

# Investor Presentation

Becle, S.A.B de C.V.  
August 2022





# Becke: A Leading Global Spirits Company and Undisputed Leader in Tequila Worldwide



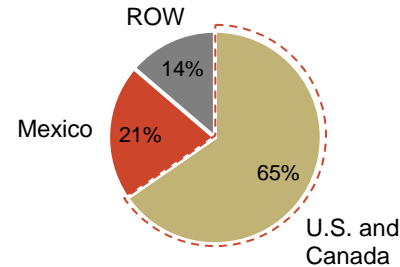
## Becke Today

- **Undisputed leader in tequila globally, ~29% market share<sup>(1)</sup>**
- **#3 in high growth Irish Whiskey category<sup>(1)</sup>** with Bushmills, Sexton and Proper No. Twelve
- **2021 revenues grew 12.5% while peers<sup>(2)</sup> increased 8.2%**
- Comprehensive portfolio of **over 30 brands** distributed in more than 85 countries
- **Strong geographic diversification** with significant exposure to the U.S. and Canada, the world's largest spirits market<sup>(3)</sup>
- **Conservative leverage profile**, remaining one of the strongest among peers

## Diversified Product Portfolio with Over 30 Brands

### Exposure to the Right Geographies...

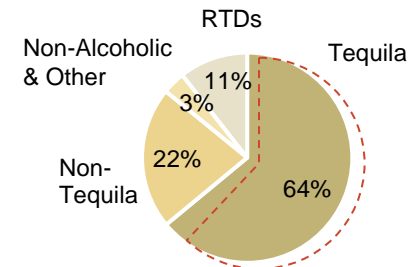
Net Sales Value Breakdown in 2021



U.S. and Canada  
Largest Spirits Market<sup>(3)</sup>

### ... With the Right High-Growth Categories

Net Sales Value Breakdown in 2021



Tequila  
Fastest Growing Spirits Category in the US<sup>(4)</sup> and the Second in the World



## 2021 Key Figures

**25.5MM**

of 9 Liter Cases Sold

**1,915 MM**

Net Sales (US\$)<sup>(5)</sup>

**386 MM**

EBITDA (US\$)<sup>(5)</sup>

**2.3x**

Total Debt / EBITDA

**0.7x**

Net Debt / EBITDA

**9.0 Bn**

Market Cap<sup>(6)</sup> (US\$)<sup>(5)</sup>

**Public Company**

### Notes:

1. Based on 2021 IWSR Drinks Analysis total volume
2. Simple average of annual revenues growth of Constellation Brands, Diageo, Brown Forman, Heineken and Pernod Ricard

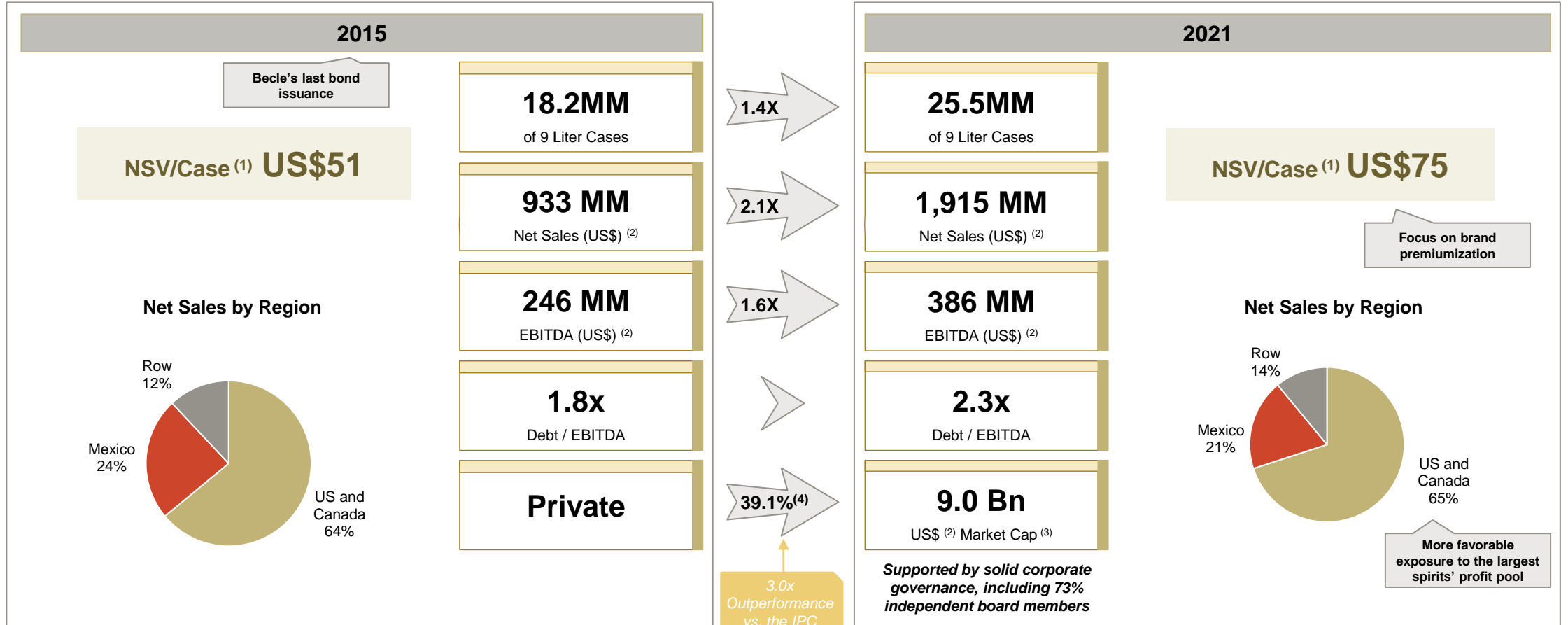
3. Excluding China, according to IWSR Drinks Analysis
4. Excluding categories with less than 30 MM cases sold in 2020 globally and less than 20 MM in the U.S.

