

# GRUPO HERDEZ

## FOURTH QUARTER & FULL YEAR 2020

### EARNINGS RELEASE

#### CONSOLIDATED HIGHLIGHTS FOR THE YEAR

- Net sales increased by 7.2% to MXN 24 billion, mainly driven by higher volume due to increased consumption at home, because of the pandemic.
- EBIT and EBITDA margins increased 0.2 and 0.5 percentage points to 13.5% and 17.5%, respectively.
- Net income totaled MXN 2.4 billion, 6.5% higher than in 2019, with a margin of 9.9% in line with the previous year.



Mexico City, Mexico, February 25, 2021 – Grupo Herdez, S.A.B. DE C.V. (“Grupo Herdez” or the “Company”) (MSE: HERDEZ) today announced results for the fourth quarter and full year ended December 31, 2020.

"Our 2020 results not only reflect an exceptional portfolio of brands and products, but also an extraordinary team, strong community of suppliers, partners and clients that underpin our leadership in the food and beverages industry," said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer of Grupo Herdez.

The information contained in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and is expressed in Mexican pesos unless stated otherwise.

Grupo Herdez consolidates 100 percent of its Frozen division, Barilla Mexico, Herdez Del Fuerte - Mexico, and McCormick de Mexico in its financial statements. The proportional stake of Herdez Del Fuerte in MegaMex is registered in Equity Investments in Associated Companies.

Cielito Querido Café’s results are consolidated in the Frozen segment since June 1<sup>st</sup> 2020.

## NET SALES

Net sales in the fourth quarter increased 6.7% to MXN 6.4 billion, compared to the same period of last year. Net sales in the Preserves division grew 10.2% driven by double-digit growth in half the portfolio. In the same period, the Frozen division reported MXN 539 million in net sales, which is 18.4% lower than in the fourth quarter of 2019, due to the mobility restrictions due to the pandemic.

Exports were MXN 485 million, 5.6% higher than in the same period of 2019. This performance is mainly attributable to the strengthening of the US dollar.

On a cumulative basis, consolidated net sales grew 7.2% to MXN 24 billion, resulting from an increase of 10.6% in the Preserves segment, due to the transition to at-home consumption caused by the pandemic. Throughout the year, 43% of our portfolio grew at double-digit rates. By channel, club stores, supermarkets and wholesale grew above the average.

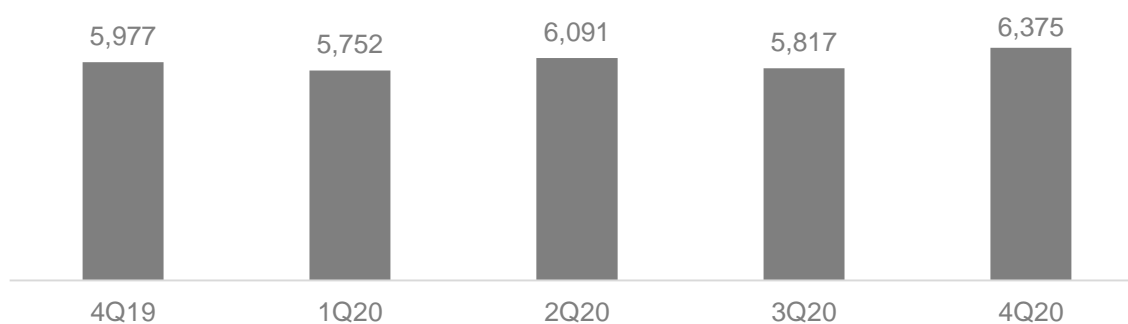
The Frozen division reported MXN 2.6 billion in net sales, which is 19.2% lower than the figure reported in 2019, mainly due to low foot traffic at Cielito Querido Café, Lavazza, Moyo and Nutrisa stores and low activity in the traditional channel. However, the strong performance of Helados Nestlé in the modern trade and club stores partially offset the aforementioned negative effect.

Exports were MXN 2.0 billion, 23.0% higher than in 2019, favored by additional demand from home consumption in the US as well as for the strengthening of the US dollar against the peso.

NET SALES	4Q20	4Q19	% change	2020	2019	% change
<b>Consolidated</b>	<b>6,375</b>	<b>5,977</b>	<b>6.7</b>	<b>24,036</b>	<b>22,420</b>	<b>7.2</b>
Preserves	5,351	4,858	10.2	19,423	17,562	10.6
Frozen	539	660	(18.4)	2,608	3,229	(19.2)
Exports	485	459	5.6	2,005	1,630	23.0

Figures in millions of MXN.

