

# Investor Presentation

Becle, S.A.B de C.V.  
August 2023





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



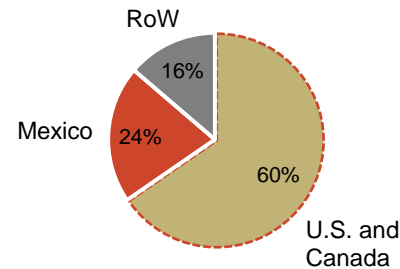
## Becke Today

- **Undisputed leader in tequila globally, ~30% market share** <sup>(1)</sup>
- **#2 in high growth Irish Whiskey category** <sup>(1)</sup> with Bushmills, Sexton and Proper No. Twelve
- 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>(2)</sup>
- **Conservative leverage profile**, remaining one of the strongest among peers

## Diversified Product Portfolio with Over 30 Brands

### Exposure to the Right Geographies...

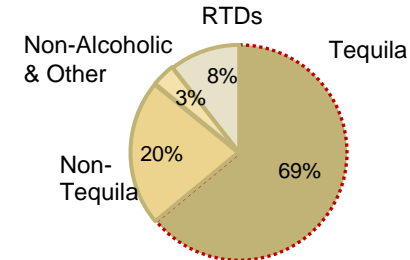
Net Sales Value Breakdown in 2022



Largest Spirits Market <sup>(2)</sup>

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

Net Sales Value Breakdown in 2022



One of the fastest growing spirits categories in the US and the World



## 2022 Key Figures

**27.4MM**

of 9 Liter Cases Sold

**2,362 MM**

Net Sales (US\$) <sup>(3)</sup>

**508 MM**

EBITDA (US\$) <sup>(3)</sup>

**1.8x**

Total Debt / EBITDA

**1.3x**

Net Debt / EBITDA

**8.0 Bn**

Market Cap <sup>(4)</sup> (US\$) <sup>(3)</sup>

**Public Company**

### Notes:

1. Based on 2022 IWSR Drinks Analysis total volume

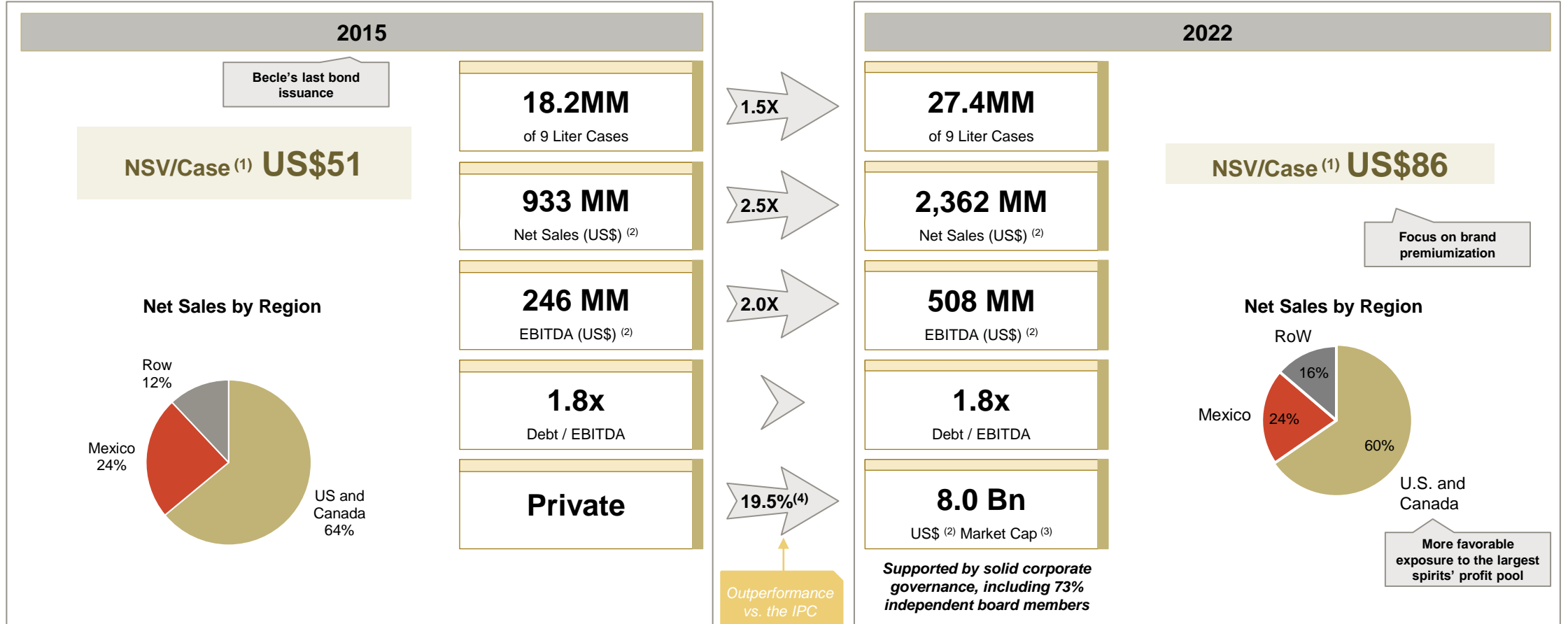
2. Excluding China, according to IWSR Drinks Analysis

