



CORPORATE  
PRESENTATION  
SEPTEMBER 2021





## FORWARD-LOOKING STATEMENT

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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 September 30, 2021, unless otherwise stated.*



# INVESTMENT CASE

+100 Years of Experience

+ 25 Brands  
Market Leaders



Diversified Portfolio



Solid Corporate Governance



Committed with Sustainability



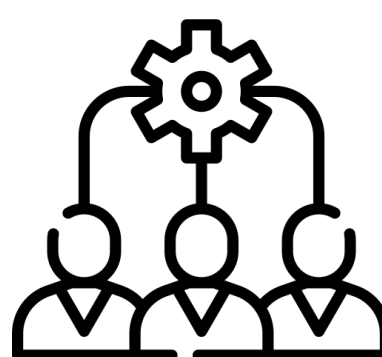
Sound Financial Structure



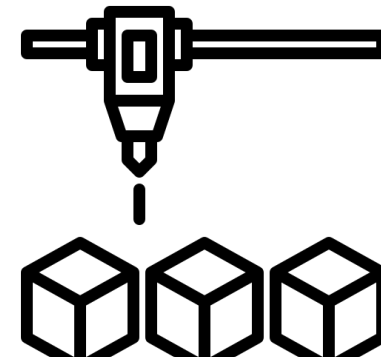
Profitable Growth Strategy



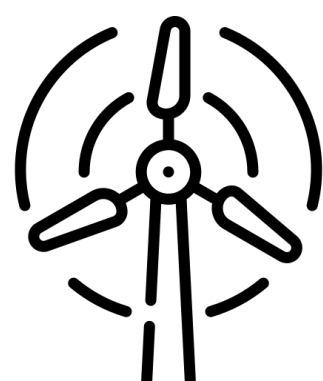
# STRATEGY



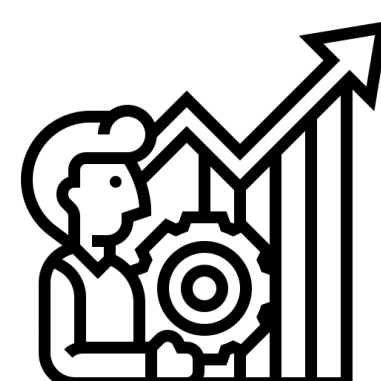
MAINTAIN AND FORM  
PARTNERSHIPS THROUGH  
THE DEVELOPMENT OF  
INTELLIGENCE



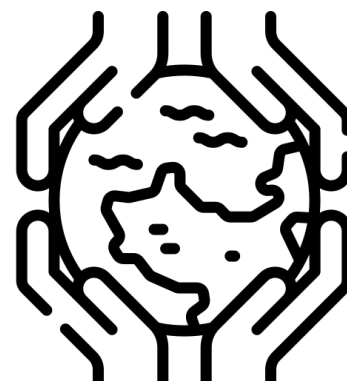
IMPLEMENT  
TECHNOLOGIES  
THAT ACCELERATE  
PROCESSES



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 Impulse 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



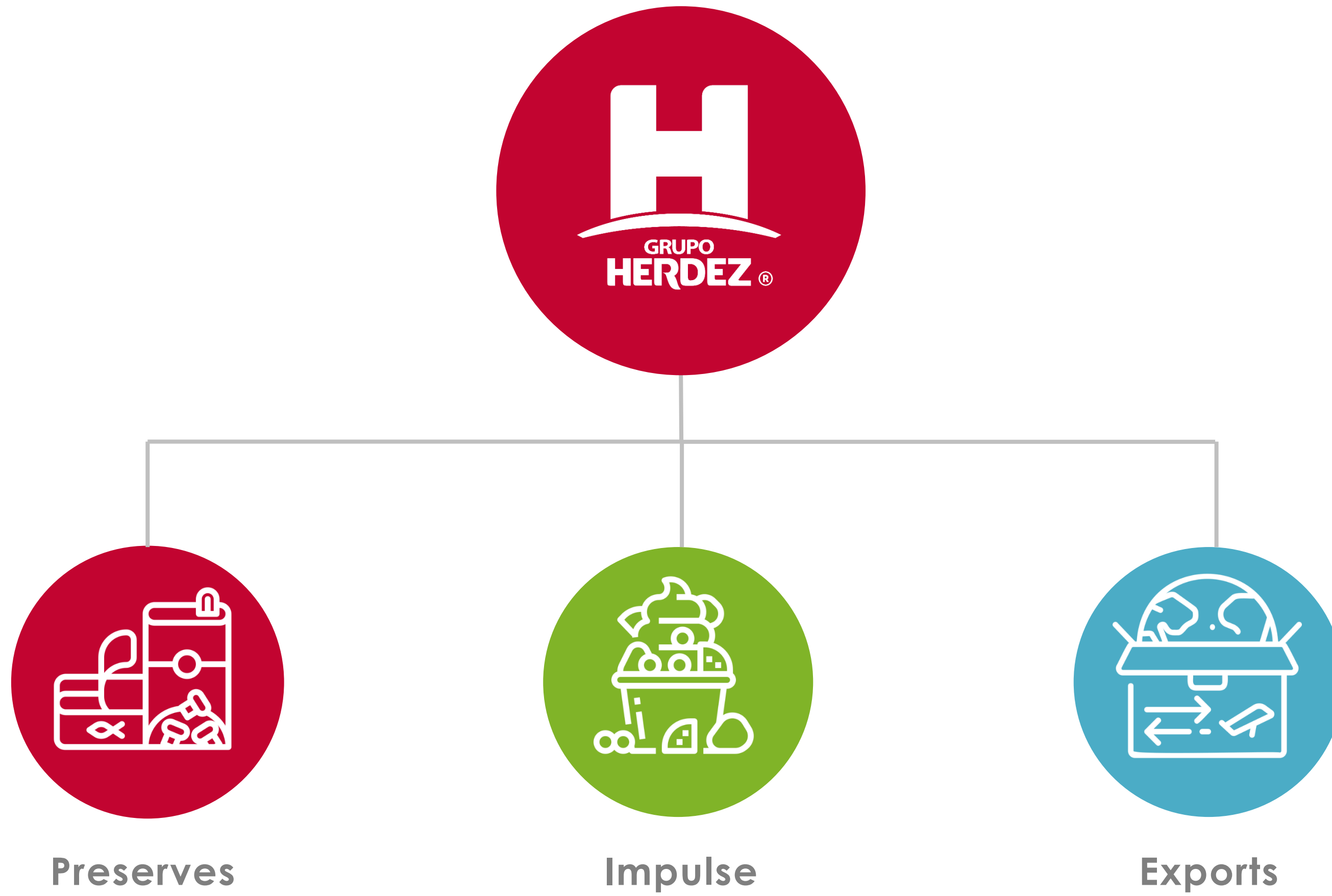
## Our Brands in the U.S.