## NET SALES PERFORMANCE



## GROSS PROFIT

Consolidated gross margin decreased 1.5 percentage points in the fourth quarter and 1.1 percentage points for the full year, ending at 36.8% and 37.4% of net sales, respectively.

In the Preserves segment, gross margin decreased slightly by 0.4 percentage points to 36.8%, when compared to the same quarter of last year, as a result of an increase in raw materials and the adoption of NOM-051. For the full year, gross margin increased 0.4 percentage points to 36.5% compared to last year, due to strong volume performance.

In the Frozen segment, gross margin dropped by 11.4 percentage points to 51.7%, whereas in the full year, gross margin decreased 8.2 percentage points to 55.9%. These reductions are explained by the drop in sales because of mobility restrictions, as well as by the unfavorable sales mix in Helados Nestlé.

Gross margin in the Exports division increased 5.9 percentage points to 19.8% during the quarter, while on an accumulated basis the margin was 21.6%, an increase of 7.9 percentage points, mainly due to the strengthening of the dollar against the peso.

GROSS PROFIT	4Q20	4Q19	% change	2020	2019	% change
<b>Consolidated</b>	<b>2,346</b>	<b>2,288</b>	<b>2.5</b>	<b>8,988</b>	<b>8,633</b>	<b>4.1</b>
Preserves	1,971	1,807	9.1	7,097	6,341	11.9
Frozen	278	417	(33.3)	1,457	2,068	(29.5)
Exports	96	64	50.3	434	224	93.6

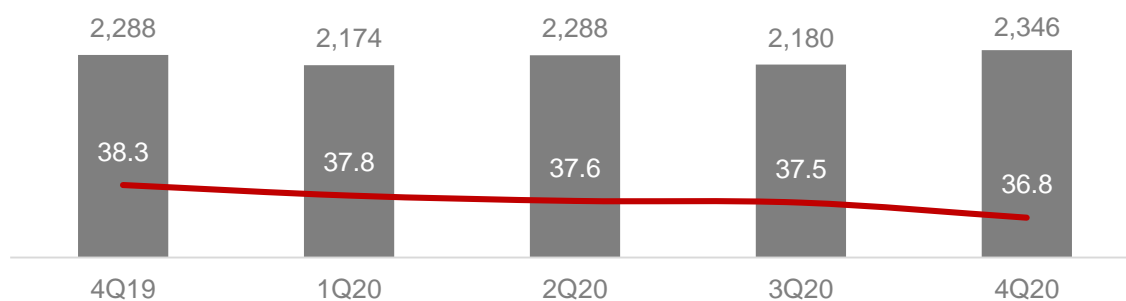
Figures in millions of MXN.

GROSS MARGIN	4Q20	4Q19	pp change	2020	2019	pp change
<b>Consolidated</b>	<b>36.8</b>	<b>38.3</b>	<b>(1.5)</b>	<b>37.4</b>	<b>38.5</b>	<b>(1.1)</b>
Preserves	36.8	37.2	(0.4)	36.5	36.1	0.4
Frozen	51.7	63.1	(11.4)	55.9	64.1	(8.2)
Exports	19.8	13.9	5.9	21.6	13.7	7.9

Figures in percentages.



## GROSS PROFIT PERFORMANCE



## SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

Consolidated SG&A relative to net sales was 23.3% in the fourth quarter, compared to 24.8% in the same period of last year. This difference is mainly explained by a reduction in advertising and promotional expenses due to the constricted consumer environment. In the Frozen segment, SG&A as a proportion of sales increased 17.4 percentage points to 91.6%, whereas expenses in the Export segment held steady.

On a cumulative basis, consolidated SG&A remained practically unchanged at 25.5% of net sales.

## EARNINGS BEFORE INTERESTS AND TAXES BEFORE OTHER INCOME

Earnings before other income during the quarter increased to MXN 862 million, 6.8% higher than in the same period of last year. This is the result of an increase of 19.7% in the Preserves segment and an operating loss of MXN 215 million in Frozen. In Exports, the operating margin was 13.6%, 5.8 percentage points above last year's due to the revaluation of the US dollar and better sales mix.

On a cumulative basis, earnings before other income were MXN 2.8 billion, in line with last year. In the Preserves segment, earnings grew 24.0% with respect to 2019; the operating loss in Frozen was MXN 705 million, while in Exports, earnings were MXN 301 million, 174% more than in 2019.

## OTHER INCOME

Other net income for the quarter was MXN 238 million, while on an accumulated basis was MXN 408 million. This number includes the divestiture of the tuna business, as well as extraordinary income related to the sale of a private equity fund of US Hispanic-owned companies.