3. FX: Ps\$ 19.36= US\$

4. Mkt. Cap. as of December 31, 2022.



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



**Notes:**

- 1. Net sales / 9 Liter Cases
- 2. FX: Ps\$ 19.36 = US\$

- 3. As of December 31, 2022
- 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 ESG Driven Culture**

9

**Full Year 2023 Guidance**

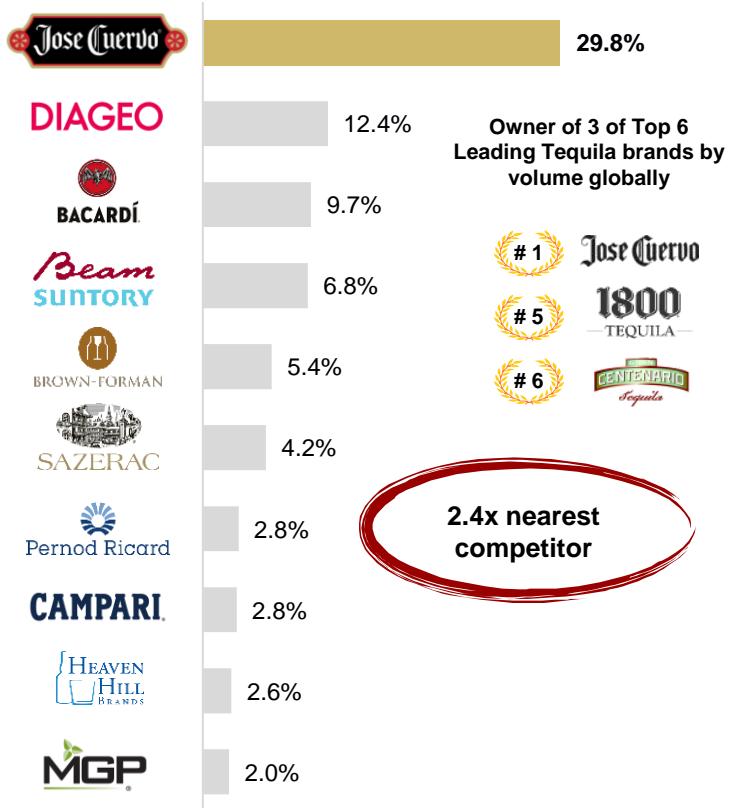


# 1 Undisputed Global Leader in Tequila and #3 in Irish Whiskey



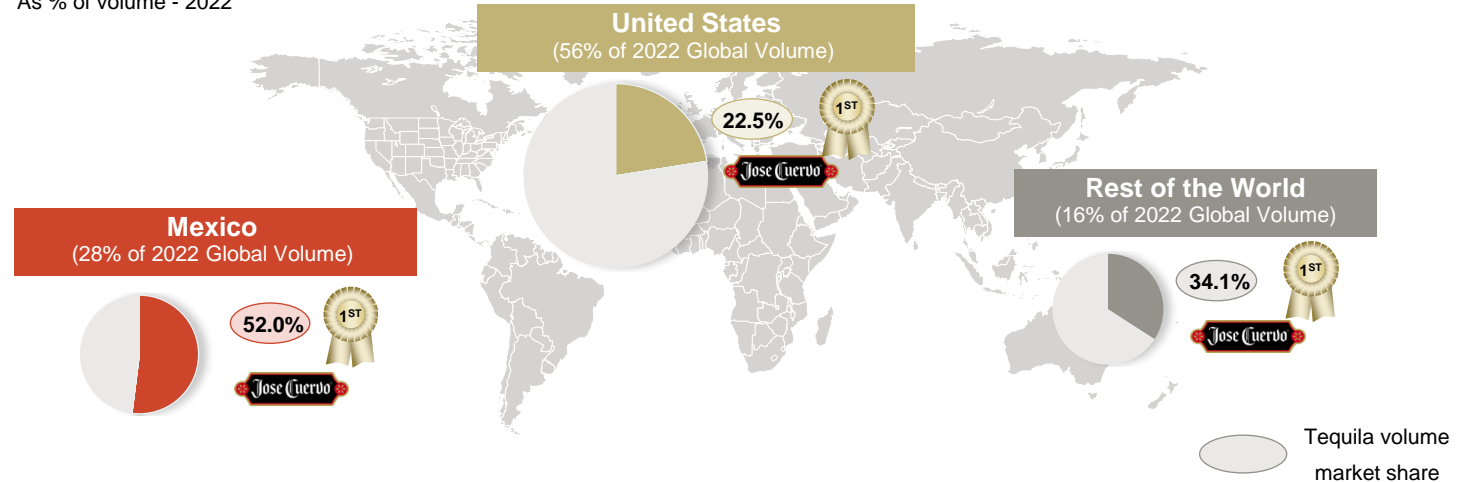
## Global Leader in Tequila...