## Distribution Agreements in Mexico

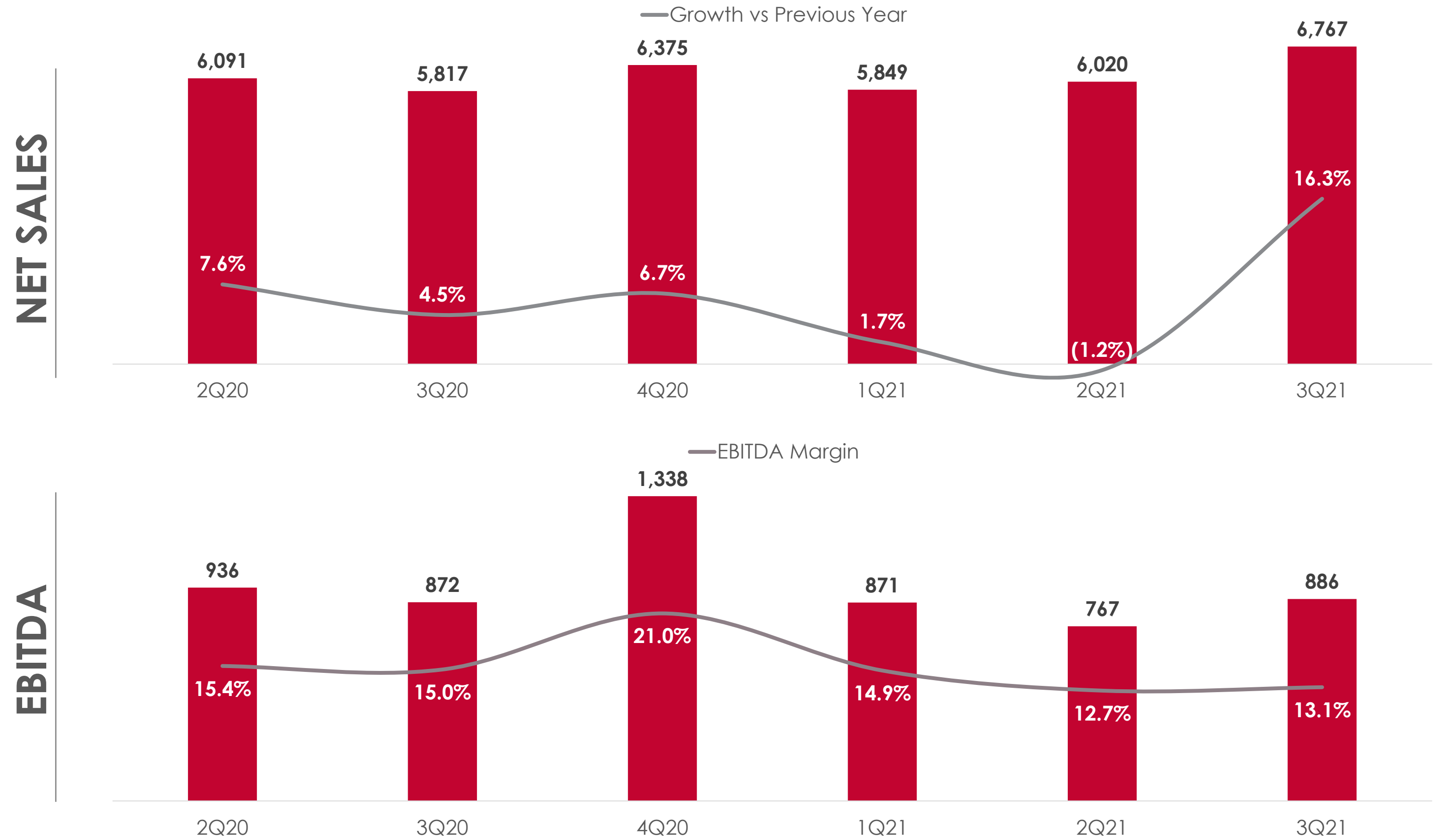


# Consolidated

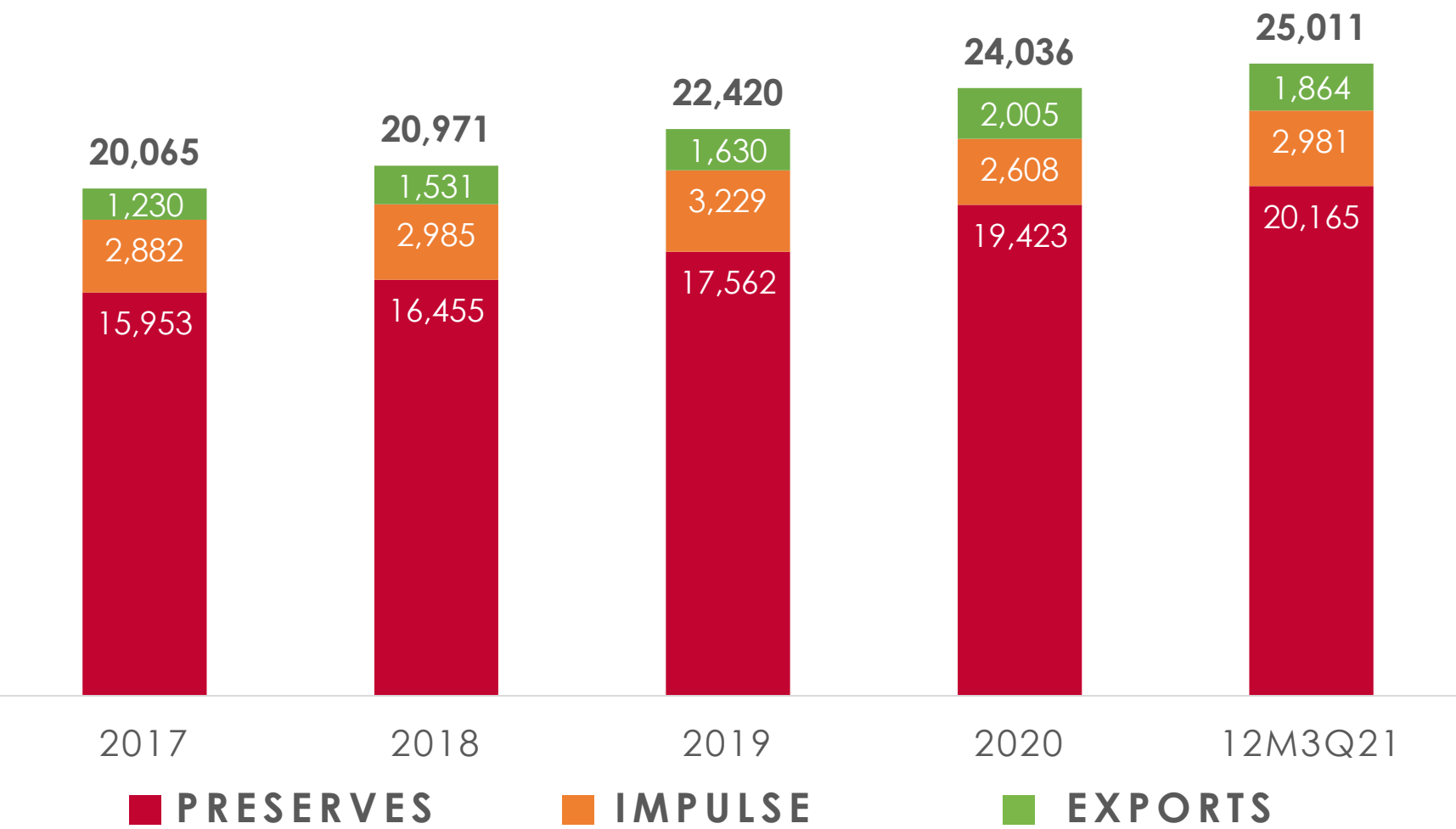


# Current Situation

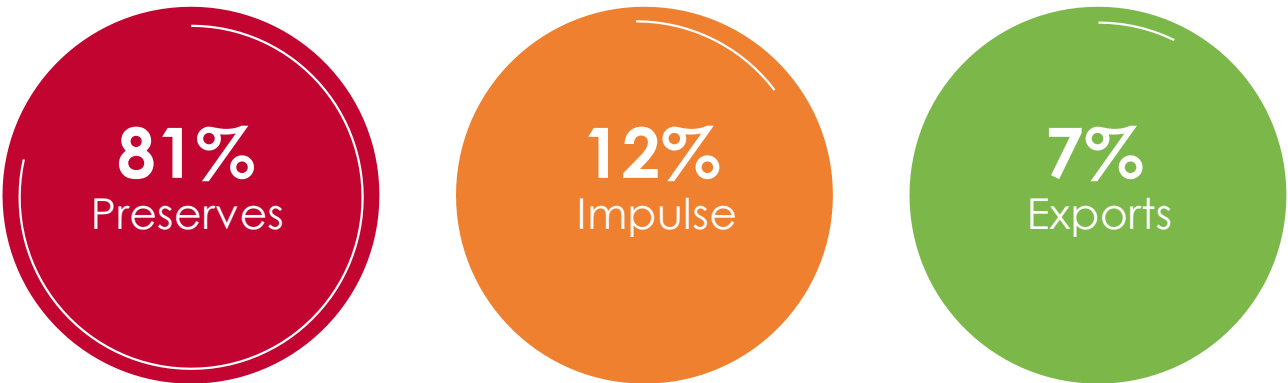
## CONSOLIDATED



# Net Sales



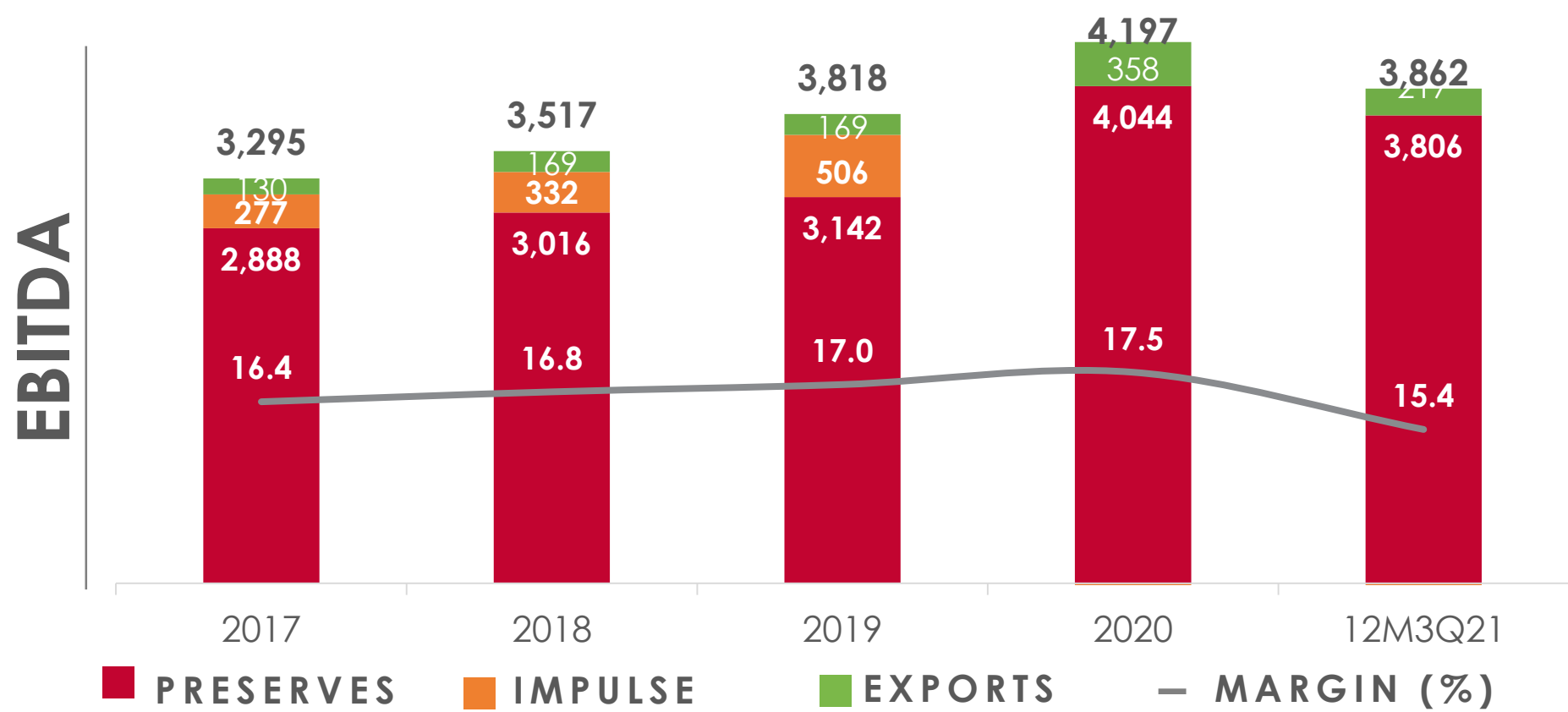