## EARNINGS BEFORE INTERESTS AND TAXES (EBIT)

EBIT in the fourth quarter increased 27.0% to MXN 1.1 billion, with a margin of 17.3%, 2.8 percentage points higher than in the same period in 2019. In the Preserves segment, EBIT margin increased 5.4 percentage points.



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In the Frozen division, EBIT registered an operating loss of MXN 217 million, due to the mobility restrictions imposed and sales mix in Helados Nestlé. In the Exports segment, EBIT margin increased by 5.8 percentage points to 13.6% mainly due to the strengthening of the US dollar against the peso.

Full-year consolidated EBIT increased 8.9%, reaching a level of MXN 3.3 billion, and a margin of 13.5%, which is 0.2 percentage points higher than in 2019.

EBIT	4Q20	4Q19	% change	2020	2019	% change
<b>Consolidated</b>	<b>1,100</b>	<b>866</b>	<b>27.0</b>	<b>3,255</b>	<b>2,990</b>	<b>8.9</b>
Preserves	1,251	875	42.9	3,689	2,791	32.2
Frozen	(217)	(45)	NM	(735)	89	NM
Exports	66	36	84.4	301	110	174.2

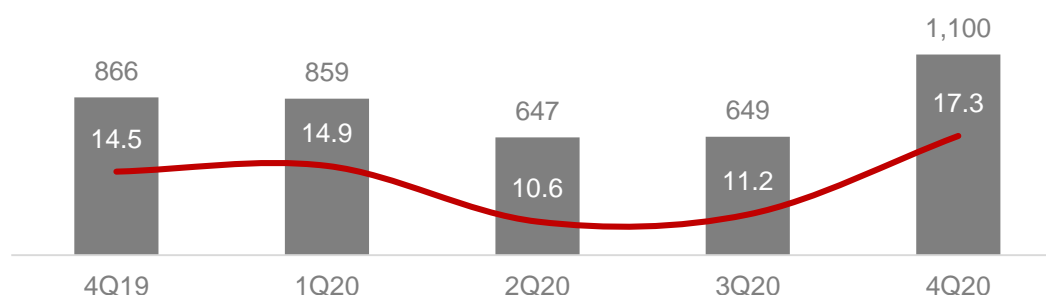
Figures in millions of MXN.

EBIT MARGIN (%)	4Q20	4Q19	pp change	2020	2019	pp change
<b>Consolidated</b>	<b>17.3</b>	<b>14.5</b>	<b>2.8</b>	<b>13.5</b>	<b>13.3</b>	<b>0.2</b>
Preserves	23.4	18.0	5.4	19.0	15.9	3.1
Frozen	(40.4)	(6.9)	(33.5)	(28.2)	2.8	(31.0)
Exports	13.6	7.8	5.8	15.0	6.7	8.3

Figures in percentages.



## EBIT PERFORMANCE



## COMPREHENSIVE FINANCING RESULT

Net financing costs were MXN 208 million in the fourth quarter, 13.6% higher than in the same period in 2019. This increase resulted mainly from a higher foreign exchange loss, compared to the same quarter of last year. Net interest paid increased 4.2% as a result of MXN 1.5 billion of additional net debt.

For the full year, net financing costs totaled MXN 670 million, 9.4% higher than in the previous year, explained by increased interests paid due to higher debt compared to the previous year.

## EQUITY INVESTMENTS IN ASSOCIATED COMPANIES

Equity investments in associated companies totaled MXN 267 million in the quarter, which is 9.4% higher than in the fourth quarter of 2019, due to the strengthening of the dollar as well as an improvement in MegaMex's performance. However, at year-end, equity investments in associated companies decreased 2.4% to MXN 757 million resulting from the impact of the pandemic on the business in the United States.

EQUITY INVESTMENTS IN ASSOCIATED COMPANIES	4Q20	4Q19	% change	2020	2019	% change
<b>Consolidated</b>	<b>267</b>	<b>244</b>	<b>9.4</b>	<b>757</b>	<b>776</b>	<b>(2.4)</b>
MegaMex	249	241	3.5	742	756	(1.9)
Others	18	3	NM	15	20	(22.7)

Figures in millions of MXN.

## MEGAMEX CONSOLIDATED RESULTS (100%)

Net sales totaled MXN 3.6 billion in the quarter, an increase of 6.2% compared to the same period of last year; this was driven by the strong performance of the retail channel, which partially offset the impact of the pandemic in the institutional channel. The salsas category continued to register double-digit growth, with Herdez salsas being the fastest-growing in the portfolio.

During the quarter, gross margin was 33.7%, 1.7 percentage points higher than in the same quarter of last year, mainly due to lower avocado prices. EBIT margin stood at 15.2%, due to higher sales, which offset the cost increases in freight and marketing. EBITDA margin was 18.7%, 1.2 percentage points higher than in the same period of 2019. Net income increased 3.5% because of sales volumes, which offset the unfavorable performance of Don Miguel and the impact of the pandemic in the institutional channel.