5. FX: Ps\$ 20.5835 = US\$

6. Mkt. Cap. as of December 31, 2021.



# Becle's Outstanding Performance Makes it Today a Stronger Credit than in 2015



**Notes:**

- 1. Net sales / 9 Liter Cases
- 2. FX: Ps\$ 20.58 = US\$

- 3. As of December 31, 2021
- 4. Performance since IPO (February 9, 2017)



1

**Undisputed Global Leader in Tequila and #3 in Irish Whiskey**

2

**Dominant Position in the Hottest Spirits Category...**

3

**...And a Privileged Competitive Position...**

4

**...In High-Growth Spirits Categories Through an Extensive Product Portfolio with Focus on Premiumization**

5

**Proven Agility and Innovation Driving a Resilient Business Model with High Cash Generation Capacity**

6

**Best-in-Class Capital Structure & Prudent Financial Policy Whilst Delivering Consistent Growth**

7

**Renowned Family Heritage and Strong Corporate Governance Supported by a Talented Management Team**

8

**Strong Social and Sustainability Driven Culture**

9

**Full Year 2022 Guidance**



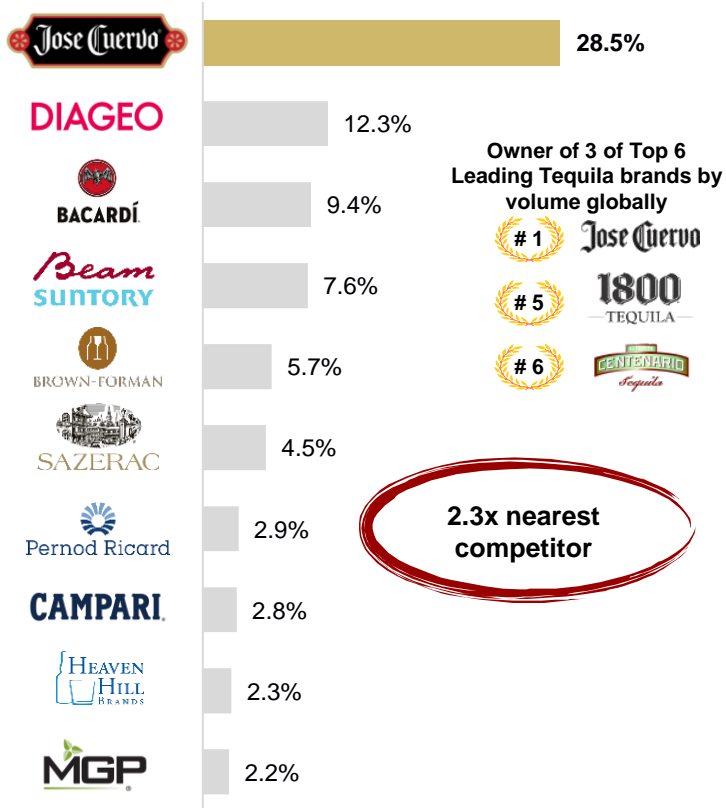


# 1 Undisputed Global Leader in Tequila and #3 in Irish Whiskey



## Global Leader in Tequila...

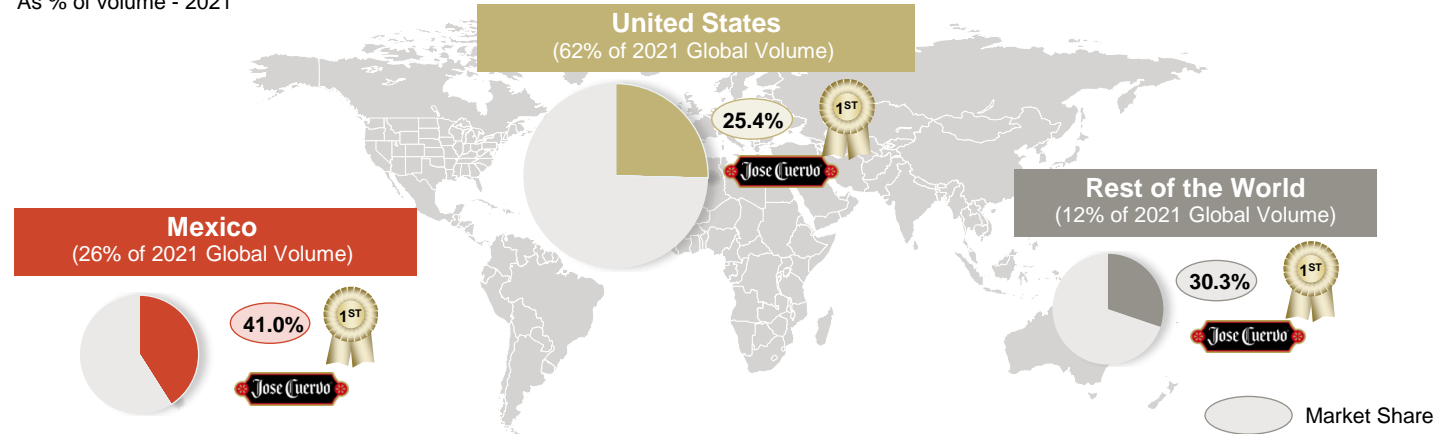
As of 2021 Volume – Total Market Size 41.2MM 9L Cases



Source: IWSR Drinks Analysis 2021

## ... In Every Region

As % of volume - 2021



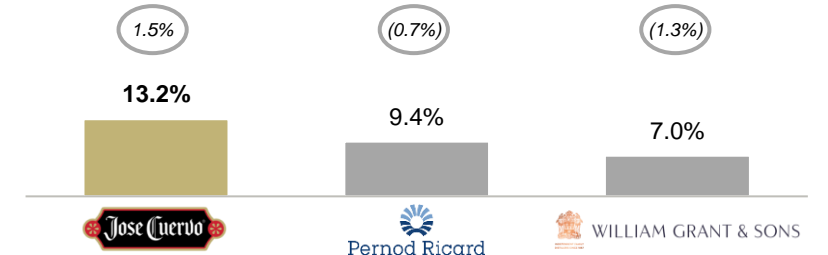
## #3 Player in Irish Whiskey

1,370K Irish Whiskey 9L cases sold in 2021



Source: IWSR Drinks Analysis 2021

9L Cases Volume CAGR 2016 – 2021



Δ in Market Share since 2016



2

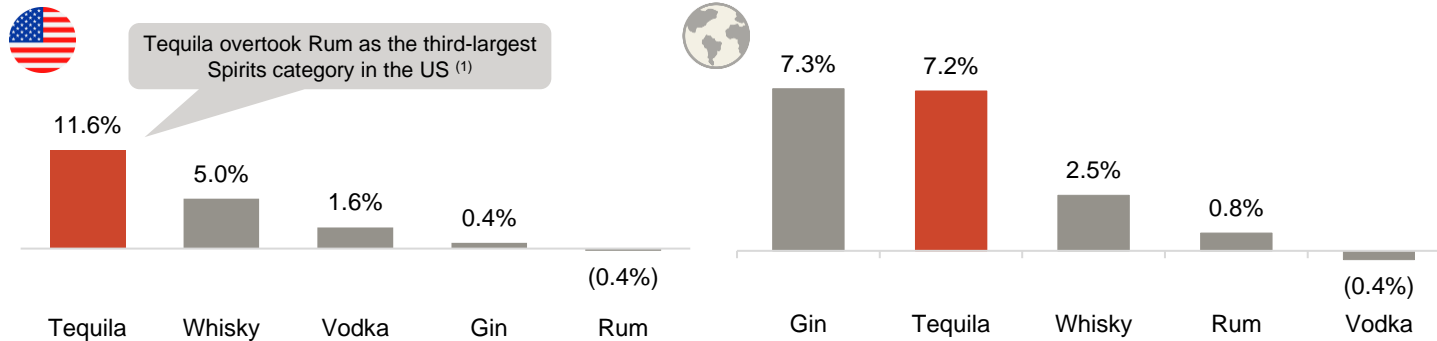
# Dominant Position in the Hottest Spirits Category...