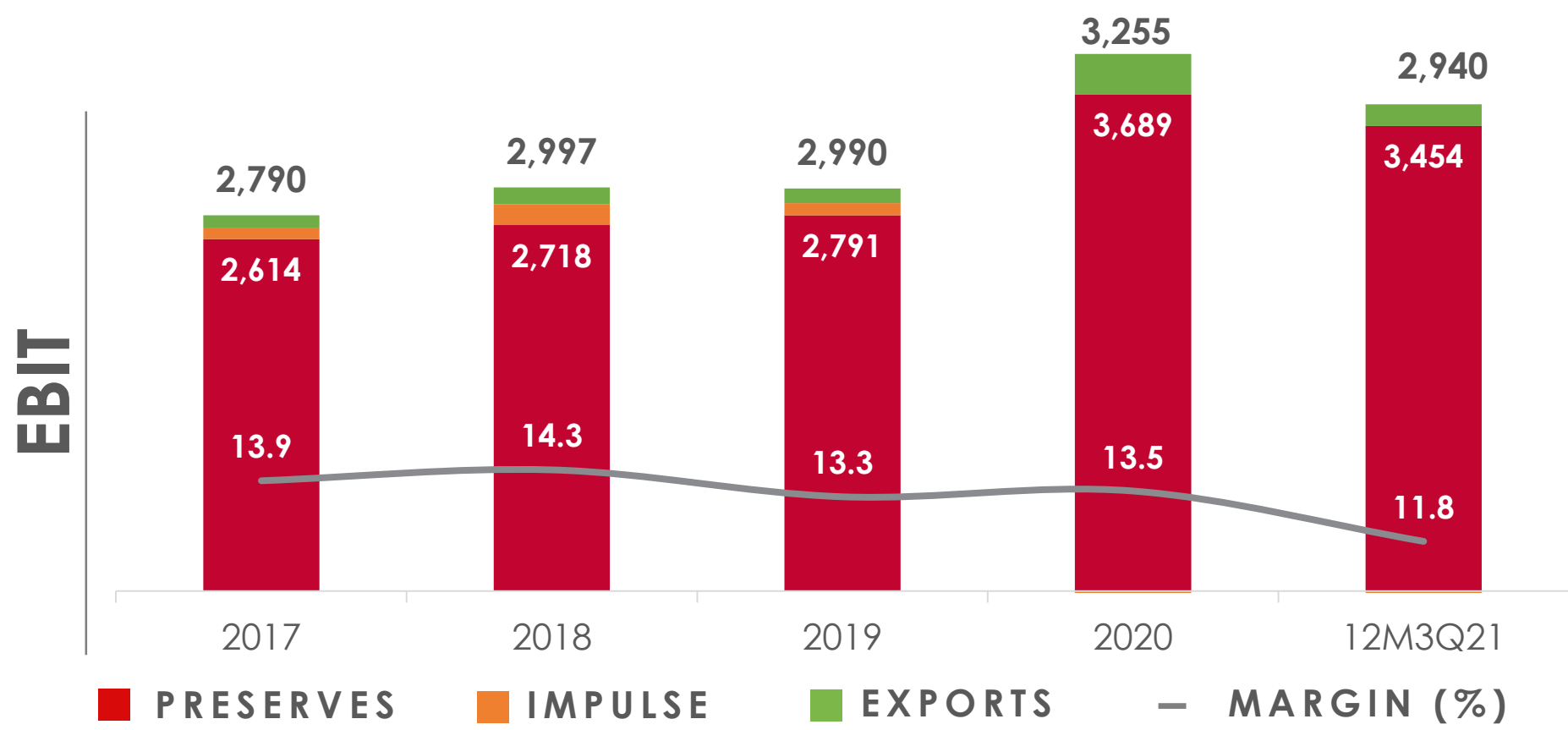
## Segment Mix



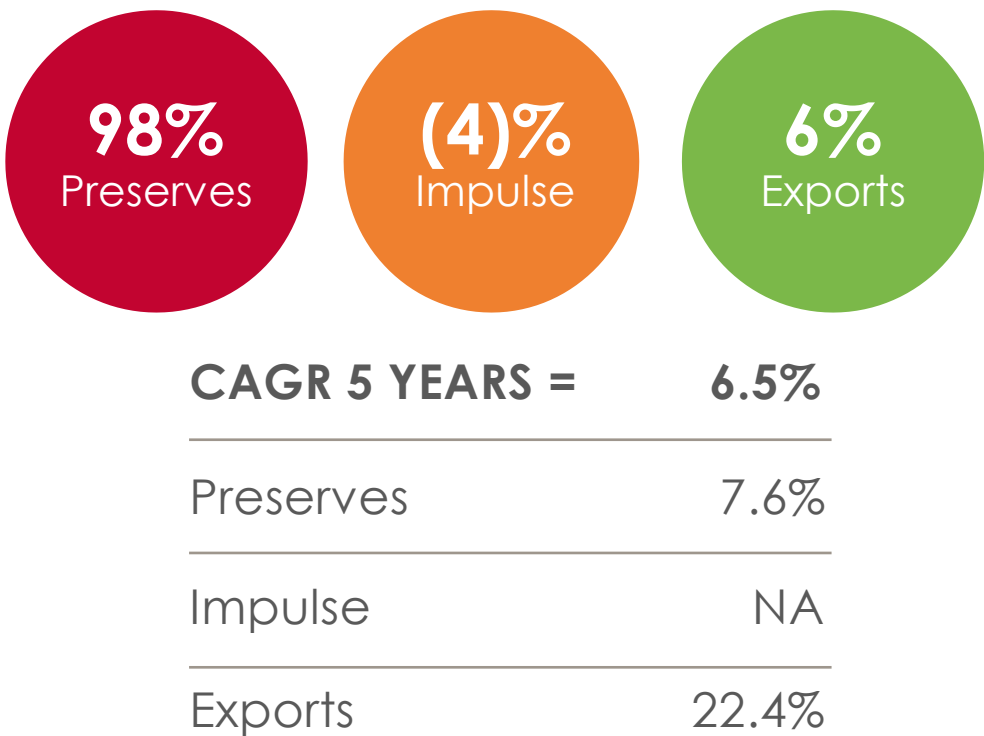
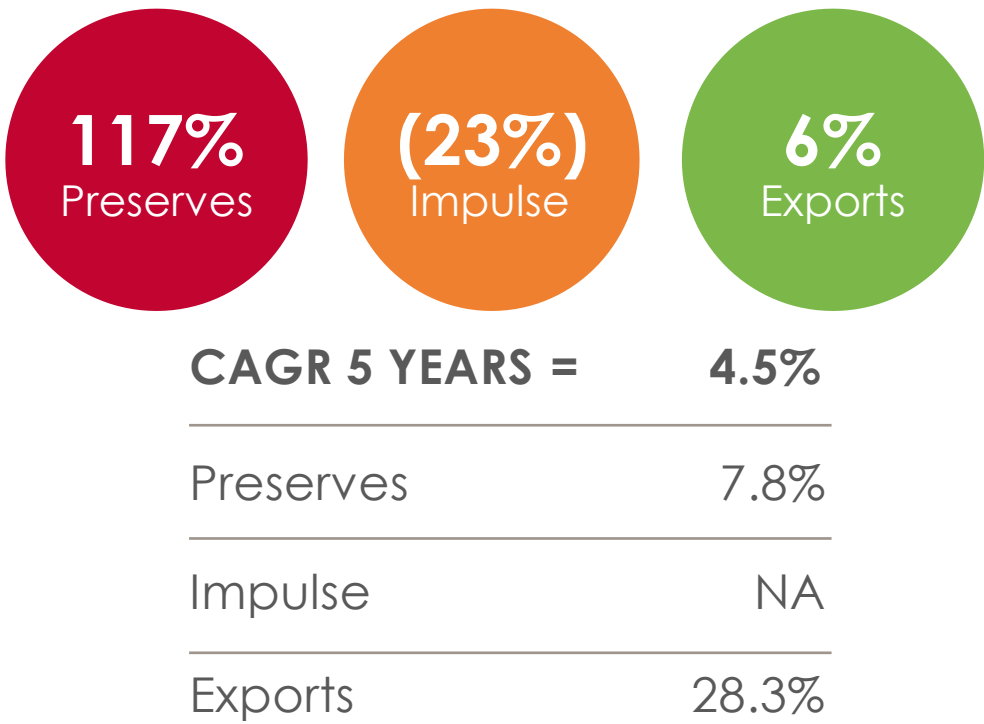
CAGR 5 YEARS =	6.6%
Preserves	6.9%
Impulse	2.8%
Exports	10.0%