As of 2022 Volume – Total Market Size 46.7MM 9L Cases



## ... In Every Region

As % of volume - 2022

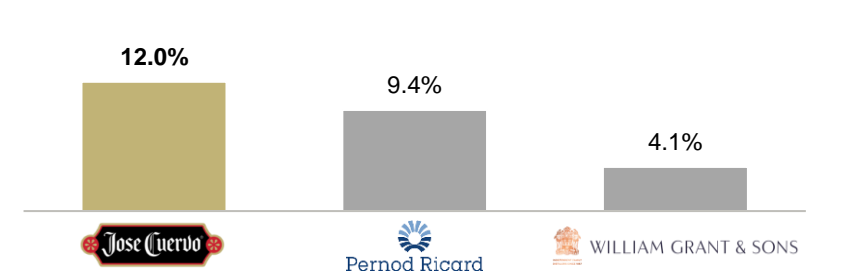


## #2 Player in Irish Whiskey

1,473K Irish Whiskey 9L cases sold in 2022



9L Cases Volume CAGR 2017 – 2022



Source: IWSR Drinks Analysis 2022



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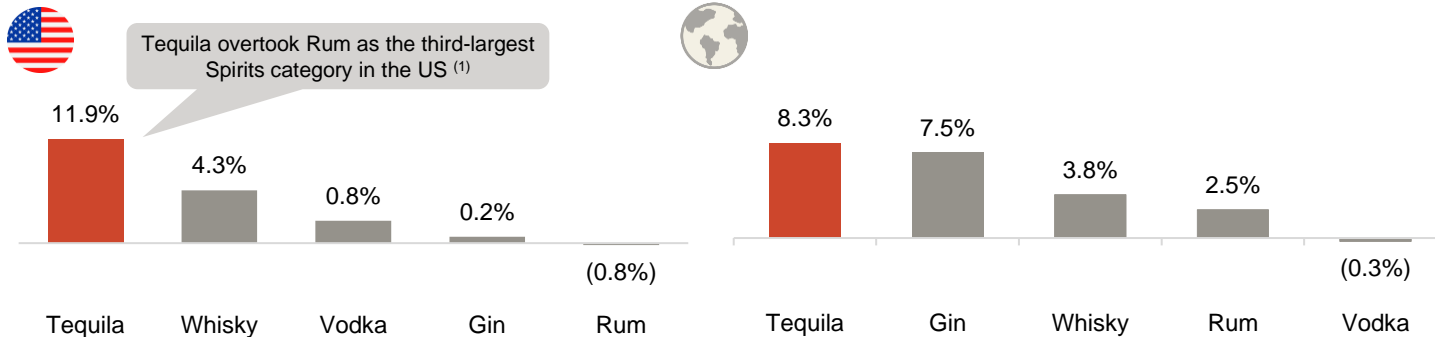
# Dominant Position in the Hottest Spirits Category...



## Since Last Issuance, Tequila has...

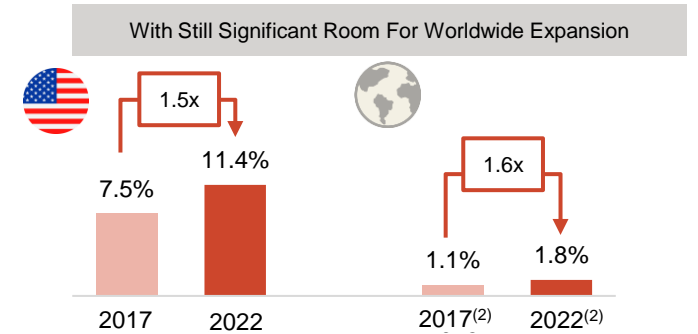
### A ...Been the Fastest Growing Major Spirits Category in the US and Second Fastest in the World

(2017 - 2022 9L cases volume CAGR)



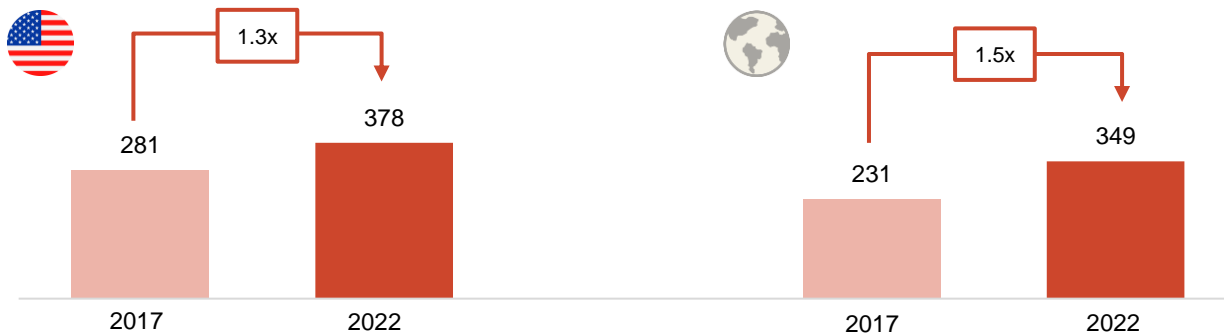
### B ...Significantly Increased its Market Share

(In terms of 9L cases volume)