## Since Last Issuance, Tequila has...

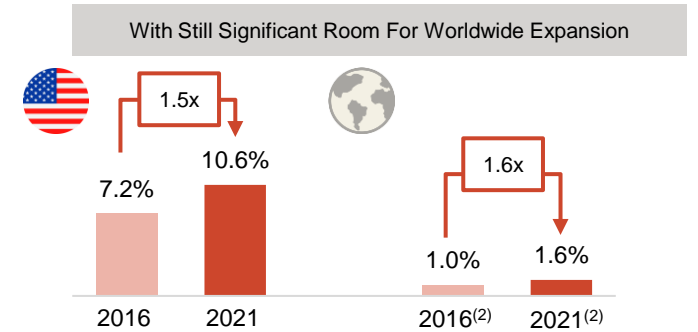
### A ...Been the Fastest Growing Major Spirits Category in the US and Second Fastest in the World

(2016 - 2021 9L cases volume CAGR)



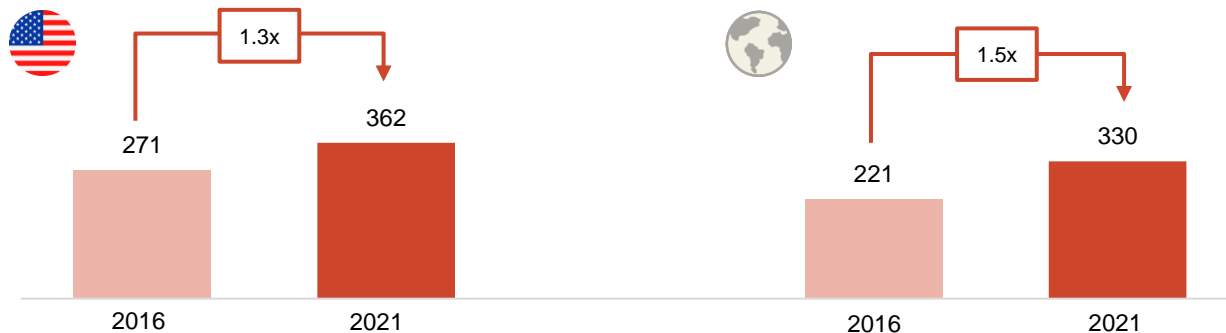
### B ...Significantly Increased its Market Share

(In terms of 9L cases volume)



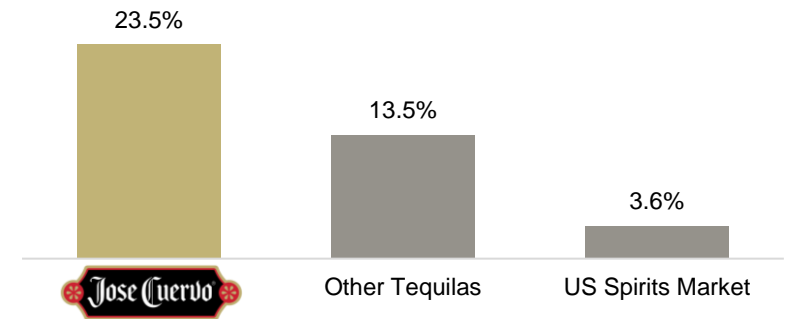
### C ...Benefitted from a Clear Premiumization Trend

Avg. price in US\$ per 9L case of Tequila



### D Becle Soared Driven by Proximo's Strong Execution

(2020 Tequila 9L cases volume growth in the U.S. vs. 2019)



Source: IWSR Drinks Analysis

Notes:

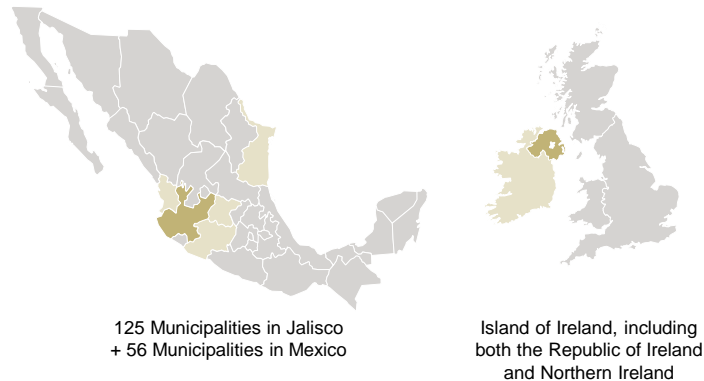
1. By volume of 9L cases sold
2. Includes local spirits



## High Barriers of Entry Provided by Bece's Vertical Integration and Own Distribution



**Competitive Advantage Resulting from Appellation of Origin for Tequila and Irish Whiskey**

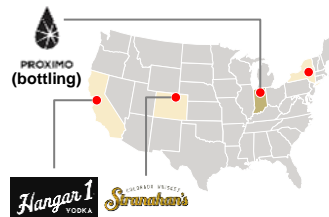


- Tequila **can only be produced from Agave Azul** (*Tequilana Weber*)
- Bece is **the largest Agave Azul producer**<sup>(1)</sup>
- Bece is **involved in full Agave cycle** (plant, growth, harvest and freight)
- Irish whiskey can **only be made throughout the island of Ireland**

**Flagship Distilleries and Bottling Facilities Support Route-to-Market Strategy**



La Rojeña (Tequila)  
Camichines (Tequila)  
EDISA Bottling Facility  
*1800 Distillery (Tequila) In construction*



Stranahan's (Colorado)  
Hangar 1 (California)  
Proximo Bottling (Indiana)  
Bourbon (New York)



Old Bushmills Distillery and Bottling (Northern Ireland)  
Old Bushmills Distillery expansion completed

**Own Distribution Platform to Control Route-to Market and Brand Building Strategy**

- ✓ 94% of volume through own network
- ✓ Proximo's route-to-market control instrumental to U.S. success
- ✓ Vertical integration of profits
- ✓ Control and focus of own brands
- ✓ Enhancing presence in new geographies with in-market companies (IMC's)



Source: Company Information  
Notes:  
1. According to CRT's plantation registry



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# ... In the Right Categories & Markets...