# EBIT & EBITDA



## Segment Mix



# Our Segments



Preserves



Impulse



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

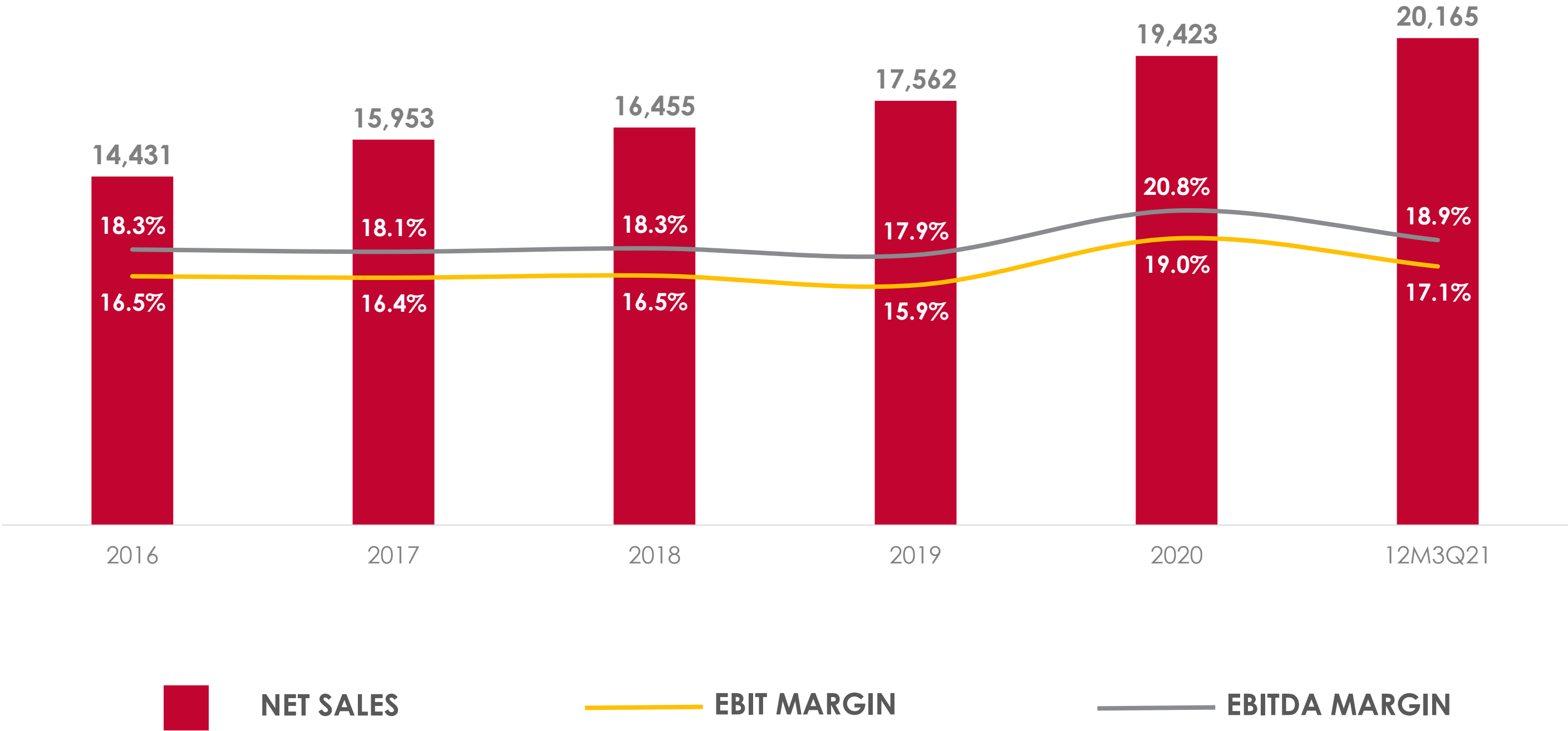




# Preserves Performance

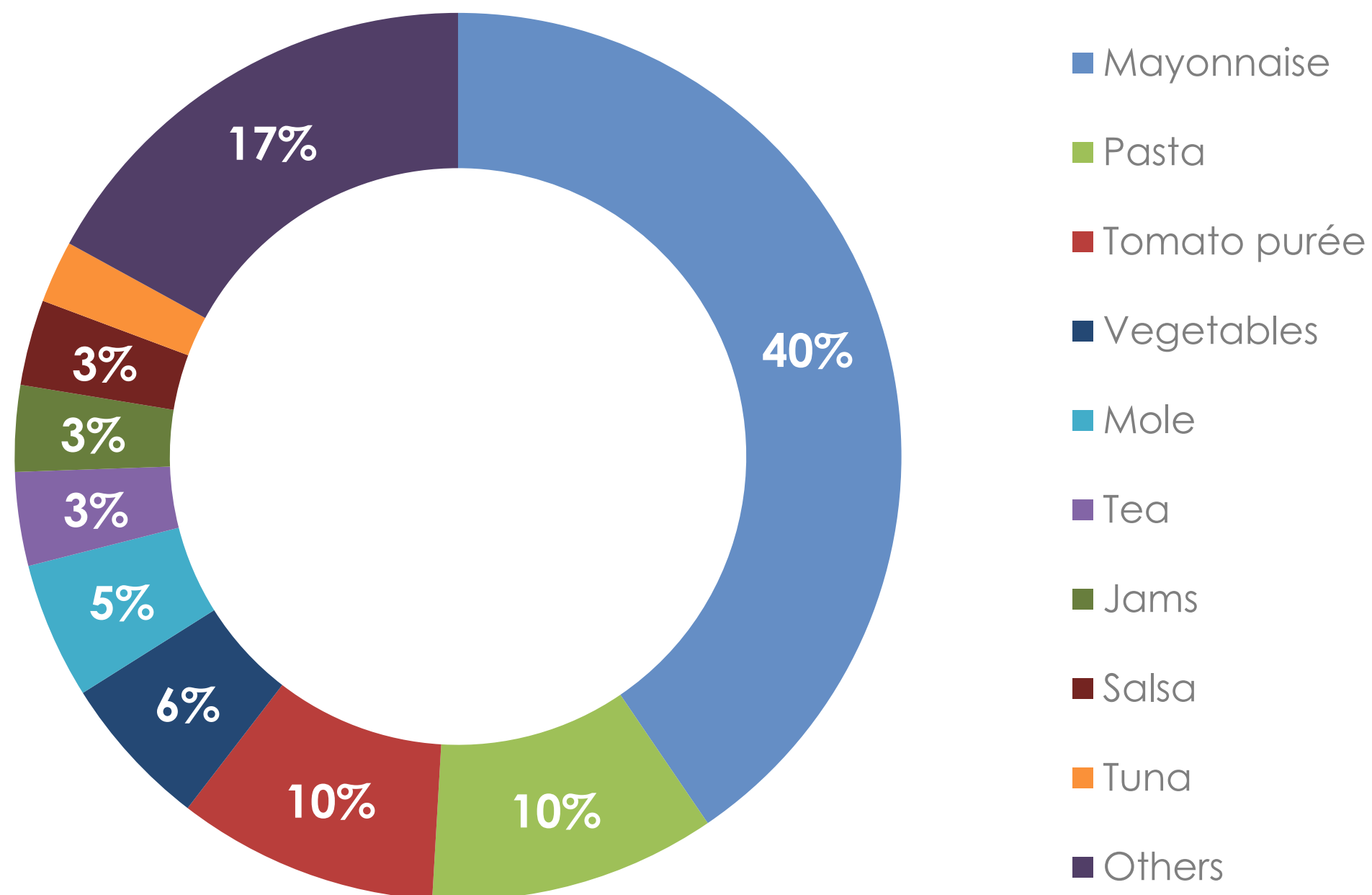
## CAGR 5 YEARS

Net sales: 6.9%  
EBIT: 7.8%  
EBITDA: 7.6%



# 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



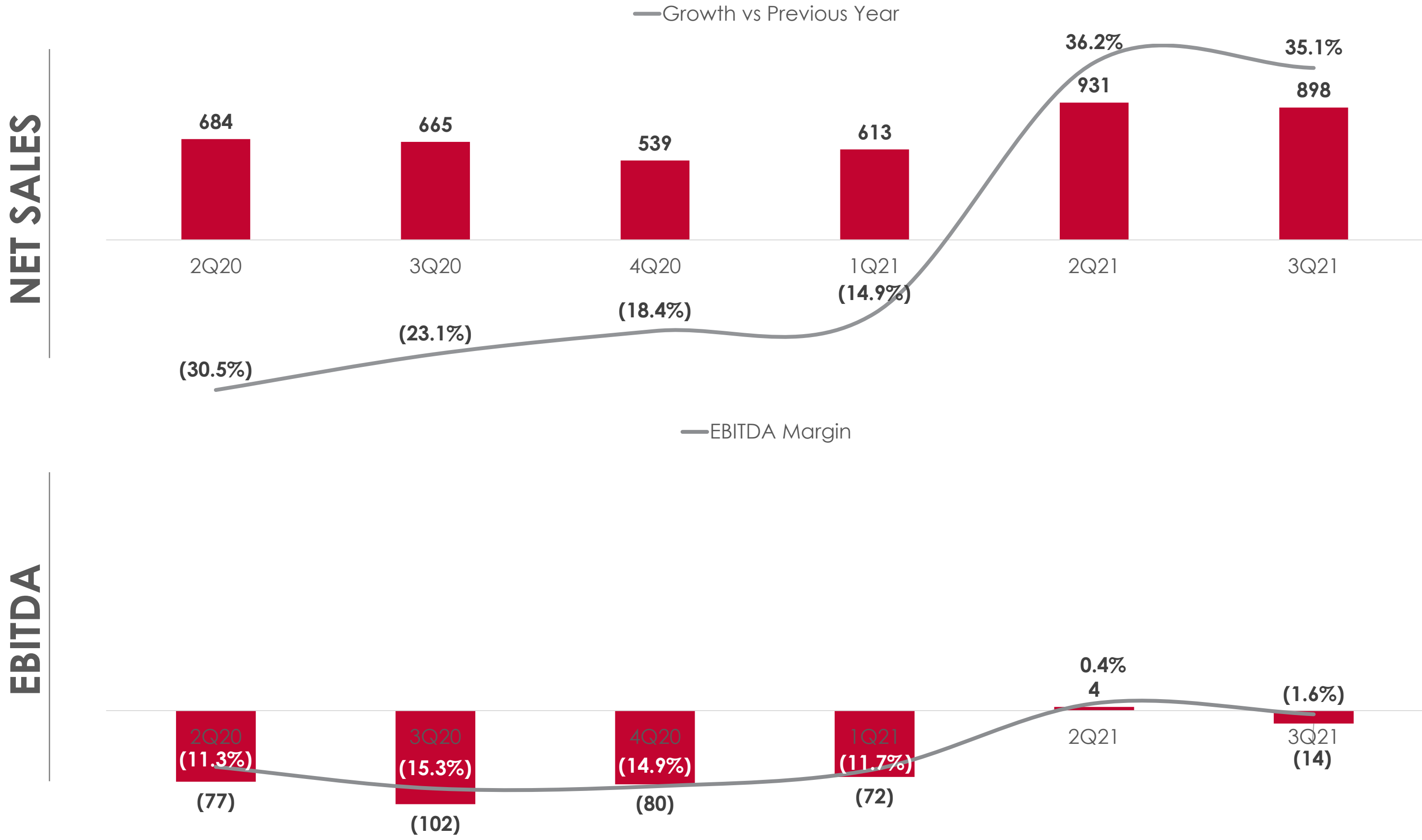
Impulse



Exports

# Current Situation

## IMPULSE





# Impulse Innovation



Leverage Brand Power



