

# Investor Presentation

Becle, S.A.B de C.V.  
February 2024





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



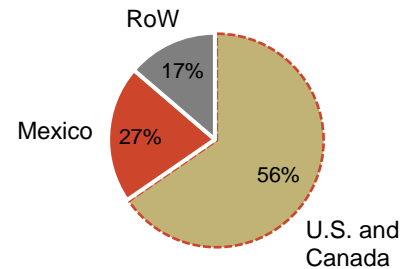
## Becke Today

- **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...

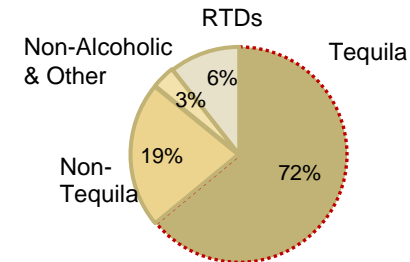
Net Sales Value Breakdown in 2023



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

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

Net Sales Value Breakdown in 2023



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



## 2023 Key Figures

**27.1MM**

of 9 Liter Cases Sold

**2,625 MM**

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

**433 MM**

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

**3.3x**

Total Debt / EBITDA

**2.4x**

Net Debt / EBITDA

**7.0 Bn**

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

**Public Company**

### Notes:

1. Based on 2022 IWSR Drinks Analysis total volume

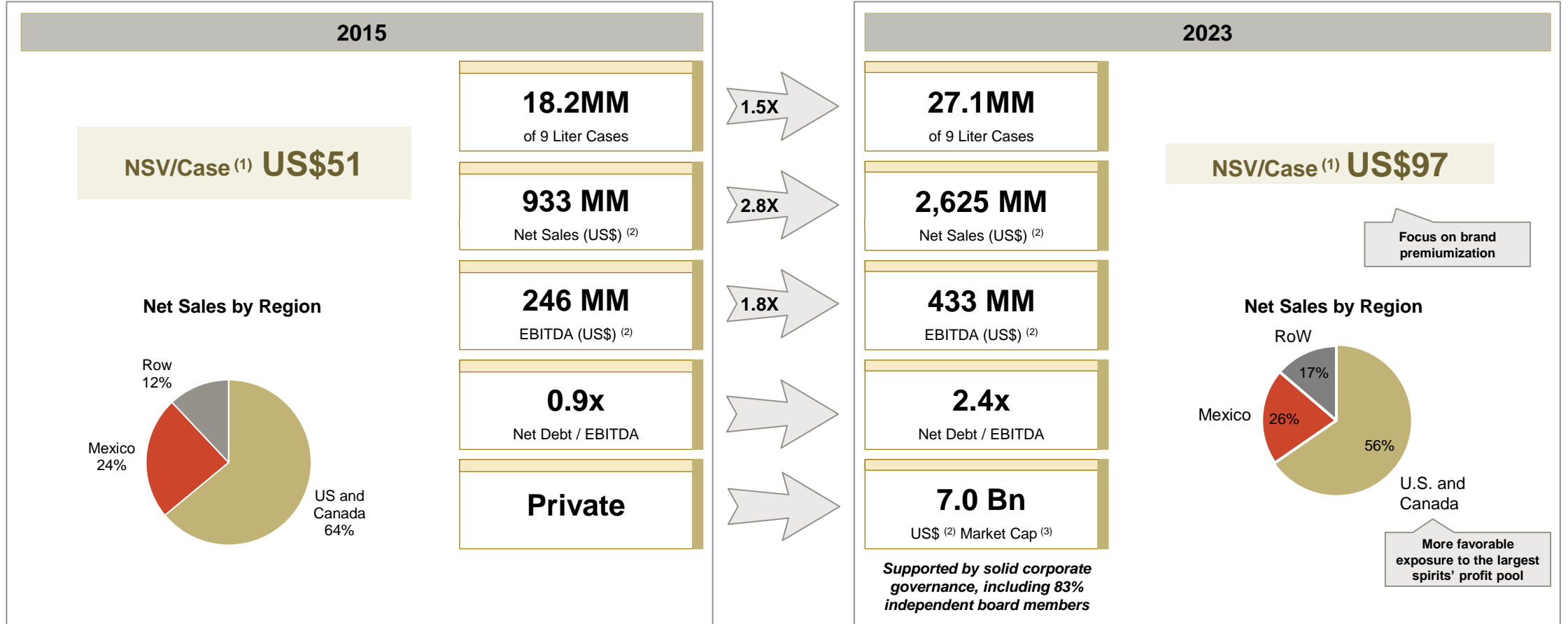
2. Excluding China, according to IWSR Drinks Analysis