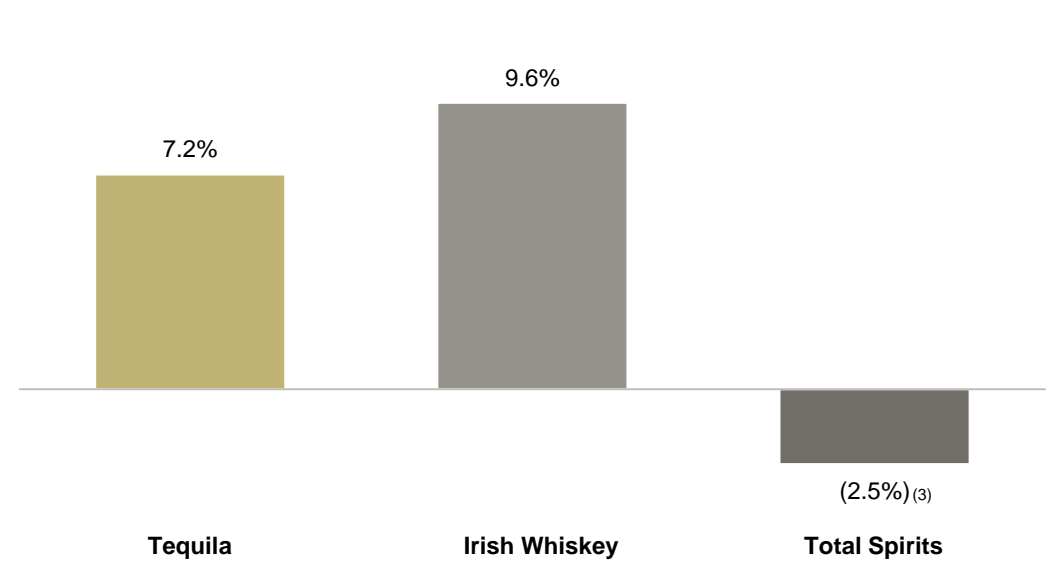
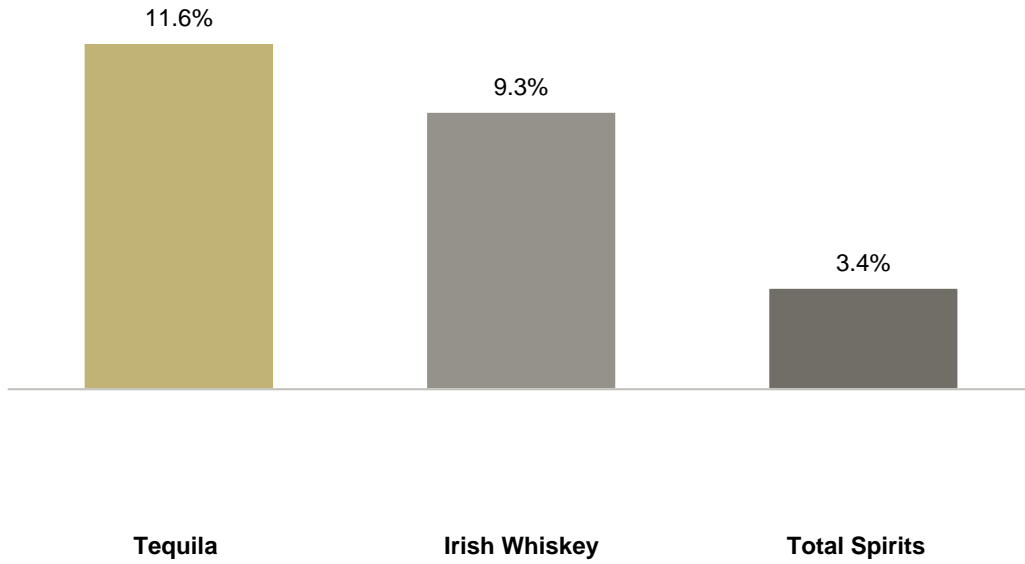


## Exposure to Dynamic Regions and Categories

Spirits Growth | 2016-2021 9L cases Volume CAGR

**68%**<sup>(1)</sup> of Beclé's Sales are in Tequila & Irish Whiskey

**65%**<sup>(2)</sup> of Beclé's Sales are in the U.S. & Canada



Source: Company Information, IWSR Drinks Analysis

**Notes:**

- 1. Includes all Tequila Brands + Bushmills for FY2021
- 2. Full Year 2021 Sales
- 3. Includes local spirits





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# ... Through an Extensive Product Portfolio with Focus on Premiumization