Renewed Image



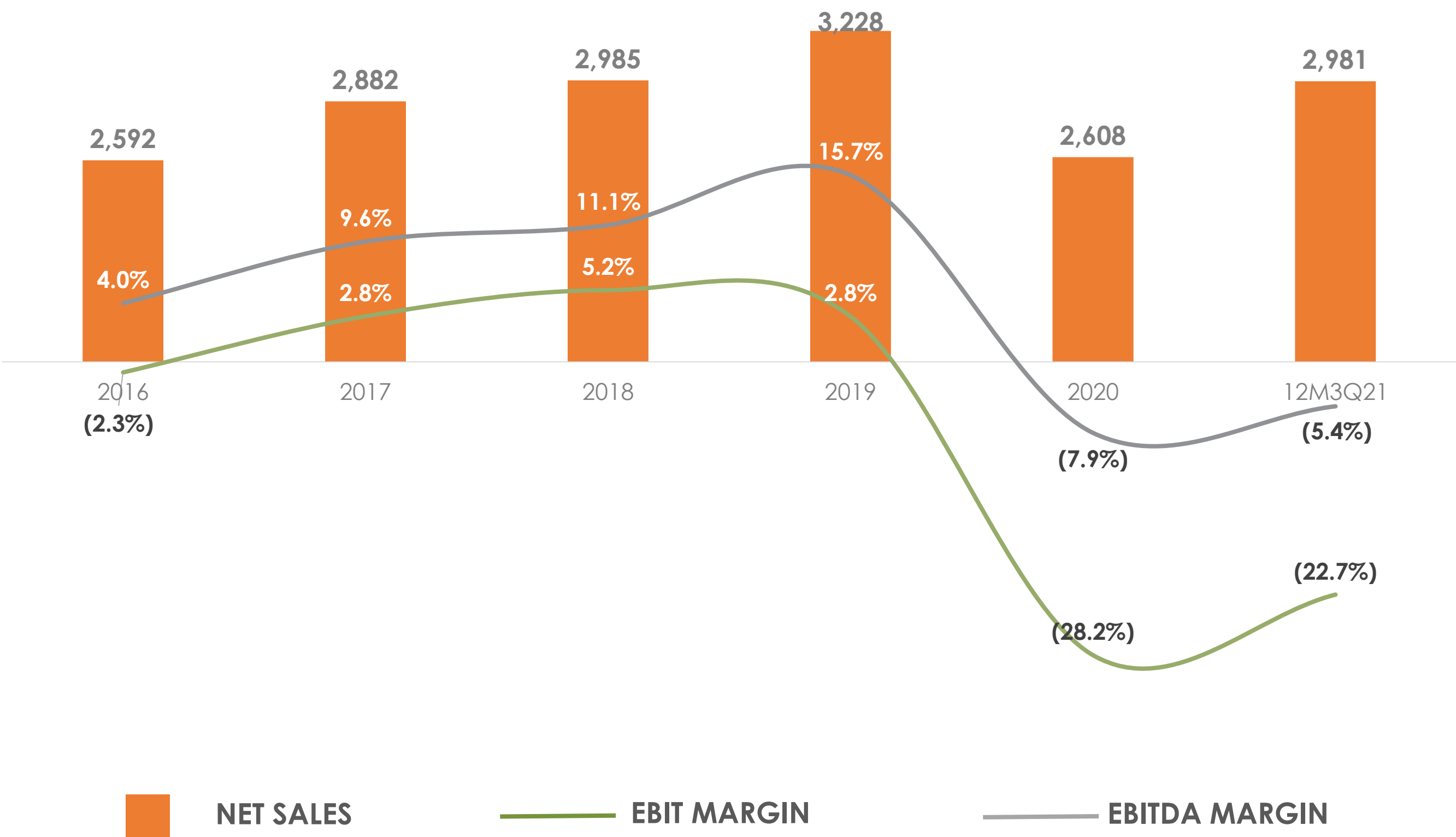
E-Commerce



# Impulse Performance

## CAGR 5 YEARS

Net sales: 2.8%  
EBIT: NA  
EBITDA: NA





# Impulse Snapshot

## Growth Drivers



Portfolio Segmentation by Channel



Increase Store Traffic & Freezer Productivity



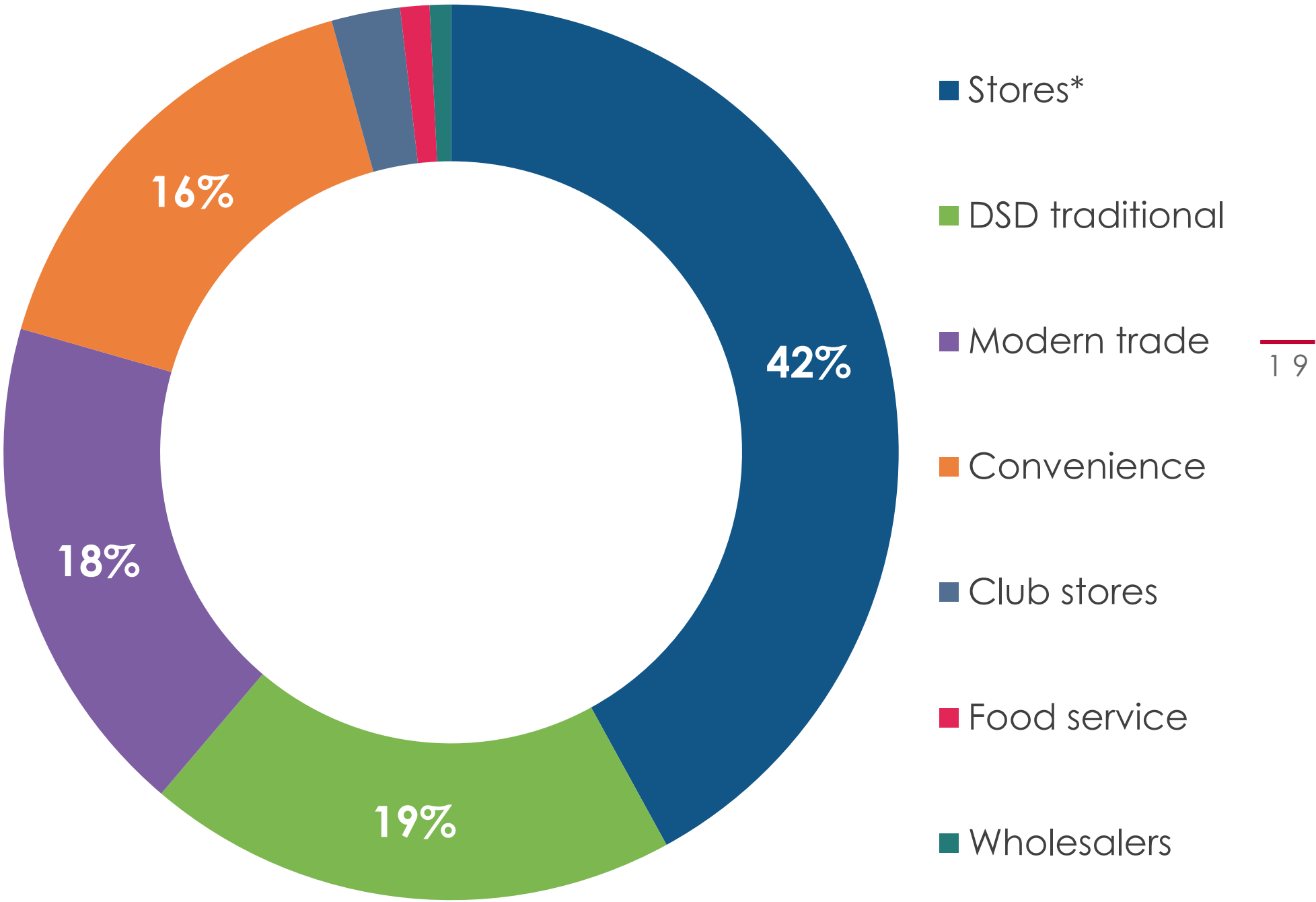
SG&A Control



Strengthening of Sales Channels



## Impulse Sales Mix By Channel



CONSOLIDATED FIGURES AS OF SEPTEMBER 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.

