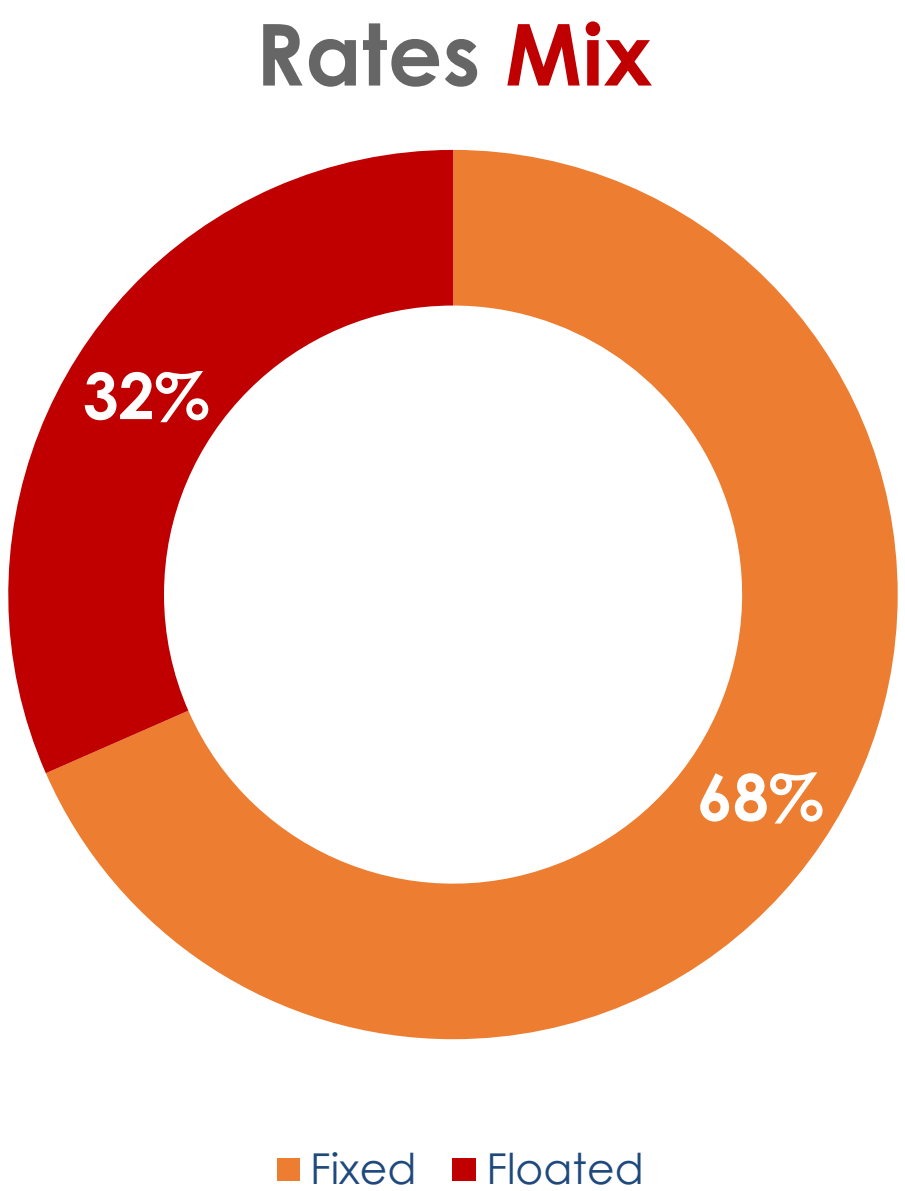
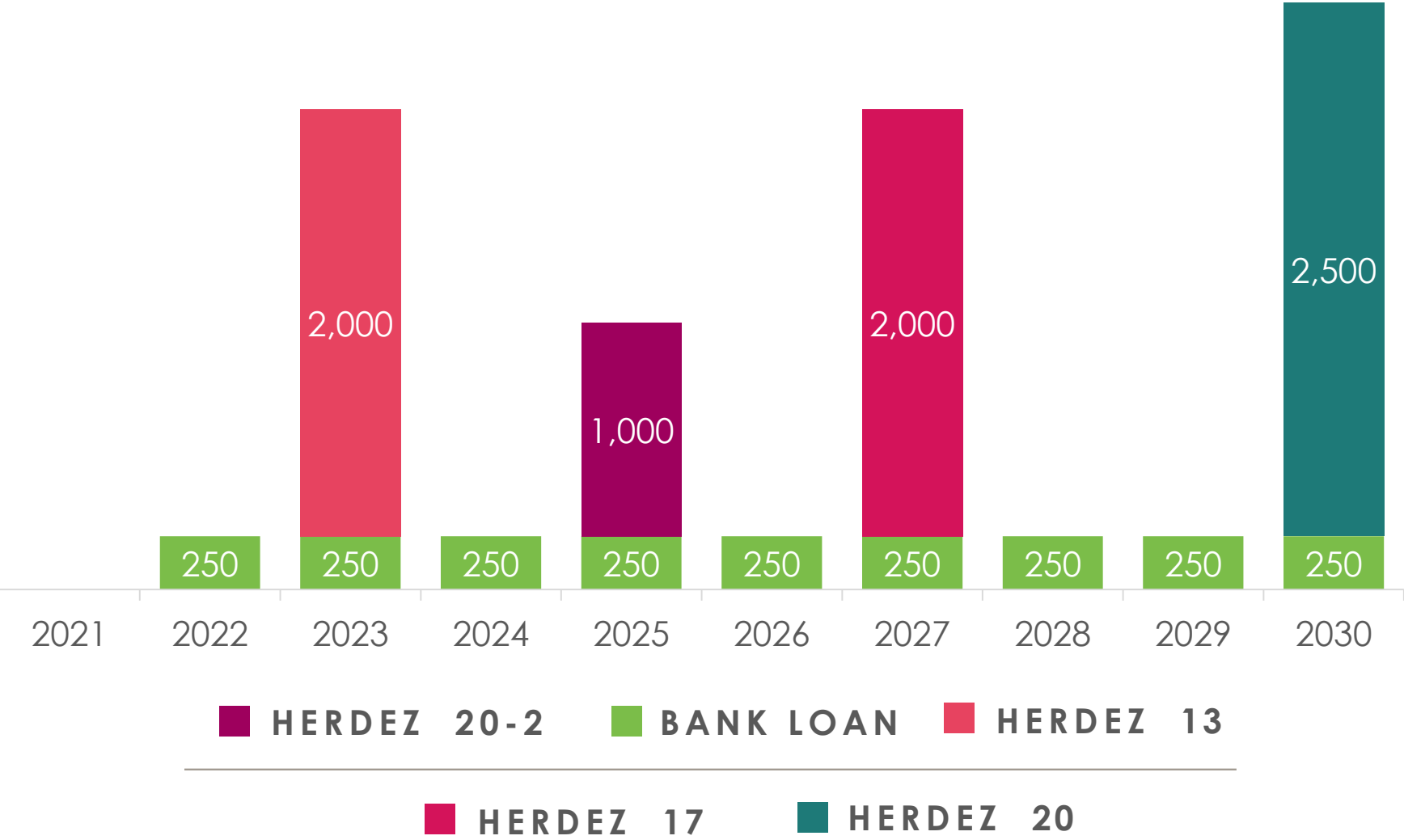