For the year, net sales increased by 6.4% to MXN 14.7 billion compared to last year. The increase was driven by a stronger US dollar, as well as performance in the salsa and guacamole categories in the modern trade, which offset the decline in the institutional channel and the underperformance in Don Miguel. Gross margin was 29.4%, 1.0 percentage point lower than in 2019, mainly due an unfavorable sales mix and to lower fixed cost absorption, which could not be offset by the lower avocado prices. EBIT and EBITDA margins stood at 10.6% and 13.6% respectively, 1.5 and 0.9 percentage points lower than in 2019. Net income recorded a 1.9% decrease to MXN 1.5 billion.



MEGAMEX INCOME STATEMENT										
MEGAMEX	4Q20	%	4Q19	%	% change	2020	%	2019	%	% change
<b>Net Sales</b>	<b>3,602</b>	<b>100.0</b>	<b>3,390</b>	<b>100.0</b>	<b>6.2</b>	<b>14,671</b>	<b>100.0</b>	<b>13,793</b>	<b>100.0</b>	<b>6.4</b>
Gross profit	1,215	33.7	1,085	32.0	12.0	4,312	29.4	4,191	30.4	2.9
EBIT	549	15.2	503	14.8	9.1	1,554	10.6	1,663	12.1	(6.6)
EBITDA	674	18.7	594	17.5	13.4	1,988	13.6	2,001	14.5	(0.6)
<b>Net Income</b>	<b>498</b>	<b>13.8</b>	<b>482</b>	<b>14.2</b>	<b>3.5</b>	<b>1,483</b>	<b>10.1</b>	<b>1,512</b>	<b>11.0</b>	<b>(1.9)</b>

Figures in millions of MXN

## NET INCOME

Consolidated net income for the fourth quarter totaled MXN 826 million, a 22.9% increase compared to the same period of last year. Consolidated net margin was 12.9%, 1.7 percentage points higher than last year, mainly benefited by extraordinary income.

Majority net income totaled MXN 388 million during the quarter, with a margin of 6.1%, or 1.5 percentage points lower than in the same period in 2019.

For the full year, consolidated net income increased 6.5% to MXN 2.4 billion, while majority net income decreased 18.4% to MXN 828 million, due to the results of the Frozen segment.



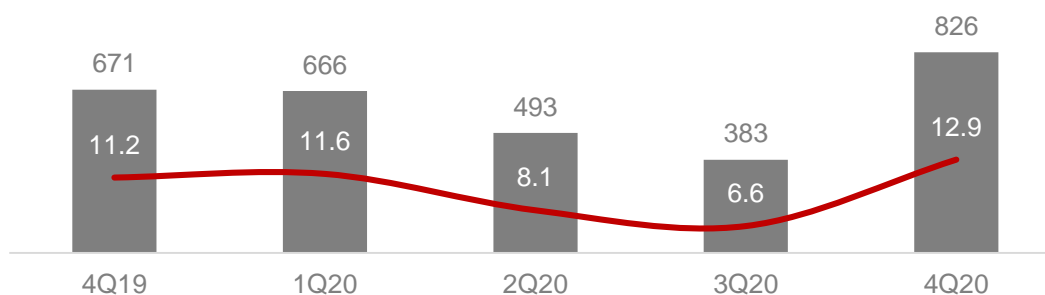
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NET INCOME	4Q20	4Q19	% change	2020	2019	% change
<b>Consolidated Net Income</b>	<b>826</b>	<b>671</b>	<b>22.9</b>	<b>2,368</b>	<b>2,224</b>	<b>6.5</b>
Con. net margin (%)	12.9	11.2	1.7	9.9	9.9	(0.0)
Minority interest	438	398	10.1	1,540	1,210	27.4
<b>Majority Net Income</b>	<b>388</b>	<b>274</b>	<b>41.6</b>	<b>828</b>	<b>1,014</b>	<b>(18.4)</b>
Maj. net margin (%)	6.1	4.6	1.5	3.4	4.5	(1.1)

Figures in millions of MXN.

## CONSOLIDATED NET INCOME PERFORMANCE



## EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION, AMORTIZATION AND OTHER NON-CASH CHARGES (EBITDA)

Consolidated EBITDA totaled MXN 1.3 billion and MXN 4.2 billion, for the quarter and full year, respectively, which is 24.1% and 10.0% higher compared to last year. These increases are explained by strong performance of the Preserves segment, as well as the aforementioned extraordinary income.