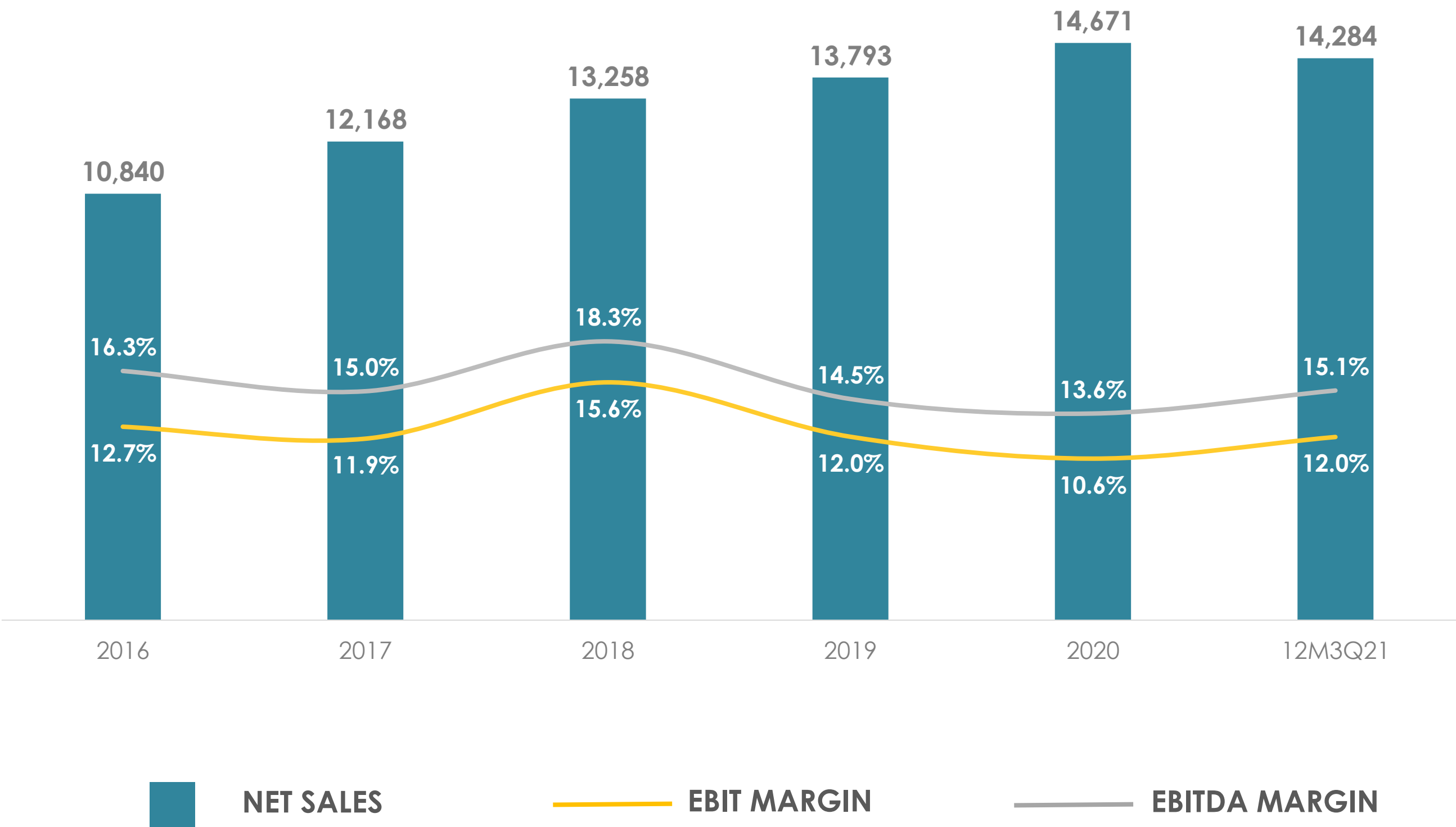


Food away from home,  
accelerating penetration  
in this segment

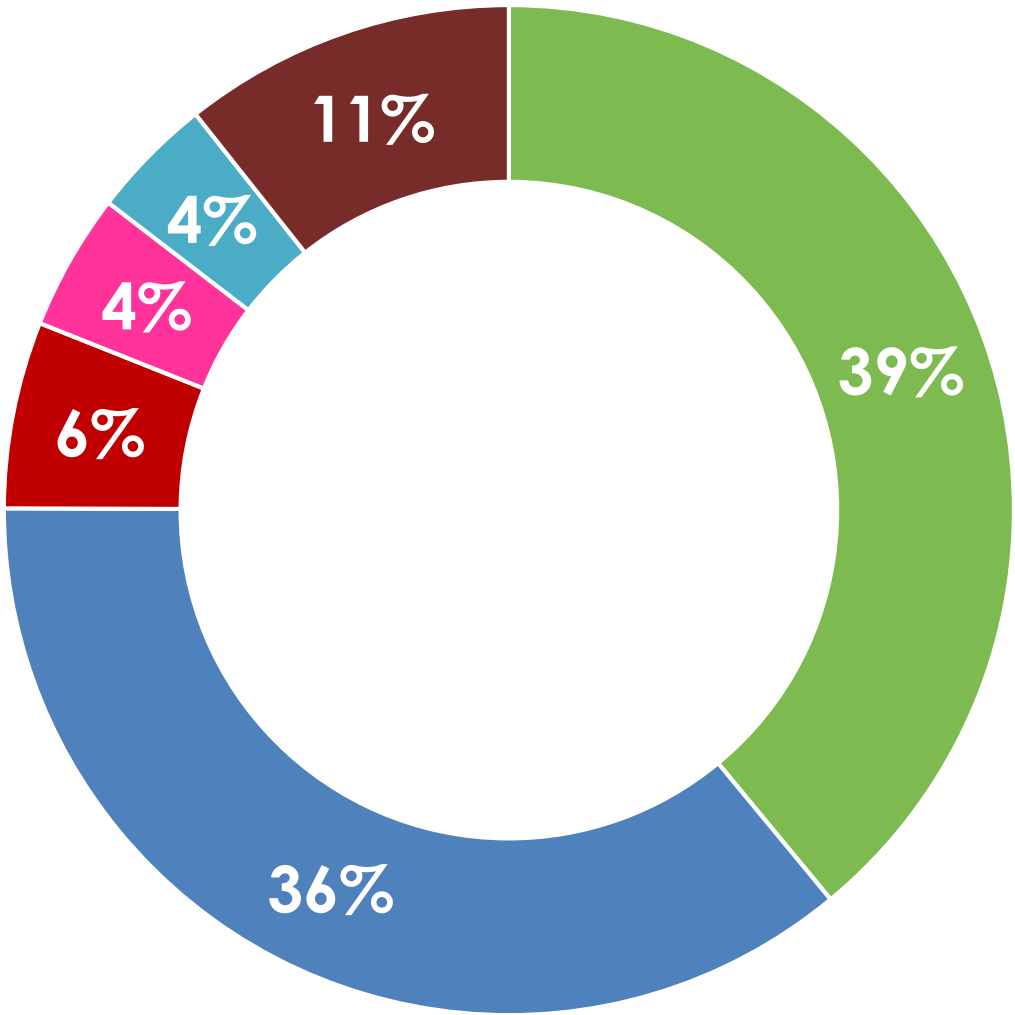
# Megamex Performance

## CAGR 5 YEARS

Net sales:	5.7%
EBIT:	4.5%
EBITDA:	4.0%



# Megamex Portfolio



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



We have a market share of **79%** in mole, **35%** in guacamole, **14%** in salsa and 1% in tortillas



**70%** of American households buy Avocado



Leveraging Green Sauce and Street Food Adoption



# 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%**

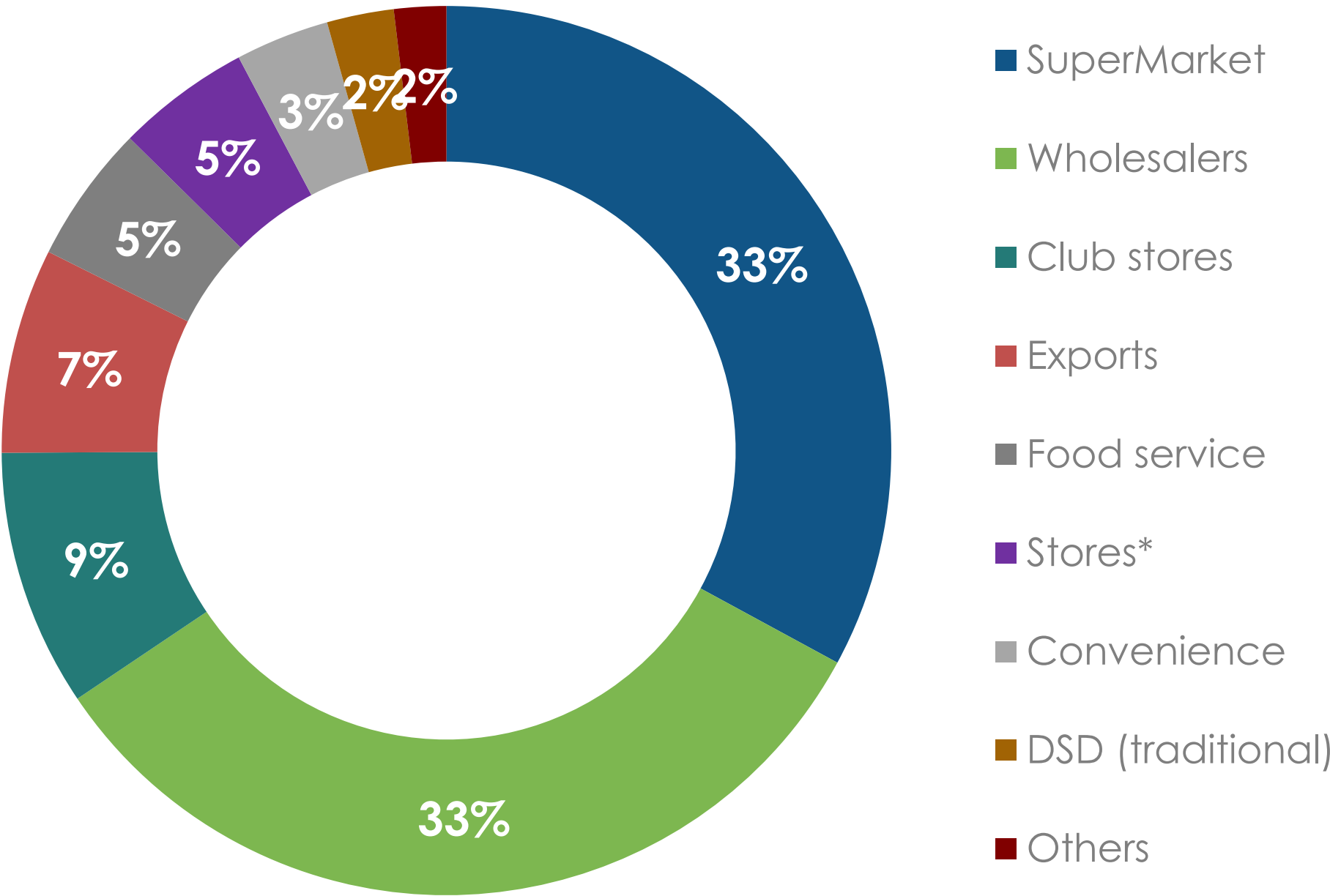
Of market share for  
preserves in the  
wholesale channel.