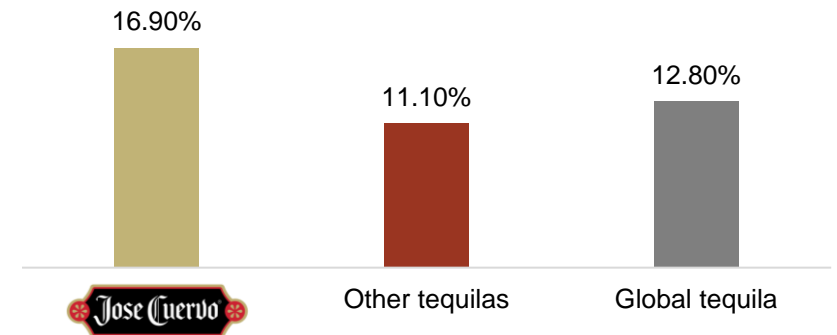
### C ...Benefitted from a Clear Premiumization Trend

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



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

(2022 Tequila 9L cases volume growth vs. 2021)



Source: IWSR Drinks Analysis

Notes:

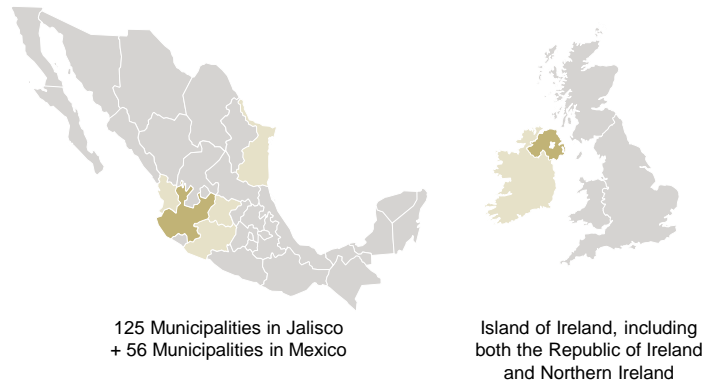
1. By volume of 9L cases sold
2. Includes local spirits



## 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**



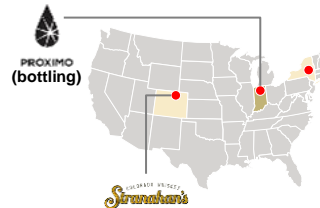
- Tequila **can only be produced from Agave Azul** (*Tequilana Weber*)
- Bece is **the largest Agave Azul producer**<sup>(1)</sup>
- Bece is **involved in full Agave cycle** (plant, growth, harvest and freight)
- Irish whiskey can **only be made throughout the island of Ireland**

**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)

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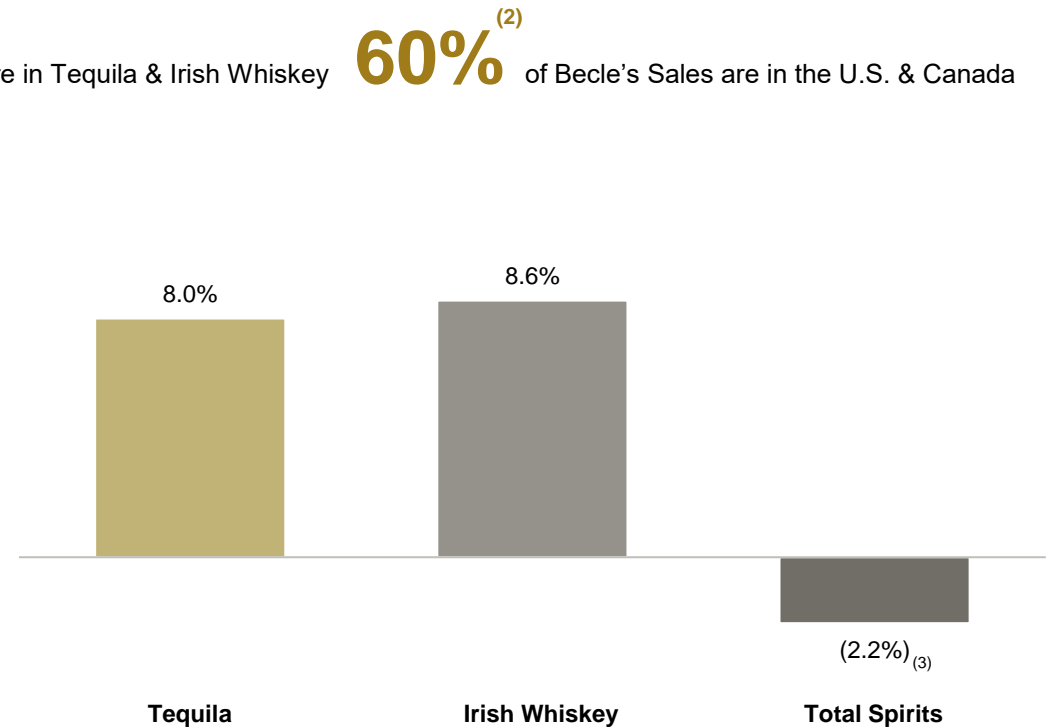
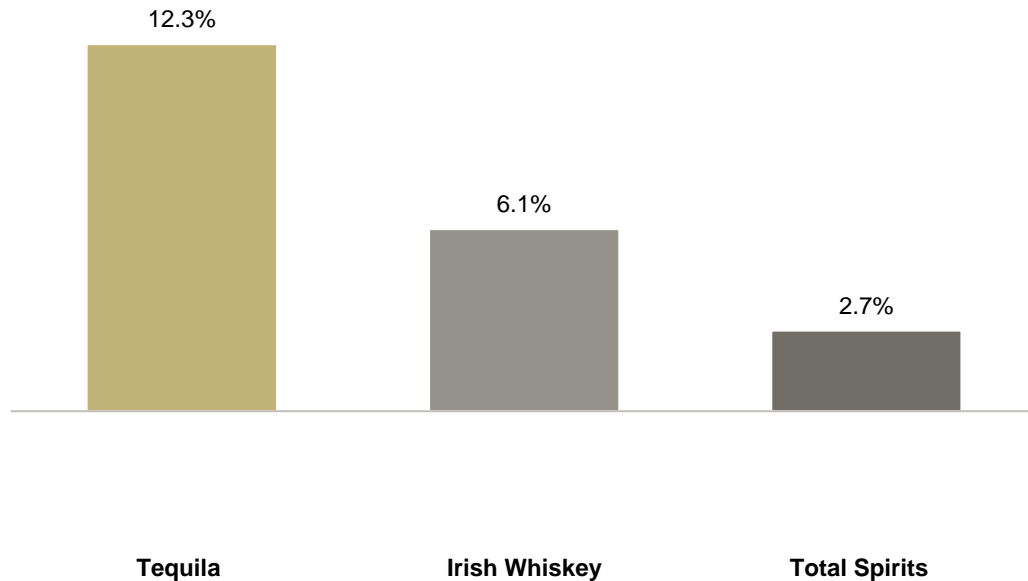
# ... In the Right Categories & Markets...