EBITDA	4Q20	4Q19	% change	2020	2019	% change
<b>Consolidated</b>	<b>1,338</b>	<b>1,078</b>	<b>24.1</b>	<b>4,197</b>	<b>3,818</b>	<b>10.0</b>
Preserves	1,338	964	38.8	4,044	3,142	28.7
Frozen	(80)	62	NM	(205)	506	(140.5)
Exports	80	52	52.9	358	169	111.9

Figures in millions of MXN.

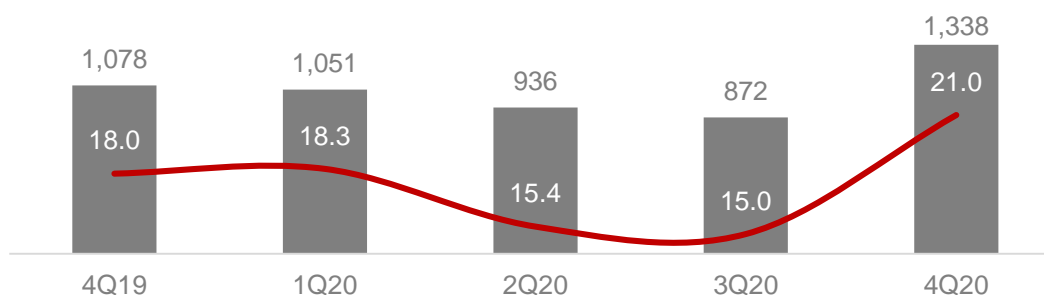
EBITDA MARGIN (%)	4Q20	4Q19	pp change	2020	2019	pp change
<b>Consolidated</b>	<b>21.0</b>	<b>18.0</b>	<b>3.0</b>	<b>17.5</b>	<b>17.0</b>	<b>0.5</b>
Preserves	25.0	19.8	5.2	20.8	17.9	2.9
Frozen	(14.9)	9.4	(24.3)	(7.9)	15.7	(23.6)
Exports	16.4	11.3	5.1	17.9	10.4	7.5

Figures in percentages.

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## EBITDA PERFORMANCE



## CAPITAL EXPENDITURES (CAPEX)

Net CAPEX in the quarter totaled MXN 108 million. For the year, net CAPEX totaled MXN 255 million due to the revenues derived from the divestment of the tuna business. Excluding the latter, net CAPEX was MXN 680 million. The main investments were in mole packaging equipment and increased capacity of tomato and vegetable processing.

## FINANCIAL STRUCTURE

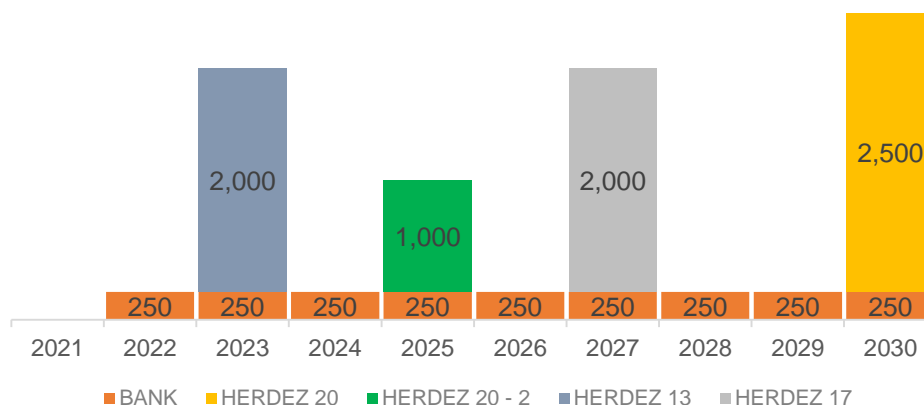
As of December 31, 2020, consolidated cash totaled MXN 3.7 billion, 59.4% higher than in 2019. Interest-bearing liabilities were MXN 9.5 billion, which is MXN 1.5 billion higher than at the end of 2019, due to the



issuance of local bonds in August that amounted to MXN 3.5 billion, which were partially used to pay down the balances of the revolving credit lines and the HERDEZ 17-2 and HERDEZ 18 bonds.

Consolidated net debt to EBITDA was 1.6 times, and the net debt to consolidated stockholder's equity ratio.

## DEBT PROFILE



## RELEVANT RESULTS OF OUR SUSTAINABILITY STRATEGY

In 2020, Grupo Herdez created the “Semillero Nutrisa” initiative in order to develop the talent of female entrepreneurs in Mexico. Through an alliance with Victoria147, a business academy for women, 12 women received professional training for the development of their businesses, and the opportunity to join the Company’s supplier network.