## Diversified Brand Portfolio

## Net Sales by Category

By value as of 2021

Tequila

### Jose Cuervo Family



Prestige

Super Premium

Premium

### 1800



Super Premium/  
Ultra Premium

### Other



Super Premium

Ultra Premium

Whiskey

### Irish Whiskey



Premium/  
Ultra  
Premium

Premium

Super  
Premium

### U.S. Whiskey



Ultra  
Premium

Premium

Premium/  
Ultra  
Premium

Others

### Rum



Premium

### Vodka



Ultra  
Premium

Premium

### Gin



Premium

### Mezcal



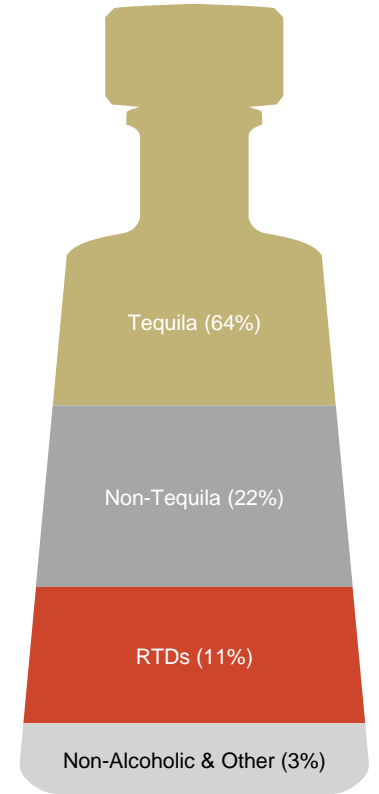
Premium

Ultra  
Premium

### RTD



### Non-Alcoholic





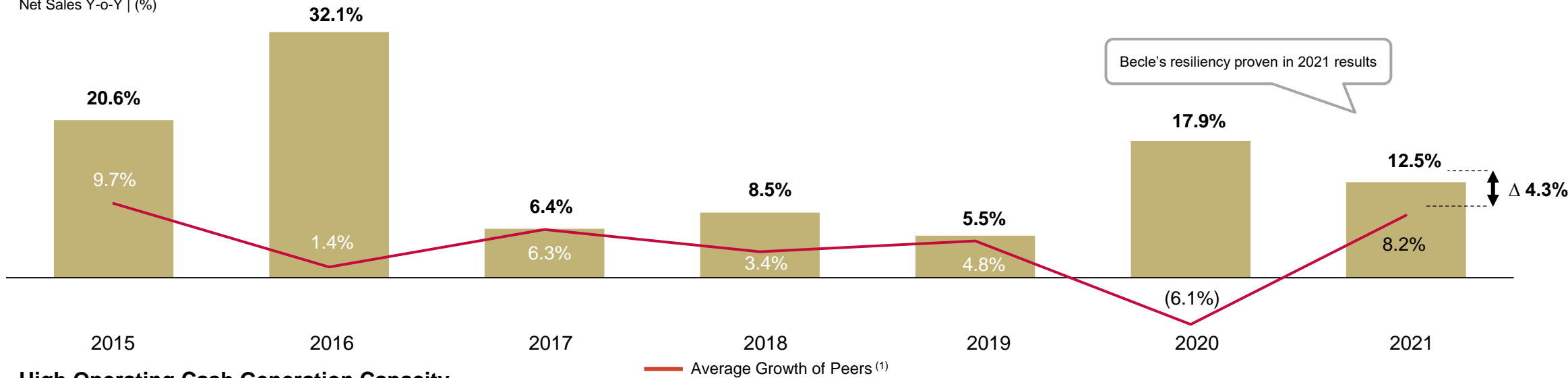
5

# Proven Agility and Innovation Driving a Resilient Business Model with High Operating Cash Generation Capacity



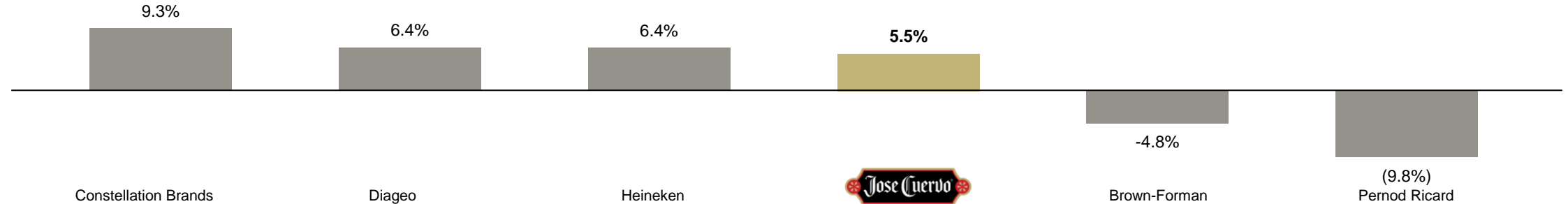
## Becle's Agile & Innovative Business Model is a Key Driver of its Outperformance

Net Sales Y-o-Y | (%)



## High Operating Cash Generation Capacity

Operating Cash Flow Growth CAGR 2016 – 2021 | (%)



Source: Company filings, Capital IQ. Company Audited Financial Statements and most recent publicly available annual financial statements for our peers. We have included the information presented in this chart for illustrative purposes only and we cannot assure you of the accuracy or comparability of our peers' financial statements. Operating profit may be measured differently by our peers for many reasons, including the fact that entities may differ in their application of accounting principles

Notes:

1. Simple average of annual revenues growth of Constellation Brands, Diageo, Brown Forman, Heineken and Pernod Ricard

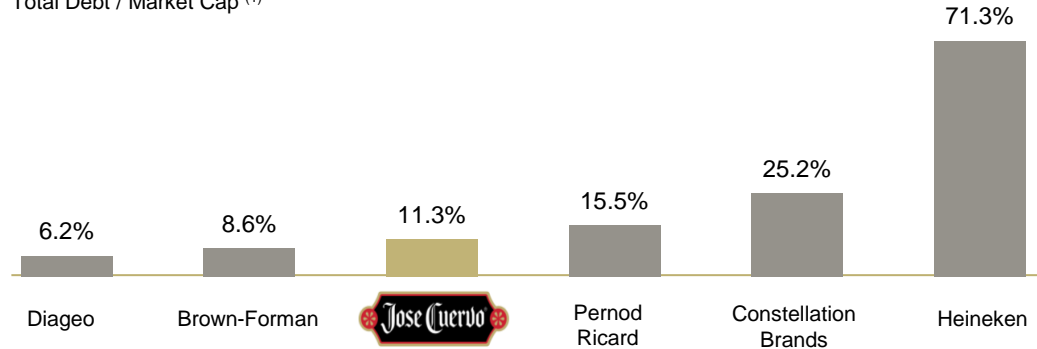


# Best-in-Class Capital Structure & Prudent Financial Policy Whilst Delivering Consistent Growth

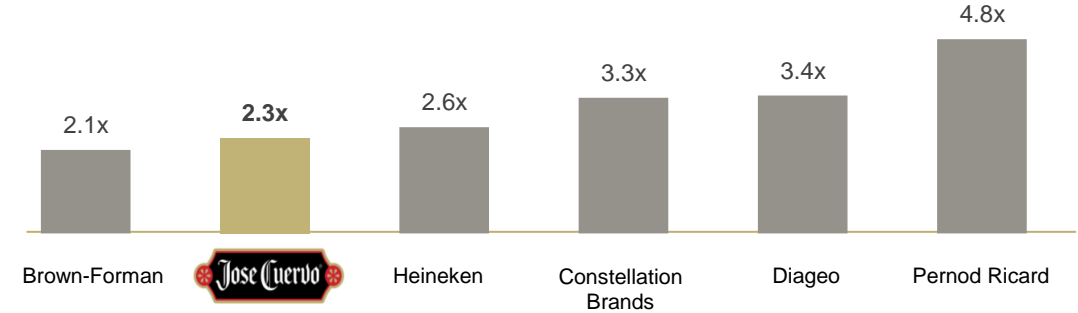


## Best-In-Class Credit Metrics

Total Debt / Market Cap <sup>(1)</sup>

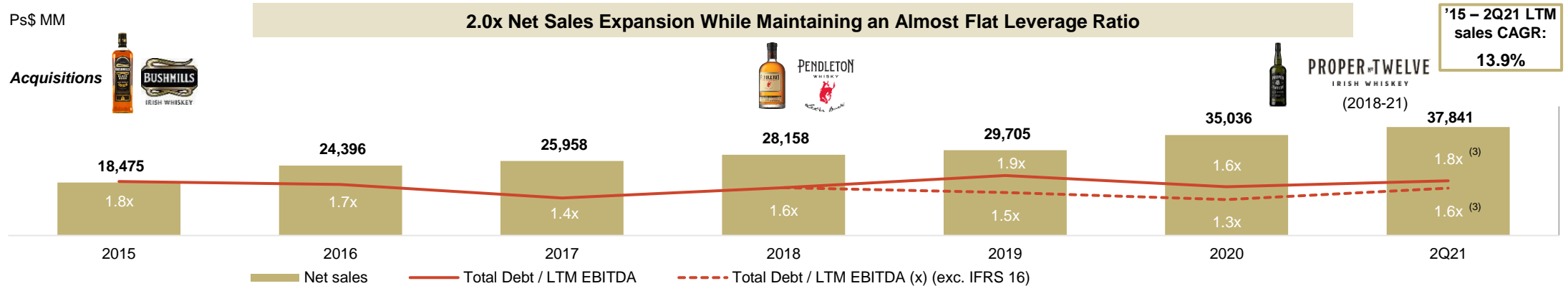


Total Debt / 2021 EBITDA



## Proven Financial Discipline While Executing on a Successful Growth Strategy

Ps\$ MM



Source: Capital IQ, Company Filings, Company Audited Financial Statements and most recent publicly available annual financial statements for our peers. We have included the information presented in this chart for illustrative purposes only and we cannot assure you of the accuracy or comparability of our peers' financial statements. Operating profit may be measured differently by our peers for many reasons, including the fact that entities may differ in their application of accounting principles