## Exposure to Dynamic Regions and Categories

Spirits Growth | 2017-2022 9L cases Volume CAGR

**73%**<sup>(1)</sup> of Beclé's Sales are in Tequila & Irish Whiskey **60%**<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 + Proper No Twelve for FY2022
- 2. Full Year 2022 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 2022

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

Premium

### Mezcal

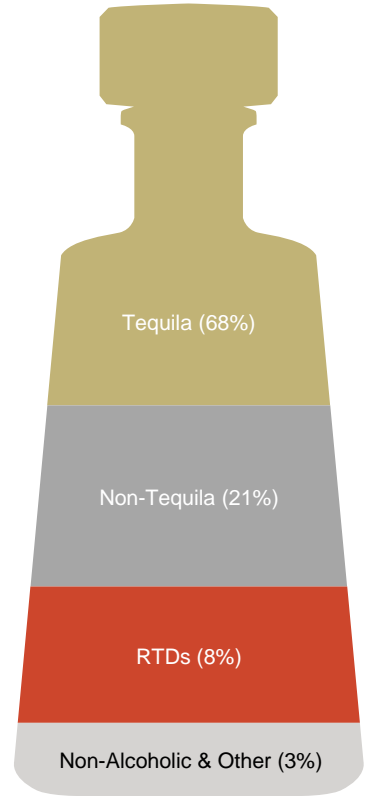


Ultra  
Premium

### RTD



### Non-Alcoholic





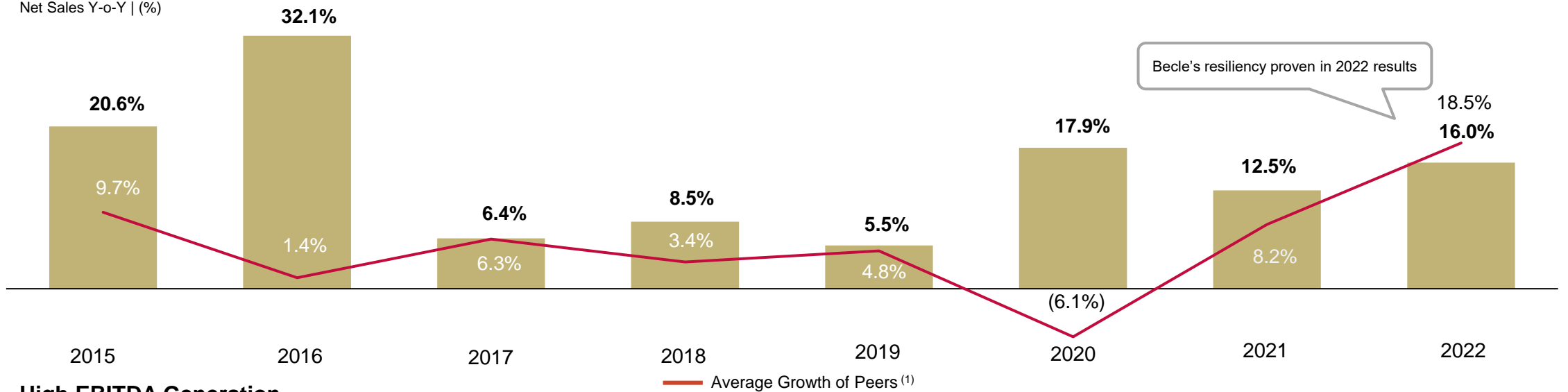
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# Proven Agility and Innovation Driving a Resilient Business Model with High Operating Cash Generation Capacity