Likewise, together with Sanfer and La Costeña, Grupo Herdez took part in the “Unidos por México” initiative, assembling more than 35,000 baskets containing food, hygiene, cleaning products and medicines that benefited more than 175,000 Mexicans in vulnerable situations.

With the #siguedandolata initiative, from September to November, 52 collection machines were installed in 14 states of Mexico and 12 self-service chains, collecting a total of 5.3 tons of tinsplate, exceeding the established goal by 7%. With this initiative, eight clean energy generation systems were installed (wind turbines) to be placed in vulnerable communities in the south of the country.



## 4Q & 2020 EARNINGS CONFERENCE CALL INFORMATION

Date: Friday, February 26, 2021

Time: 12:00 p.m. E.T. / 11:00 a.m. C.T.

To participate, please dial:

- Toll-Free U.S. and Canada: +1 (855) 327 6837
- Toll International: +1 (631) 891 4304
- Conference ID#: 10012796

To access the call, please go to <http://public.viavid.com/index.php?id=143139>

If you are unable to participate live, a replay of the conference call will be available from February 26, 2021 through March 12, 2021. To access the replay, please dial domestic U.S. and Canada +1 (844) 512 2921, or from other countries +1 (412) 317 6671; conference ID: 10012796.

## CONTACT INFORMATION

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## ABOUT GRUPO HERDEZ

We are proud to be the oldest Mexican food company in the country. Since 1914, we have been bringing Mexican families the best of our cuisine and the flavors of the world, and taking the most delicious flavors of Mexico to the rest of the globe. We have been listed on the Mexican Stock Exchange since 1991, and our mission is to be a worthy representative of Mexico worldwide.

We are leaders in the processed foods sector, and an important player in the ice cream category in Mexico, in addition to being the fastest-growing company in the Mexican food segment in the United States through Megamex. We are currently present in 99% of Mexican households through our large portfolio of more than 1,500 products, with which we provide solutions to the daily lives of our consumers, offering them variety and convenience for different lifestyles. We participate in the categories of tuna, spices, guacamole, ice cream, frozen yogurt, mayonnaise, marmalades, honey, mole, mustard, pastas, organic products, tomato purée, homemade salsas, ketchup, tea, canned vegetables, and many more, and we are leaders in several of these categories in Mexico. These products are sold through an exceptional portfolio of brands, including: Aires de Campo, Barilla, Blasón, Búfalo, Cielito Querido Café, Del Fuerte, Doña María, Embasa, Helados Nestlé®, Herdez, McCormick, Moyo, Nutrisa and Yemina.

We are committed to the social and environmental needs of the locations where we operate, and have aligned our sustainability strategy with the United Nations 2030 Agenda. This vision is shared with an exceptional team of more than 9,000 employees, and it is implemented through the solid infrastructure of our 14 production plants, 25 distribution centers, and more than 600 points of sale of our brands: Cielito Querido Café, Lavazza, Moyo and Nutrisa.

For more information, visit [grupoherdez.com.mx](http://grupoherdez.com.mx) follow us on: FB: /GrupoHerdezMX TW: @GrupoHerdezMX LI: /Grupo-Herdez



## **FORWARD-LOOKING STATEMENTS**

The information contained herein (the "Information") has been prepared by Grupo Herdez, S.A.B. de C.V., its associates, subsidiaries and/or affiliated companies ("Grupo Herdez"), and may contain forward-looking statements that reflect Grupo Herdez's current expectations and views, which may differ materially due to various factors, risks and uncertainties. Therefore, Grupo Herdez and/or its respective officers, employees or agents, assume no responsibility or liability for any discrepancy in the Information. In particular, but without prejudice to the foregoing, no warranty is given as to the accuracy of the statements or future variations of the Information, or any other written or oral Information issued by Grupo Herdez. The Information has been provided solely for informational purposes. The issuance of this Information shall not be taken as any form of commitment on the part of Grupo Herdez to proceed with any transaction.