3. FX: Ps\$ 16.8935= US\$

4. Mkt. Cap. as of December 31, 2023.



# Becele's Outstanding Performance Makes it Today a Larger Company than in 2015



**Notes:**  
 1. Net sales / 9 Liter Cases  
 2. FX: Ps\$ 16.8935 = US\$  
 3. As of December 31<sup>st</sup>, 2023



1

**Undisputed Global Leader in Tequila and #2 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

**New Bank Debt to Increase Debt Maturity Profile and Maintain Strong Liquidity**

9

**Strong ESG Driven Culture**

10

**Full Year 2024 Guidance**



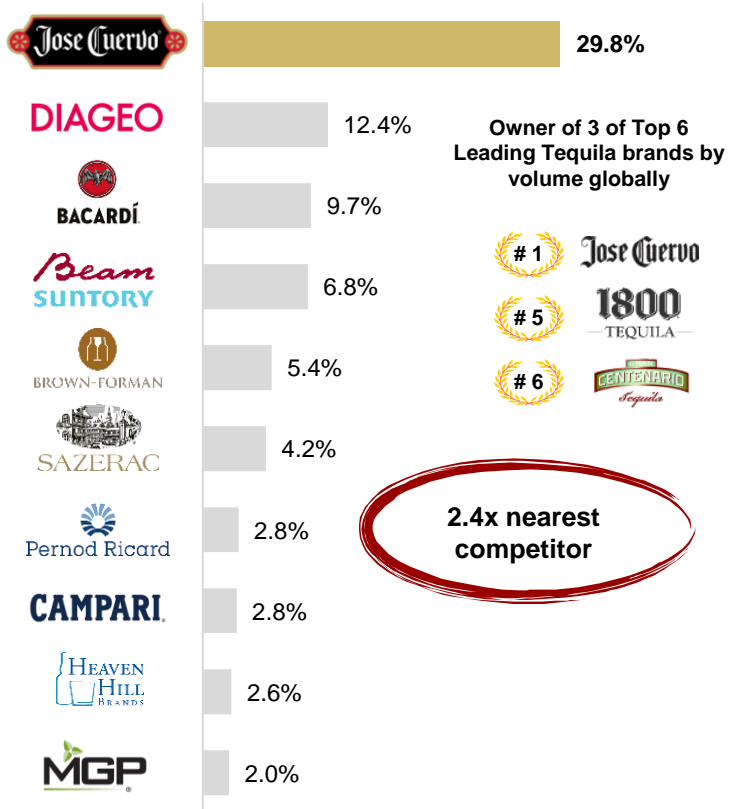