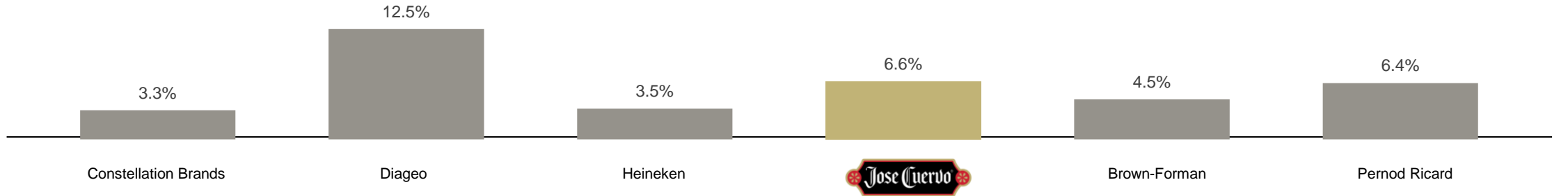
## Becle's Agile & Innovative Business Model is a Key Driver of its Outperformance

Net Sales Y-o-Y | (%)



## High EBITDA Generation

EBITDA Growth CAGR 2016 – 2022 | (%)



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



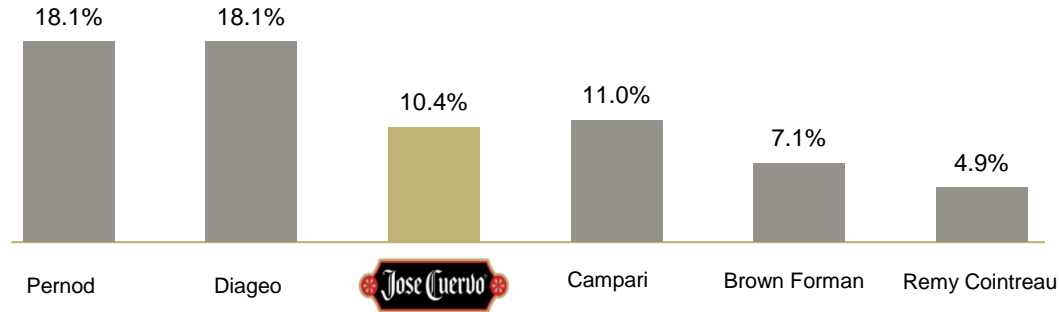
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# Best-in-Class Capital Structure & Prudent Financial Policy Whilst Delivering Consistent Growth

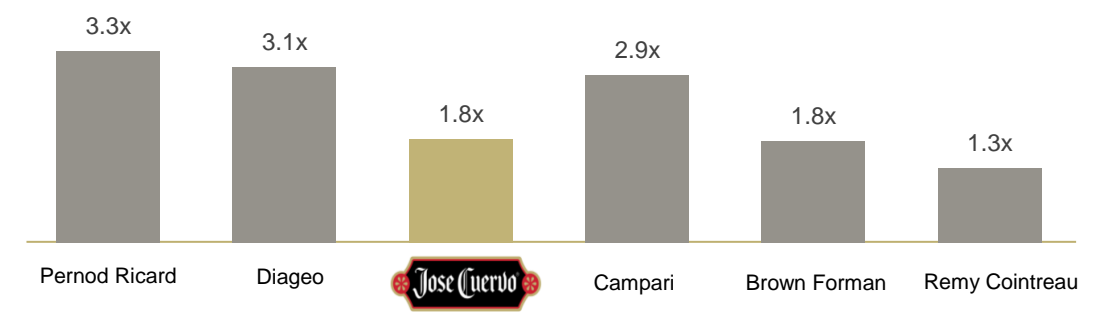


## Best-In-Class Credit Metrics

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



Total Debt / 2022 EBITDA

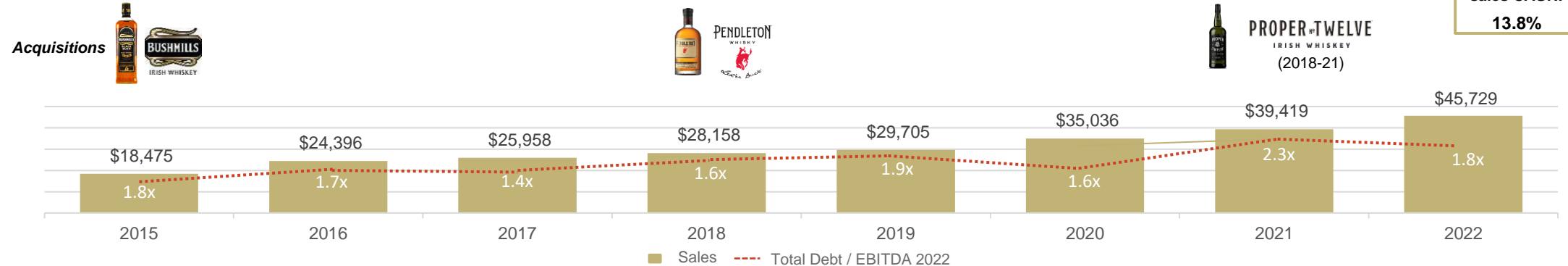


## Proven Financial Discipline While Executing on a Successful Growth Strategy

Ps\$ MM

2.0x Net Sales Expansion While Maintaining an Almost Flat Leverage Ratio

'15 – 2022 LTM sales CAGR: 13.8%



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 February 22, 2023



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# Renowned Family Heritage and Strong Corporate Governance