INCOME STATEMENT	Fourth Quarter				
	2020	%	2019	%	% Chg
<b>Net Sales</b>	<b>6,375</b>	<b>100.0</b>	<b>5,977</b>	<b>100.0</b>	<b>6.7</b>
Preserves	5,351	83.9	4,858	81.3	10.2
Frozen	539	8.4	660	11.0	(18.4)
Exports	485	7.6	459	7.7	5.6
<b>Cost of Goods Sold</b>	<b>4,029</b>	<b>63.2</b>	<b>3,689</b>	<b>61.7</b>	<b>9.2</b>
Preserves	3,380	63.2	3,051	62.8	10.8
Frozen	260	48.3	243	36.9	6.9
Exports	389	80.2	395	86.1	(1.6)
<b>Gross Profit</b>	<b>2,346</b>	<b>36.8</b>	<b>2,288</b>	<b>38.3</b>	<b>2.5</b>
Preserves	1,971	36.8	1,807	37.2	9.1
Frozen	278	51.7	417	63.1	(33.3)
Exports	96	19.8	64	13.9	50.3
<b>Operating Expenses</b>	<b>1,484</b>	<b>23.3</b>	<b>1,481</b>	<b>24.8</b>	<b>0.2</b>
Preserves	961	15.1	963	16.1	(0.2)
Frozen	493	7.7	490	8.2	0.6
Exports	30	0.5	28	0.5	6.5
<b>EBIT before Other Income and Expenses</b>	<b>862</b>	<b>13.5</b>	<b>807</b>	<b>13.5</b>	<b>6.8</b>
Preserves	1,011	18.9	844	17.4	19.7
Frozen	(215)	(39.9)	(73)	(11.1)	194.3
Exports	66	13.6	36	7.8	84.4
Other income/expenses, net	(238)	(3.7)	(59)	(1.0)	NM
<b>EBIT</b>	<b>1,100</b>	<b>17.3</b>	<b>866</b>	<b>14.5</b>	<b>27.0</b>
Preserves	1,251	23.4	875	18.0	42.9
Frozen	(217)	(40.4)	(45)	(6.9)	NM
Exports	66	13.6	36	7.8	84.4
<b>All-In Result of Financing</b>	<b>(208)</b>	<b>(3.3)</b>	<b>(183)</b>	<b>(3.1)</b>	<b>13.6</b>
Interest earned (paid), net	(164)	(2.6)	(157)	(2.6)	4.2
Exchange (loss) gain	(44)	(0.7)	(26)	(0.4)	70.6
Equity investment in associated companies	267	4.2	244	4.1	9.4
MegaMex	249	3.9	241	4.0	3.5
Others	18	0.3	3	0.1	NM
Income before income taxes	1,159	18.2	927	15.5	25.0
Income tax provision	334	5.2	256	4.3	30.5
Consolidated net income	826	12.9	671	11.2	22.9
Minority interest	438	6.9	398	6.7	10.1
Majority net income	388	6.1	274	4.6	41.6
<b>EBITDA</b>	<b>1,338</b>	<b>21.0</b>	<b>1,078</b>	<b>18.0</b>	<b>24.1</b>
Preserves	1,338	25.0	964	19.8	38.8
Frozen	(80)	(14.9)	62	9.4	NM
Exports	80	16.4	52	11.3	52.9

Figures expressed in millions of MXN.

The proportions of COGS, Gross Profit, Operating Income and EBITDA of the segments are calculated accordingly.

INCOME STATEMENT	12M2020				
	2020	%	2019	%	% Chg
<b>Net Sales</b>	<b>24,036</b>	<b>100.0</b>	<b>22,420</b>	<b>100.0</b>	<b>7.2</b>
Preserves	19,423	80.8	17,562	78.3	10.6
Frozen	2,608	10.8	3,229	14.4	(19.2)
Exports	2,005	8.3	1,630	7.3	23.0
<b>Cost of Goods Sold</b>	<b>15,048</b>	<b>62.6</b>	<b>13,787</b>	<b>61.5</b>	<b>9.1</b>
Preserves	12,326	63.5	11,221	63.9	9.8
Frozen	1,150	44.1	1,160	35.9	(0.9)
Exports	1,572	78.4	1,406	86.3	11.8
<b>Gross Profit</b>	<b>8,988</b>	<b>37.4</b>	<b>8,633</b>	<b>38.5</b>	<b>4.1</b>
Preserves	7,097	36.5	6,341	36.1	11.9
Frozen	1,457	55.9	2,068	64.1	(29.5)
Exports	434	21.6	224	13.7	93.6
<b>Operating Expenses</b>	<b>6,141</b>	<b>25.5</b>	<b>5,786</b>	<b>25.8</b>	<b>6.1</b>
Preserves	3,846	16.0	3,719	16.6	3.4
Frozen	2,162	9.0	1,952	8.7	10.8
Exports	133	0.6	114	0.5	16.1
<b>EBIT before Other Income and Expenses</b>	<b>2,847</b>	<b>11.8</b>	<b>2,847</b>	<b>12.7</b>	<b>0.0</b>
Preserves	3,251	13.5	2,621	11.7	24.0
Frozen	(705)	(2.9)	116	0.5	NM
Exports	301	1.3	110	0.5	174.2
Other income/expenses, net	(408)	(1.7)	(143)	(0.6)	185.2
<b>EBIT</b>	<b>3,255</b>	<b>13.5</b>	<b>2,990</b>	<b>13.3</b>	<b>8.9</b>
Preserves	3,689	19.0	2,791	15.9	32.2
Frozen	(735)	(28.2)	89	2.8	NM
Exports	301	15.0	110	6.7	174.2
<b>All-In Result of Financing</b>	<b>(670)</b>	<b>(2.8)</b>	<b>(612)</b>	<b>(2.7)</b>	<b>9.4</b>
Interest earned (paid), net	(732)	(3.0)	(578)	(2.6)	26.6
Exchange (loss) gain	63	0.3	(34)	(0.2)	NM
Equity investment in associated companies	757	3.1	776	3.5	(2.4)
MegaMex	742	3.1	756	3.4	(1.9)
Others	15	0.1	20	0.1	(22.7)
Income Before income taxes	3,342	13.9	3,154	14.1	6.0
Income tax provision	974	4.1	930	4.1	4.7
Consolidated net income	2,368	9.9	2,224	9.9	6.5
Minority interest	1,540	6.4	1,210	5.4	27.4
Majority net income	828	3.4	1,014	4.5	(18.4)
<b>EBITDA</b>	<b>4,197</b>	<b>17.5</b>	<b>3,818</b>	<b>17.0</b>	<b>10.0</b>
Preserves	4,044	20.8	3,142	17.9	28.7
Frozen	(205)	(7.9)	506	15.7	(140.5)
Exports	358	17.9	169	10.4	111.9