As of 2021, Grupo Herdez received an MSCI ESG Rating of **AA**.



As of 2020, Grupo Herdez received a **C** rating from CDP

Debt Structure



Debt Rating

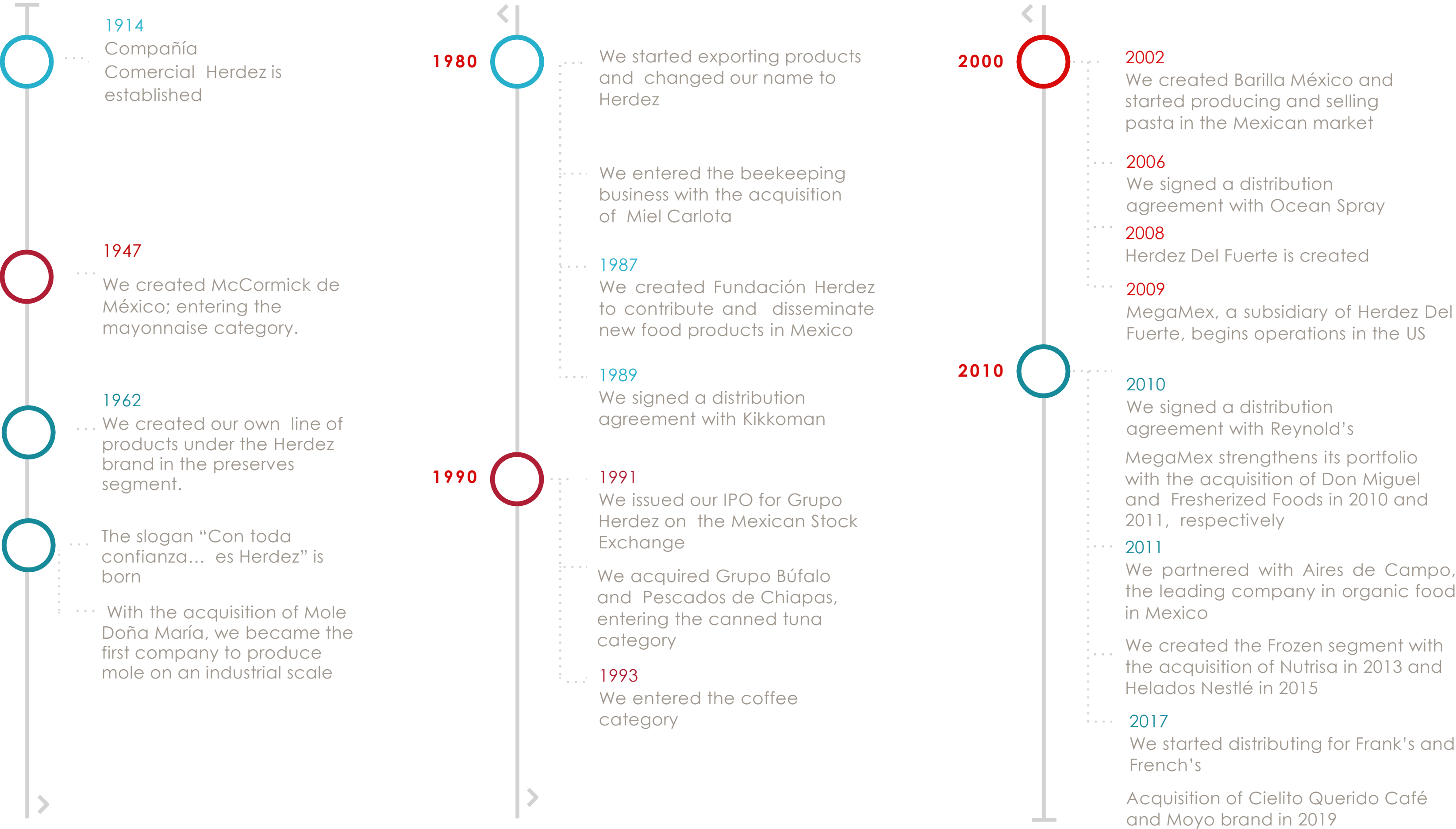
Agency:	S&P Ratings	Fitch Ratings
Rating:	mxAA	AA(mex)
Perspective:	Negative	Negative