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

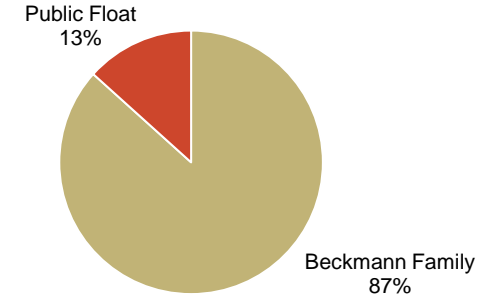
- Founded in 1758, **Becle is today an 11<sup>th</sup> generation managed spirits company**
- **Public company since 2017 and part of the S&P/BMV IPC index**
  - Market Cap of US\$7.8 <sup>(1)</sup> Bn
- Talented management team supported by a **highly experienced and independent board of directors**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

## Becle's Key Milestones Shaped the Tequila Industry

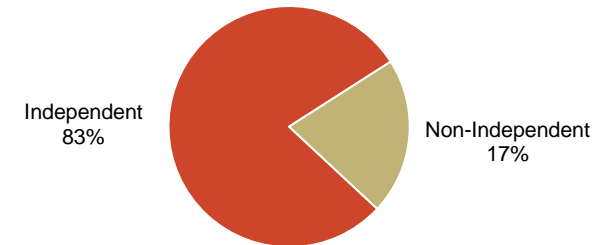


Notes:  
 1. As of December 31, 2022. FX: Ps\$ 19.36= US\$

## Ownership



## Highly Experienced and Independent Board of Directors





Our ESG (Environmental, Social and Governance) strategy is based on clear and defined business values and actions divided in three pillars for a sustainable future: i) Sustainable Governance, ii) From Source to Market and iii) Looking After Our People



### Awards, Recognitions & Affiliated Entities



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



# Becle's Environmental Initiatives are Aligned to the UN Sustainable Development Targets and to the Global Compact



## SDG Alignment



Through our strategic framework, we will also be able to contribute to the United Nations Sustainable Development Goals (SDGs).



### Sustainable Agriculture

Traceability of our agave plantations, guaranteeing non-deforestation and improvement of the land we manage.



### Climate Change

Integrating climate risk monitoring into our overall risk management and corporate strategies.



### Biodiversity

Allowing local fauna to perform their natural interactions, such as pollination and fertilization.



### Sustainable Sourcing

Sourcing of most of our ingredients locally.



### Carbon Footprint

Our strategy contemplates evaluating technologies that will help us reduce energy consumption and material usage linked to carbon emissions.



### Energy

46% of our global energy consumption comes from renewable sources.



### Water Stewardship

We operate 2 state-of-the-art water plants for the biological treatment of effluents, such as tequila vinasse.



### Waste Management

100% of bagasse waste generated is used in our agave fields or repurposed for bio-based products.



## Financial Statements

# Income Statement



(Ps\$MM)	Six months ended June 30 <sup>th</sup>					Second quarter ended June 30 <sup>th</sup>				
	2022	% of net sales	2023	% of net sales	2023 (USD) <sup>(1)</sup>	2022	% of net sales	2023	% of net sales	2023 (USD)
<b>Net sales</b>	<b>20,402</b>		<b>20,648</b>		<b>1,209</b>	<b>11,334</b>		<b>11,065</b>		<b>648</b>
Cost of goods sold	9,847	46.5	10,166	49.2	595	5,397	47.6	5,440	49.2	319
<b>Gross profit</b>	<b>10,915</b>	<b>53.5</b>	<b>10,482</b>	<b>50.8</b>	<b>614</b>	<b>5,937</b>	<b>52.4</b>	<b>5,625</b>	<b>50.8</b>	<b>329</b>
Advertising, marketing and promotion	4,003	19.6	4,453	21.6	261	2,318	20.4	2,483	22.4	145
Distribution	1,001	4.9	963	4.7	56	520	4.6	504	4.6	30
Selling and administrative	1,808	8.9	1,959	9.5	115	931	8.2	1,025	9.3	60
Other expenses (income), net	(9)	0.0	(80)	(0.4)	(5)	40	0.4	(36)	(0.3)	(2)
<b>Operating income</b>	<b>4,111</b>	<b>20.2</b>	<b>3,188</b>	<b>15.4</b>	<b>187</b>	<b>2,129</b>	<b>18.8</b>	<b>1,648</b>	<b>16.7</b>	<b>97</b>
Financing results	217	1.1	(373)	(1.8)	(22)	142	1.3	(203)	(1.8)	(12)
<b>Profit before income taxes</b>	<b>3,894</b>	<b>19.1</b>	<b>3,560</b>	<b>17.2</b>	<b>209</b>	<b>1,986</b>	<b>17.5</b>	<b>1,851</b>	<b>16.7</b>	<b>108</b>
Income taxes	1,129	5.5	997	4.8	58	576	5.1	518	4.7	30
<b>Consolidated net income</b>	<b>2,765</b>	<b>13.6</b>	<b>2,563</b>	<b>12.4</b>	<b>149</b>	<b>1,410</b>	<b>12.4</b>	<b>1,332</b>	<b>12.0</b>	<b>78</b>
<b>EBITDA</b>	<b>4,534</b>	<b>22.2</b>	<b>3,717</b>	<b>18.0</b>	<b>218</b>	<b>2,343</b>	<b>20.7</b>	<b>1,917</b>	<b>17.3</b>	<b>112</b>