Notes:

1. As of March 9, 2022



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# Renowned Family Heritage and Strong Corporate Governance



## Becle is a Global Spirits Company with a Profound Family Heritage

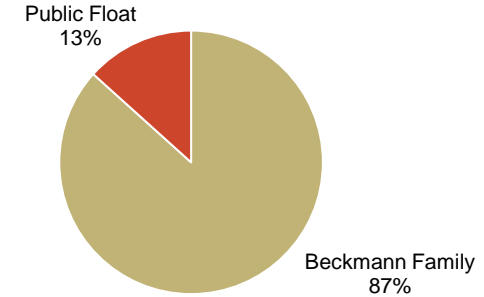
- Founded in 1758, **Becle is today an 11<sup>th</sup> generation managed spirits company**
- **Public company since 2017 and part of the S&P/BMV IPC index**
  - Market Cap of US\$7.8 <sup>(1)</sup> Bn
- Talented management team supported by a **highly experienced and independent board of directors**
- **At the fore front of sustainability practices** throughout the Tequila production cycle & other spirits bottling facilities

## Becle's Key Milestones Shaped the Tequila Industry

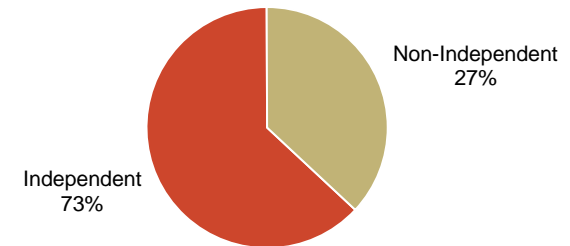


Notes:  
 1. As of June 30, 2022. FX: Ps\$ 19.98= US\$

## Ownership



## Highly Experienced and Independent Board of Directors





## We Care About our People, our Customers & the Environment

### Responsible Consumption

We promote responsible and moderate consumption of spirits aiming to safeguard our customers' health

### Community Engagement

We work closely with the communities where we operate to create positive social change

### Corporate Ethics

- Internal ethics committee
- Supplier code of ethics
- Annual employee certification
- Line to report any deviations from our Code of Conduct

### Environmental Protection

We seek to improve the value chain in our operations through efficiency in the use of resources (water, energy, emissions and waste)



## Awards & Recognitions



**Our Commitment has Granted us Recognition and Certifications Among Several Institutions**





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# Becke's Environmental Initiatives are Fully Aligned to the UN Sustainable Development Targets



## US\$60+ MM Invested Since 2010 in Sustainable Projects

# Number of Projects



### SDG Alignment



### Initiatives

- New factories with Energy efficient design to reduce consumption
- Produce Biogas from vinasse treatment to replace fossil fuels
- We run our own CO2 conversion factory through our large Agave plantation footprint

- Wastewater is 100% treated in Mexican facilities
- New plants design with upgraded water reusing features

- Agave bagasse is used as plantation fertilizer and later to power steam boilers
- Agave fibers converted into bio-based products



Know More





# New Issue Concurrent with Liability Management Exercise to Increase Debt Maturity Profile and Maintain Strong Liquidity