Figures expressed in millions of MXN.

The proportions of COGS, Gross Profit, Operating Income and EBITDA of the segments are calculated accordingly.

STATEMENT OF FINANCIAL POSITION	31 dec 2020	%	31 dec 2019	%	Change	
					\$	%
<b>TOTAL ASSETS</b>	<b>33,575</b>	<b>100.0</b>	<b>33,081</b>	<b>100.0</b>	<b>493</b>	<b>1.5</b>
Domestic	31,128	92.7	30,481	92.1	646	2.1
USA	2,447	7.3	2,600	7.9	(153)	(5.9)
Current Assets	11,641	34.7	10,975	33.2	666	6.1
Cash and Cash Equivalents	3,681	11.0	2,310	7.0	1,371	59.4
Accounts Receivable	2,997	8.9	3,173	9.6	(176)	(5.5)
Other Accounts Receivable	145	0.4	141	0.4	3	2.4
Inventories	3,370	10.0	3,991	12.1	(621)	(15.6)
Other Current Assets	1,448	4.3	1,360	4.1	88	6.5
Non-Current Assets	21,934	65.3	22,107	66.8	(173)	(0.8)
Property, Plant and Equipment, Net	4,796	14.3	5,540	16.7	(745)	(13.4)
Right-of-Use Assets	801	2.4	865	2.6	(64)	(7.4)
Investment in Subsidiaries	7,258	21.6	7,186	21.7	72	1.0
Intangible Assets	7,217	21.5	7,373	22.3	(156)	(2.1)
Other Assets	1,862	5.5	1,143	3.5	720	63.0
<b>TOTAL LIABILITIES</b>	<b>16,238</b>	<b>48.4</b>	<b>14,833</b>	<b>44.8</b>	<b>1,405</b>	<b>9.5</b>
Domestic	15,465	46.1	14,084	42.6	1,380	9.8
USA	774	2.3	749	2.3	25	3.3
Current Liabilities	4,807	14.3	4,628	14.0	180	3.9
Accounts Payable	2,657	7.9	2,455	7.4	202	8.2
Short-Term Debt	0	0.0	0	0.0	0	0
Short-Term Leases	361	1.1	304	0.9	57	18.8
Other Short-Term Liabilities	1,790	5.3	1,869	5.6	(79)	(4.2)
Long-Term Liabilities	11,431	34.0	10,205	30.8	1,225	12.0
Long-Term Debt	9,500	28.3	8,000	24.2	1,500	18.8
Long-Term Leases	471	1.4	587	1.8	(116)	(19.7)
Other Liabilities	(38)	(0.1)	(32)	(0.1)	(6)	(18.7)
Other Long-Term Liabilities w/o Cost	1,498	4.5	1,651	5.0	(153)	(9.3)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>17,336</b>	<b>51.6</b>	<b>18,248</b>	<b>55.2</b>	<b>(911)</b>	<b>(5.0)</b>
Minority Stockholder's Equity	10,114	30.1	10,274	31.1	(159)	(1.6)
Majority Stockholder's Equity	7,222	21.5	7,974	24.1	(752)	(9.4)

Figures expressed in millions of Mexican pesos



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