**Notes:**

1. U.S. dollars translated at 17.07 Mexican pesos solely for convenience of the reader for the period ended June 30<sup>th</sup>, 2023



# Balance Sheet



(Ps\$ MM)	As of June 30th		
	2022	2023	2023 (USD) <sup>(7)</sup>
<b>Assets</b>			
Cash and cash equivalents	9,143	4,292	251
Trade receivables	8,372	9,640	565
Inventories <sup>(1)</sup>	15,257	21,552	1,262
Other assets <sup>(2)</sup>	2,915	4,565	267
<b>Total current assets</b>	<b>35,687</b>	<b>40,049</b>	<b>2,346</b>
Inventories <sup>(1)</sup>	13,026	13,863	812
Property, plant and equipment	12,329	14,668	859
Intangible assets	19,210	16,916	991
Goodwill	6,260	5,505	322
Right-of-use assets	2,148	2,456	144
Other assets <sup>(3)</sup>	2,684	3,392	199
<b>Total non-current assets</b>	<b>55,657</b>	<b>56,800</b>	<b>3,327</b>
<b>Total assets</b>	<b>91,344</b>	<b>96,849</b>	<b>5,673</b>
<b>Liabilities</b>			
Bank Loan	-	5,989	351
Senior Notes	99	108	6
Trade payable	4,933	6,756	396
Other accounts payable <sup>(4)</sup>	4,720	5,042	295
Dividends payable	1,510	1,764	103
<b>Total current liabilities</b>	<b>11,263</b>	<b>19,660</b>	<b>1,152</b>
Senior Notes	18,014	15,487	907
Lease liabilities	1,865	2,259	132
Other long-term liabilities <sup>(5)</sup>	3,831	3,530	207
<b>Total non-current liabilities</b>	<b>23,711</b>	<b>21,276</b>	<b>1,246</b>
<b>Total liabilities</b>	<b>34,974</b>	<b>40,936</b>	<b>2,398</b>
<b>Stockholders' equity</b>			
Controlling interest <sup>(6)</sup>	56,263	55,782	3,267
Non-controlling interest	108	131	8
<b>Total stockholders' equity</b>	<b>56,371</b>	<b>55,913</b>	<b>3,275</b>
<b>Total liabilities and stockholders' equity</b>	<b>91,344</b>	<b>96,849</b>	<b>5,673</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, 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 17.07 Mexican pesos solely for convenience of the reader for the period ended June 30<sup>th</sup>, 2023.

# Cash Flow Statement



(Ps\$ MM)	Six months ended June 30 <sup>th</sup>		
	2022	2023	2023 (USD) <sup>(1)</sup>
<b>Operating activities:</b>			
Income before income taxes	3,894	3,560	209
Adjustment from items not implying cash flows:			
Depreciation and amortization	423	529	31
Loss on sale of property, plant and equipment	45	16	1
Non-cash items	12	81	5
Interest income	(53)	(128)	(7)
Unrealized foreign exchange	-	(751)	(44)
Interest expense	373	324	19
<b>Subtotal</b>	<b>4,695</b>	<b>3,652</b>	<b>214</b>
<b>Net cash from operating activities</b>	<b>(1,269)</b>	<b>(3,274)</b>	<b>(192)</b>
<b>Investment Activities:</b>			
Property, plant and equipment	(1,362)	(1,555)	(91)
Intangible assets	(12)	(33)	(2)
Investment in associates	(30)	(379)	(22)
Interest income	53	128	7
<b>Net cash flows used in investment activities</b>	<b>(1,351)</b>	<b>(1,839)</b>	<b>(108)</b>
<b>Financing activities</b>			
Bank loan	-	6,255	366
Principal lease payment	(422)	(671)	(39)
Interest paid	(305)	(345)	(20)
<b>Net cash from financing activities</b>	<b>(726)</b>	<b>5,239</b>	<b>307</b>
<b>Net decrease of cash and cash equivalents</b>	<b>(3,346)</b>	<b>126</b>	<b>7</b>
<b>Cash and cash equivalents at beginning of year:</b>			
At beginning of the period	12,791	4,521	265
Effects of exchange rate changes on cash and cash equivalents	(301)	(354)	(21)
<b>Cash and cash equivalents at end of period</b>	<b>9,143</b>	<b>4,292</b>	<b>251</b>

**Notes:**

1. U.S. dollars translated at 17.07 Mexican pesos solely for convenience of the reader.



## As of July 28<sup>th</sup>, 2023

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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).
- Beclé undertakes no duty to update any forward-looking statements or estimates.

## Full Year 2023

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**Consolidated Net Sales Value**

High-single digit growth “area” (constant currency)

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

US\$200 - 225 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.