# 1 Undisputed Global Leader in Tequila and #2 in Irish Whiskey



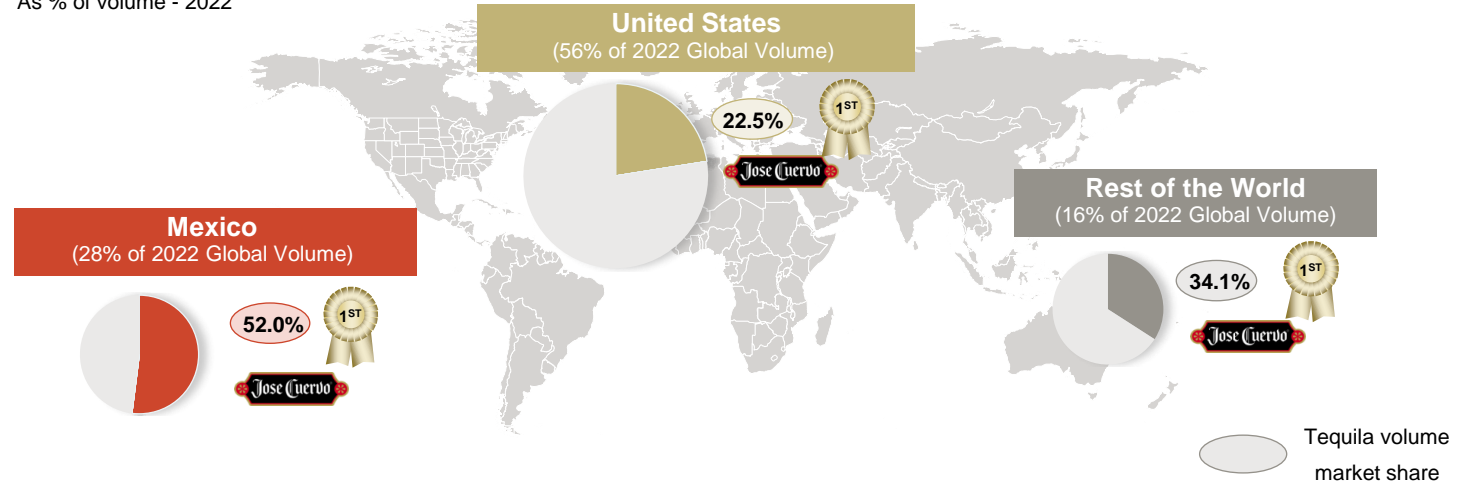
## Global Leader in Tequila...

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



## ... In Every Region

As % of volume - 2022

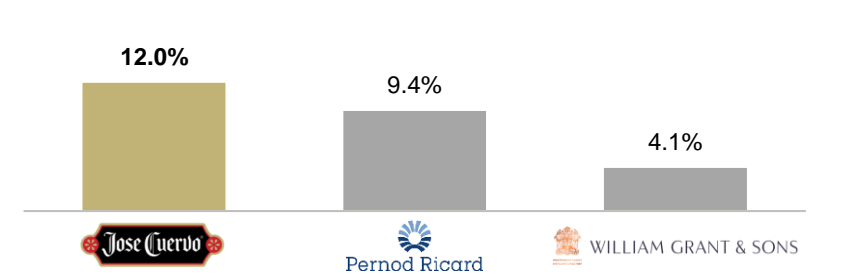


## #2 Player in Irish Whiskey

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



9L Cases Volume CAGR 2017 – 2022



Source: IWSR Drinks Analysis 2022



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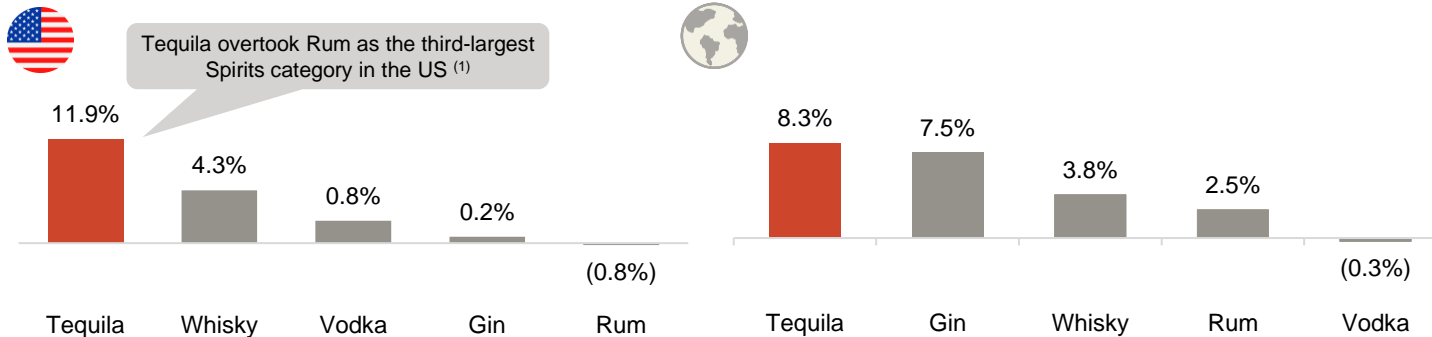
# Dominant Position in the Hottest Spirits Category...