**31%**

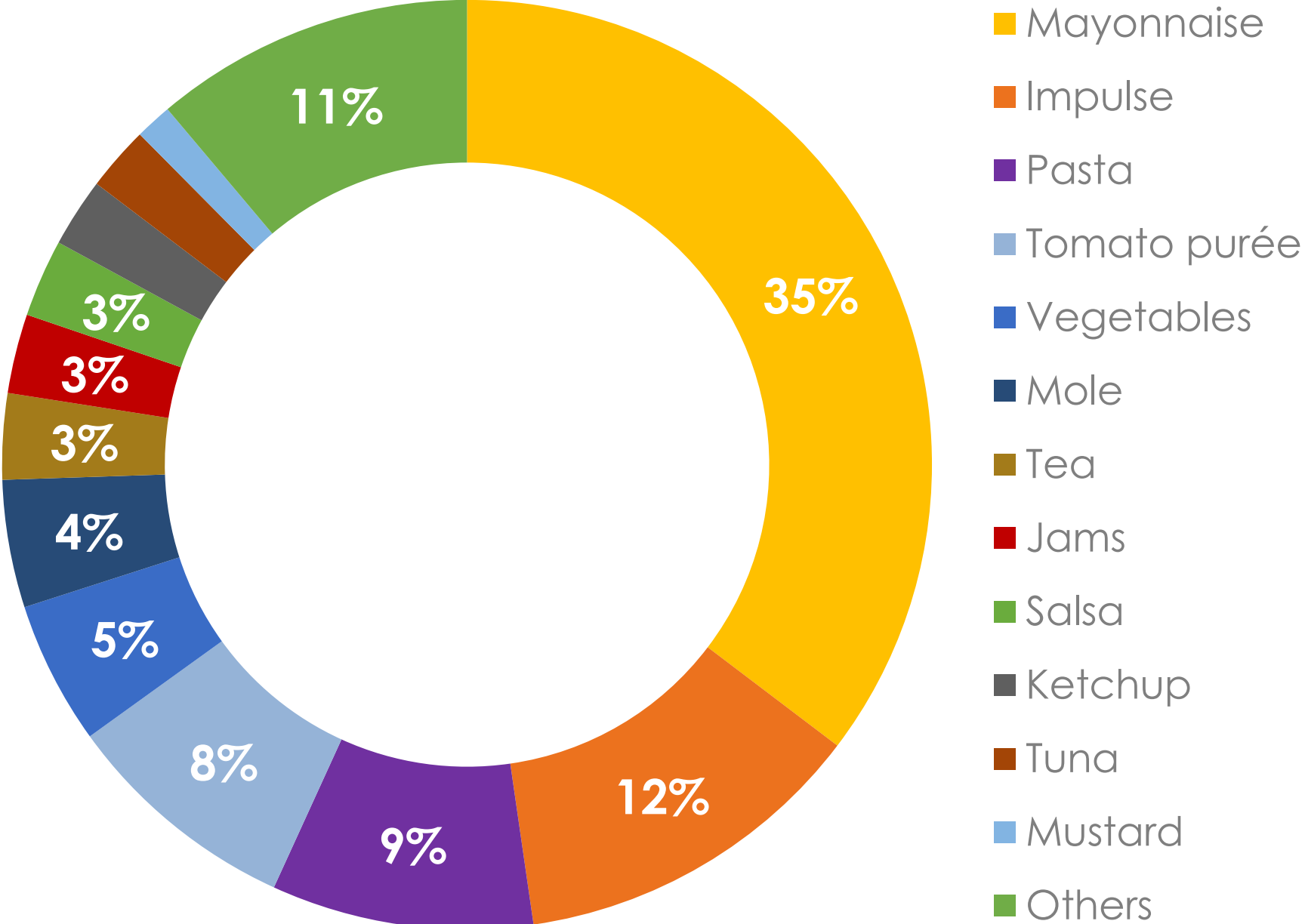
Of market share for  
preserves in the  
supermarkets channel.

# Commercial Leadership

Consolidated Sales Mix  
By Channel



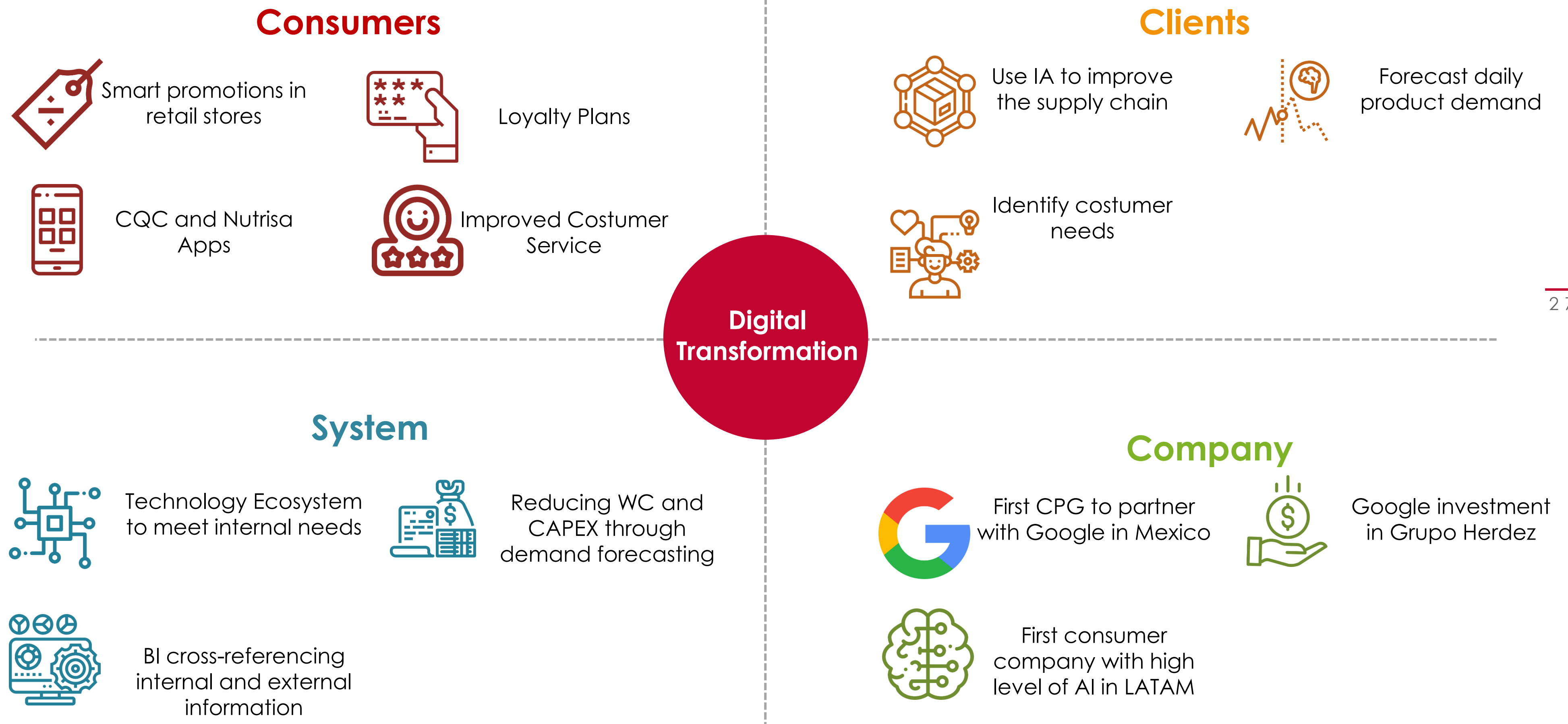
Consolidated Sales Mix  
By Category\*



CONSOLIDATED FIGURES AS OF SEPTEMBER 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