Financial Debt	9,500
Average Cost	7.41%
Net Debt /EBITDA	2.0
Net Debt / Shareholder’s Equity	0.46



APPENDIX

Our Legacy



Board of Directors

HÉCTOR HERNÁNDEZ-PONS TORRES
Owner – Chairman

- Has a law degree from Universidad Anahuac and an MBA from the National University of San Diego
- Experience in the sector since 1978
- Named Chairman in 2004
- Has held several positions in industry groups including BASC, CONCAMIN and CANAINCA

ENRIQUE HERNÁNDEZ-PONS TORRES
Owner - Vice president

- Bachelor’s degree in Business Administration and a post- graduate degree in Marketing and Business Management
- Experience in the sector since 1971
- Chairman of Megamex

FLORA HERNÁNDEZ DE MERINO
Owner – Board Member

ENRIQUE CASTILLO SÁNCHEZ MEJORADA
Independent

- Bachelor’s degree in Business Administration
- Former Chairman of Maxcom Telecomunicaciones, Non-executive Chairman of Banco Nacional de México and Vice Chairman and President of the Banking Association of Mexico
- Board member of Grupo Alfa, Southern Copper Corporation and Médica Sur

JOSÉ ROBERTO DANIEL DÍAZ
Independent

- Bachelor’s degree in Accounting and postgraduate degree in Business Administration, Business Management and Corporate Governance
- Chairman of the Corporate Governance Best Practices Committee, member of the Latin American Corporate Governance Institute and board member of public and private companies
- Former CFO of Grupo Vitro, Grupo Desc and Industria Peñoles

Michael Bernhard Jost
Independent

- Graduated in Economics and Business Administration from the University of Bern
- He held the position of CFO in different entities of Nestlé Group
- He served as a member of the Remuneration Committee and the Compliance Committee at Nestlé Brazil and Nestlé Mexico.
- He was recently appointed to the Board of Masisa, a company in the timber sector in Chile

LUIS REBOLLAR CORONA
Independent

- Bachelor’s degree in Chemical Engineering
- Board member in Grupo Gigante, Grupo Sánchez and Corporación San Luis
- Held positions as Chairman in Satélites Mexicanos and Sandvik de México

ANASOFÍA SÁNCHEZ JUÁREZ CARDOZE
Independent

- Bahelor’s degree in Marketing and a Master’s degree in Communication, Advertising and New Media
- Held positions as Director of Business in Mexico and Central America at Facebook, Brand Solutions Manager for Google and Commercial Leader for YouTube Mexico
- She currently serves as the CEO of Waze Mexico, and as a professor at the Higher Institute for Internet Development (ISDI) in the Internet Business Master

EDUARDO ORTIZ TIRADO SERRANO
Independent

- Director at Aerobal and Gridimex
- Held positions as Corporate Vice President and General Manager at SC Johnson for Mexico and Central America
- Board member of ENACTUS, Una mañana para la comunidad and member of Fundación Xochitla
- Former board member at CONAR, CEMEFI and advisory council for Great Place to Work Mexico



Corporate Governance

OWNING

Héctor Hernández-Pons Torres
Chairman

Enrique Hernández-Pons Torres
Vice president

Flora Hernández de Merino
Board Member

INDEPENDENT

Anasofía Sánchez Juárez Cardoze

Luis Rebollar Corona
Head of Environmental Practices

Eduardo Ortiz Tirado Serrano
Head of Labor Practices

Enrique Castillo Sánchez Mejorada

Michael Bernhard Jost

José Roberto Danel Díaz
Chairman of the Corporate Practices and
Audit Committe





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