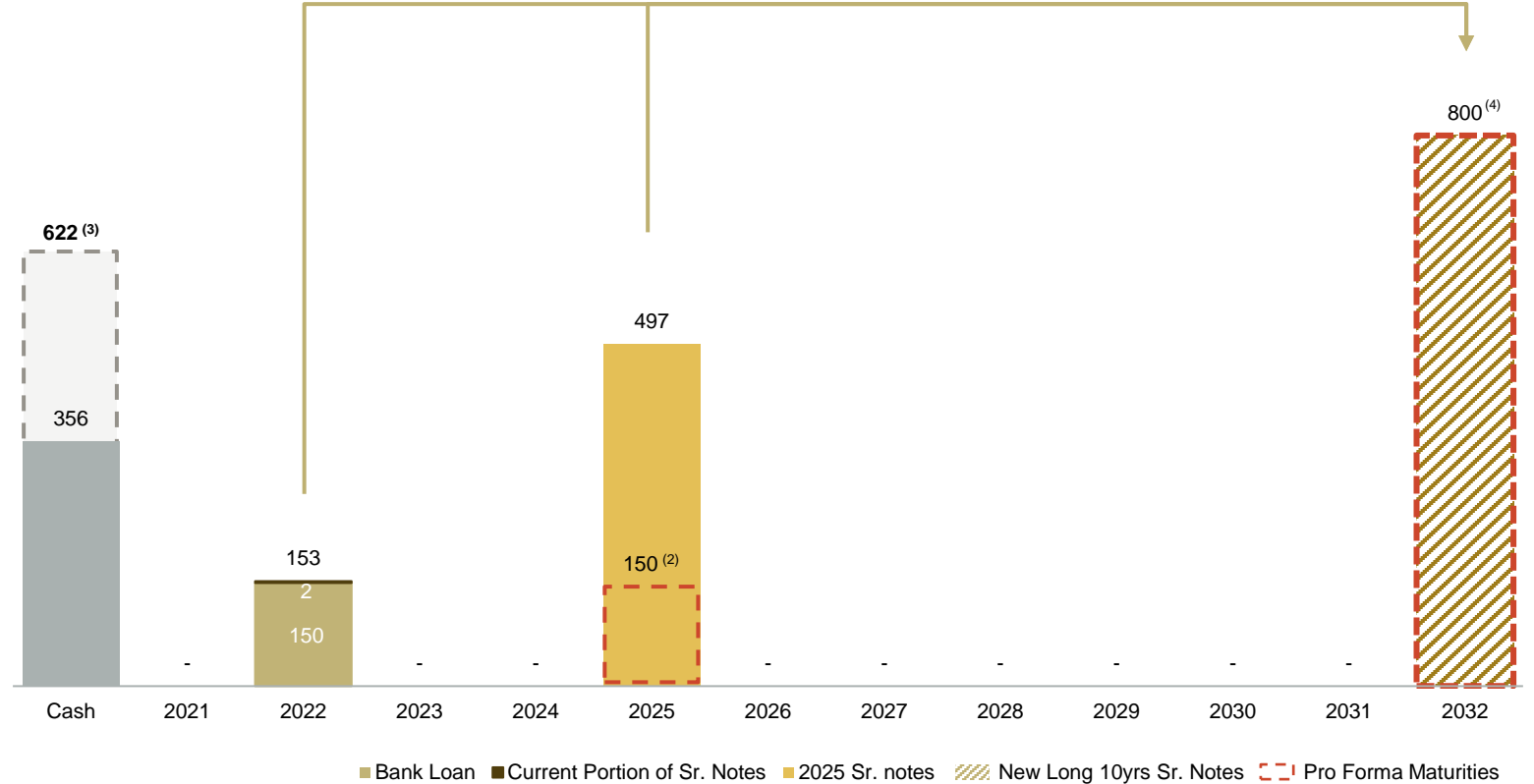


## Transaction Rationale

- Refinance upcoming maturities and extend debt maturity profile
  - Weighted average life from **3.1yrs to 9.5yrs** <sup>(2)</sup>
- Decrease next 5yr maturities by ~US\$500 MM <sup>(2)</sup>
- Maintain large portion of Debt in USD
- Maintain a strong cash position with over US\$622 MM <sup>(3)</sup> in balance sheet
- Take advantage of low interest rates
- Re-position its remarkable credit story to investors

## Debt Maturity Profile

As of 2Q21 | US\$ MM <sup>(1)</sup>



### Notes:

1. Converted at an FX of Ps\$ 19.8027
2. Assuming 70% participation in the 2025 notes tender offer

3. Assumes payment of tender premium at MW of 109.867% as of September 24, 2021
4. For illustrative purposes



# From a Net Debt Perspective, Contemplated Transaction is Essentially Leverage Neutral



## Sources and Uses

As of 2Q21 | US\$ MM <sup>(1)</sup>

Sources		Uses	
New Sr. Notes	800 <sup>(2)</sup>	Bank Loan Repayment	150
		Repurchase of 2025 Sr. Notes <sup>(3)</sup>	350
		Tender Premium Paid on 2025 Sr. Notes <sup>(4)</sup>	34
		General Corporate Purposes	266
<b>Total Sources</b>	<b>800</b>	<b>Total Uses</b>	<b>800</b>

## Capitalization

Financial Debt Profile	2Q21	Adjustment	2Q21 Pro Forma
2025 Sr. Notes	499 <sup>(5)</sup>	(350)	150 <sup>(3)</sup>
New Sr. Notes	-	800	800
Bank Loan	150	(150)	-
<b>Total Financial Debt</b>	<b>650</b>	<b>300</b>	<b>950</b>
<i>Weighted Average Life <sup>(3)</sup> (Years)</i>	3.1	-	9.5
Lease Liabilities	107	-	107
<b>Total Debt / LTM PF EBITDA <sup>(6)</sup></b>	<b>1.8x</b>	-	<b>2.5x</b>
Cash	356	266 <sup>(4)</sup>	622 <sup>(4)</sup>
<b>Net Debt / LTM PF EBITDA <sup>(6)</sup></b>	<b>0.9x</b>	-	<b>1.0x</b>

**Conservative leverage profile,  
remaining the strongest among peers**

### Notes:

1. Converted at an FX of Ps\$ 19.8027
2. For illustrative purposes
3. Assuming 70% participation in the 2025 notes tender offer

4. Assumes payment of tender premium at MW of 109.867% as of September 24, 2021

5. Includes current portion of Sr. Notes

6. Pro forma EBITDA to exclude a non-recurring AMP accrual related to continuing promotional activities for acquired intellectual property as part of the Eire Born Spirits ("EBS") transaction closing in April 2021



## Financial Statements

# Income Statement



(Ps&MM)	Six months ended June 30 <sup>th</sup>					Second quarter ended June 30 <sup>th</sup>				
	2021	% of net sales	2022	% of net sales	2022 (USD) <sup>(1)</sup>	2021	% of net sales	2022	% of net sales	2022 (USD) <sup>(1)</sup>
<b>Net sales</b>	<b>16,699</b>		<b>20,402</b>		<b>1,021</b>	<b>9,531</b>		<b>11,334</b>		<b>567</b>
Cost of goods sold	7,785	46.6	9,487	46.5	475	4,460	46.8	5,397	47.6	270
<b>Gross profit</b>	<b>8,914</b>	<b>53.4</b>	<b>10,915</b>	<b>53.5</b>	<b>546</b>	<b>5,071</b>	<b>53.2</b>	<b>5,937</b>	<b>52.4</b>	<b>297</b>
Advertising, marketing and promotion	3,379 <sup>(2)</sup>	20.2	4,003	19.6	200	2,354 <sup>(2)</sup>	24.7	2,318	20.4	116
Distribution	826	4.9	1,001	4.9	50	461	4.8	520	4.6	26
Selling and administrative	1,574	9.4	1,808	8.9	90	800	8.4	931	8.2	47
Other expenses (income), net	21	0.1	(9)	0.0	(0)	25	0.3	40	0.4	2
<b>Operating income</b>	<b>3,114</b>	<b>18.6</b>	<b>4,111</b>	<b>20.2</b>	<b>206</b>	<b>1,431</b>	<b>15.0</b>	<b>2,129</b>	<b>18.8</b>	<b>107</b>
Financing results	240	1.4	217	1.1	11	224	2.4	142	1.3	7
<b>Profit before income taxes</b>	<b>2,874</b>	<b>17.2</b>	<b>3,894</b>	<b>19.1</b>	<b>195</b>	<b>1,207</b>	<b>12.7</b>	<b>1,986</b>	<b>17.5</b>	<b>99</b>
Income taxes	747	4.5	1,129	5.5	57	314	3.3	576	5.1	29
<b>Consolidated net income</b>	<b>2,127</b>	<b>12.7</b>	<b>2,765</b>	<b>13.6</b>	<b>138</b>	<b>893</b>	<b>9.4</b>	<b>1,410</b>	<b>12.4</b>	<b>71</b>
<b>EBITDA</b>	<b>3,511</b>	<b>21.0</b>	<b>4,534</b>	<b>22.2</b>	<b>227</b>	<b>1,631</b>	<b>17.1</b>	<b>2,343</b>	<b>20.7</b>	<b>117</b>

## Notes:

1. U.S. dollars translated at 19.98 Mexican pesos solely for convenience of the reader
2. Includes a non-recurring AMP accrual of P\$373 million related to continuing promotional activities for acquired intellectual property as part of the Eire Born Spirits ("EBS") transaction closing in April 2021.