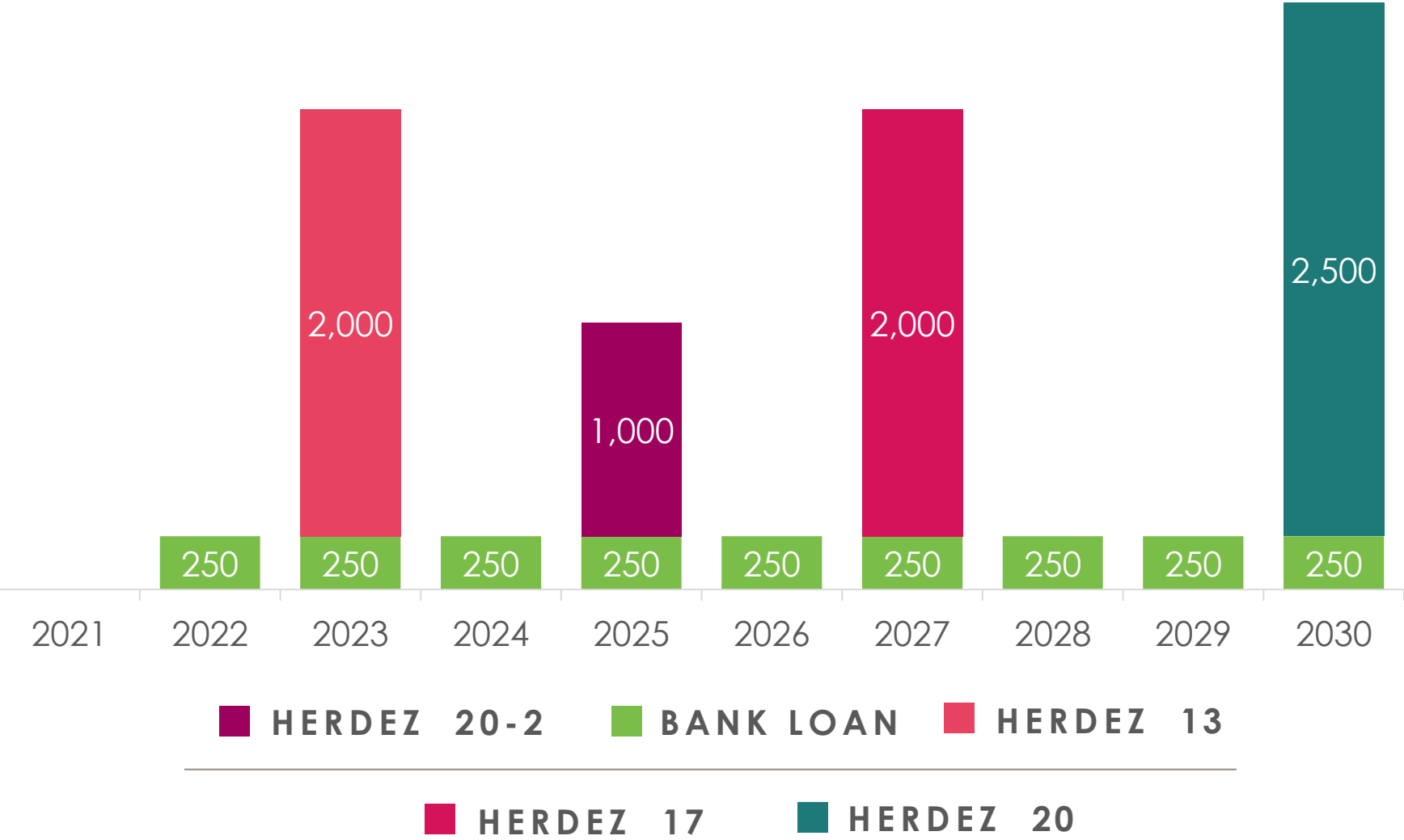
As of 2021, Grupo Herdez received an MSCI ESG Rating of **AA**.



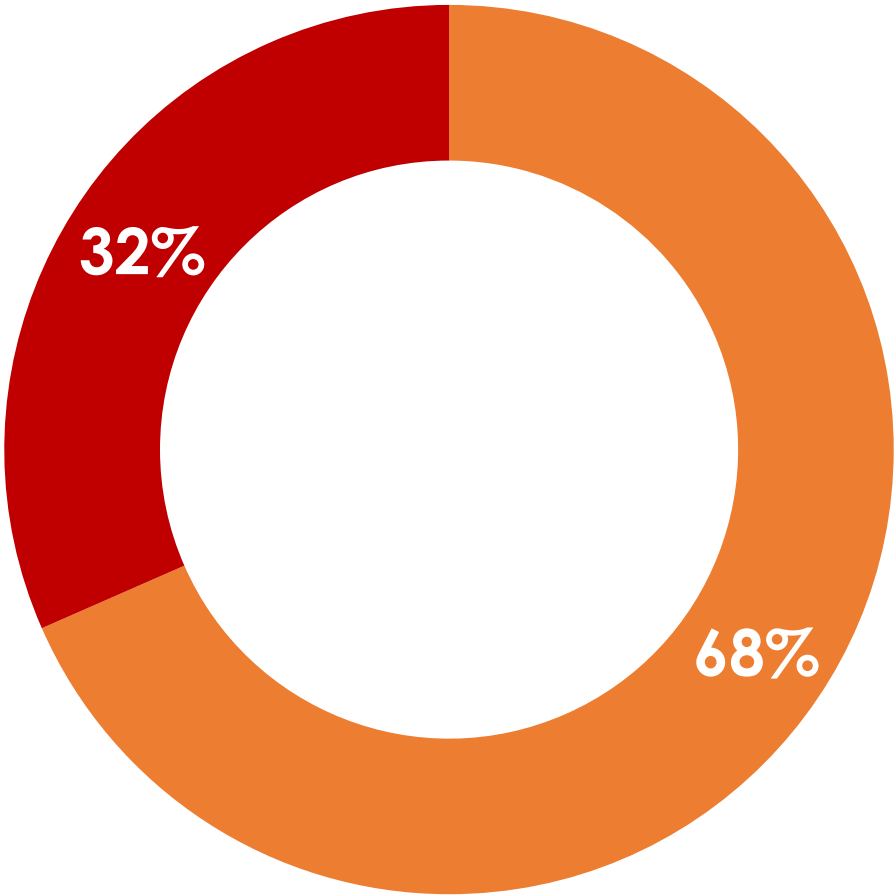
As of 2020, Grupo Herdez received a **C** rating from CDP



# Debt Structure



## Rates Mix



# Debt Rating

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

Financial Debt	9,500
Average Cost	7.46%
Net Debt /EBITDA	1.9
Net Debt / Shareholder’s Equity	0.43

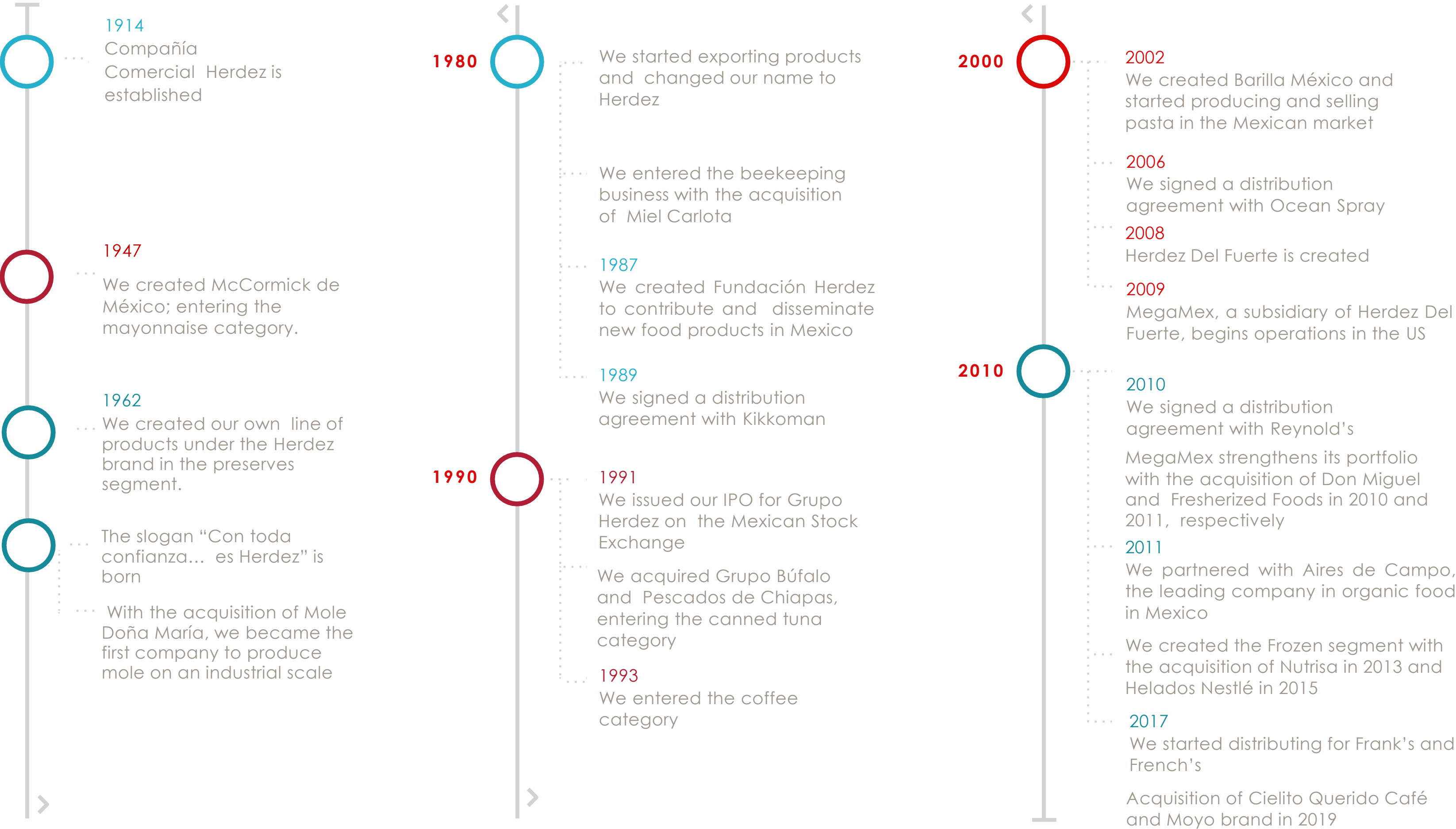


## APPENDIX

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# 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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