# Balance Sheet



(Ps\$ MM)	As of June 30 <sup>th</sup>		
	2021	2022	2022 (USD) <sup>(7)</sup>
Cash and cash equivalents	7,046	9,143	458
Trade receivables	7,161	8,372	419
Inventories <sup>(1)</sup>	13,696	15,256	763
Other assets <sup>(2)</sup>	3,197	2,916	146
<b>Total current assets</b>	<b>31,100</b>	<b>35,687</b>	<b>1,786</b>
Inventories <sup>(1)</sup>	10,724	13,026	652
Property, plant and equipment	10,818	12,329	617
Intangible assets	20,105	19,210	961
Goodwill	6,937	6,260	313
Right-of-use assets	2,176	2,148	108
Other assets <sup>(3)</sup>	2,818	2,684	134
<b>Total assets</b>	<b>84,678</b>	<b>91,344</b>	<b>4,571</b>
Senior Notes	48	99	5
Trade payables	3,440	4,933	247
Other accounts payable <sup>(4)</sup>	8,001	6,231	312
<b>Total current liabilities</b>	<b>11,489</b>	<b>11,263</b>	<b>564</b>
Senior Notes	9,842	18,014	901
Lease liabilities	1,823	1,865	93
Other long-term liabilities <sup>(5)</sup>	6,598	3,832	192
<b>Total liabilities</b>	<b>29,752</b>	<b>34,974</b>	<b>1,750</b>
Controlling interest <sup>(6)</sup>	54,837	56,263	2,815
Non-controlling interest	89	108	5
<b>Total stockholders' equity</b>	<b>54,926</b>	<b>56,371</b>	<b>2,821</b>
<b>Total liabilities and stockholders' equity</b>	<b>84,678</b>	<b>91,344</b>	<b>4,571</b>

## Notes:

1. Includes Biological assets

2. Includes related parties, recoverable income tax, other recoverable taxes and receivables, financial instruments at fair value through profit and loss and prepayments

3. Includes Investments in associates, Equity investments at fair value, Deferred income taxes, Employee benefits - Net and Other assets

4. Includes Lease liabilities and Related parties

5. Includes Environmental reserve and Deferred income taxes

6. Includes Capital stock, Share premium, Capital reserves, Retained earnings and Other comprehensive income

7. U.S. dollars translated at 19.98 Mexican pesos solely for convenience of the reader

# Cash Flow Statement



(Ps\$ MM)	Six months ended June 30 <sup>th</sup>		
	2021	2022	2022 (USD) <sup>(1)</sup>
<b>Operating activities:</b>			
Income before income taxes	2,874	3,894	195
Adjustment from items not implying cash flows:			
Depreciation and amortization	397	423	21
Loss on sale of property, plant and equipment	6	45	2
Non-cash items	(1,228)	12	1
Interest income	(32)	(53)	(3)
Unrealized foreign exchange	(276)	0	0
Interest expense	201	373	19
Equity method on associates	(25)	0	0
Subtotal	1,917	4,695	235
Changes in working capital	(893)	(5,964)	(299)
<b>Net cash from operating activities</b>	<b>1,024</b>	<b>(1,269)</b>	<b>(64)</b>
<b>Investment Activities:</b>			
Property, plant and equipment	(937)	(1,362)	(68)
Intangible assets	(2,942)	(12)	(1)
Investment in associates	(169)	(30)	(2)
Interest income	32	53	3
<b>Net cash flows used in investment activities</b>	<b>(4,016)</b>	<b>(1,351)</b>	<b>(68)</b>
<b>Financing activities</b>			
Bank loan	3,107	0	0
Principal lease payment	(345)	(422)	(21)
Interest Paid	(237)	(305)	(15)
<b>Net cash from financing activities</b>	<b>2,525</b>	<b>(726)</b>	<b>(36)</b>
Net decrease of cash and cash equivalents	(467)	(3,346)	(167)
Cash and cash equivalents at beginning of year:			
At beginning of the period	7,646	12,791	640
Effects of exchange rate changes on cash and cash equivalents	(133)	(301)	(15)
<b>Cash and cash equivalents at end of period</b>	<b>7,046</b>	<b>9,143</b>	<b>458</b>

## Notes:

1. U.S. dollars translated at 19.98 Mexican pesos solely for convenience of the reader



## As of August 5<sup>th</sup>, 2022

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- Items provided below are based on the Company's current estimates and are not a guarantee of future performance.
- There could be significant risks and uncertainties that could cause actual results to differ materially, including the risk factors discussed in the Company's reports on file with the Comisión Nacional Bancaria y de Valores (Mexican National Banking and Securities Commission).
- Becele undertakes no duty to update any forward-looking statements or estimates.

## Full Year 2022

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**Consolidated Volume**

Mid-single digit growth "area"

**Consolidated Capital Expenditures <sup>(1)</sup>**

US\$225 - 275 million "area"

**Notes:**

(1) Consolidated Capital Expenditures are comprised of distillery expansion capabilities (Tequila and other spirits), aging and warehousing, in order to support our long-term growth plan, and other normal and customary capital expenditures.

# Consolidated Statement of Comprehensive Income - Summary



	Second Quarter ended June 30 <sup>th</sup> , 2022		Second Quarter ended June 30 <sup>th</sup> , 2021		Year over Year Variance
	(Pesos)	% of Net Sales	(Pesos)	% of Net Sales	%
(Figures in millions)					
<b>Volume</b>	<b>7,087</b>	<b>**</b>	<b>6,364</b>	<b>**</b>	<b>11.4</b>
<b>Net sales</b>	<b>11,334</b>	<b>100</b>	<b>9,531</b>	<b>100</b>	<b>18.9</b>
<b>Gross profit</b>	<b>5,937</b>	<b>52.4</b>	<b>5,071</b>	<b>53.2</b>	<b>17.1</b>
<b>Operating income</b>	<b>2,129</b>	<b>18.8</b>	<b>1,431</b>	<b>15.0</b>	<b>48.8</b>
<b>EBITDA</b>	<b>2,343</b>	<b>20.7</b>	<b>1,631</b>	<b>17.1</b>	<b>43.7</b>
<b>Net income</b>	<b>1,410</b>	<b>12.4</b>	<b>893</b>	<b>9.4</b>	<b>58.0</b>

# Consolidated Statement of Financial Position & Cash Flow - Summary



	Second Quarter ended June 30 <sup>th</sup> , 2022	Second Quarter ended June 30 <sup>th</sup> , 2021	Year over Year Variance
(Figures in millions)	(Pesos)	(Pesos)	%
<b>Cash &amp; cash equivalents</b>	<b>9,143</b>	<b>7,046</b>	<b>29.8</b>
<b>Total financial debt</b>	<b>18,114</b>	<b>12,862</b>	<b>40.8</b>
<b>Net debt/EBITDA</b>	<b>0.9x</b>	<b>0.7x</b>	<b>28.6</b>
<b>Net cash from operating activities</b>	<b>(1,269)</b>	<b>1,024</b>	<b>NA</b>