## Since Last Issuance, Tequila has...

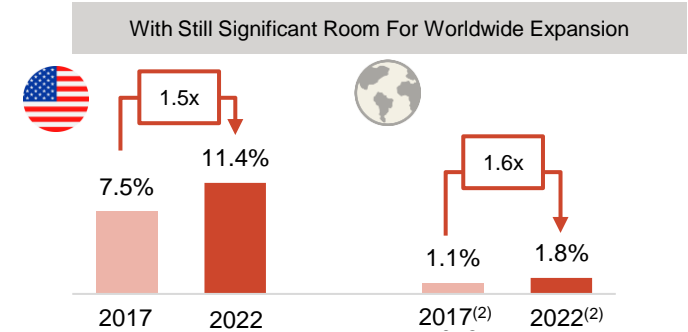
### A ...Been the Fastest Growing Major Spirits Category in the US and Second Fastest in the World

(2017 - 2022 9L cases volume CAGR)



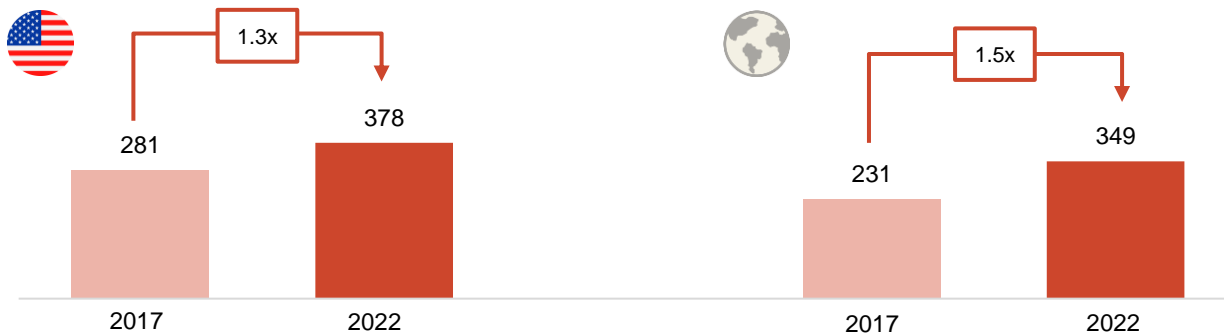
### B ...Significantly Increased its Market Share

(In terms of 9L cases volume)



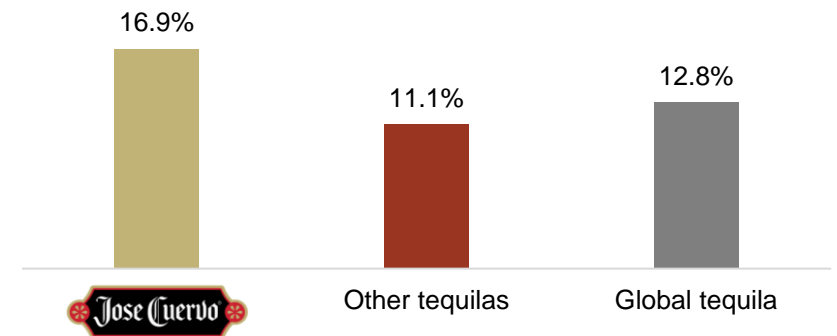
### C ...Benefitted from a Clear Premiumization Trend

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:

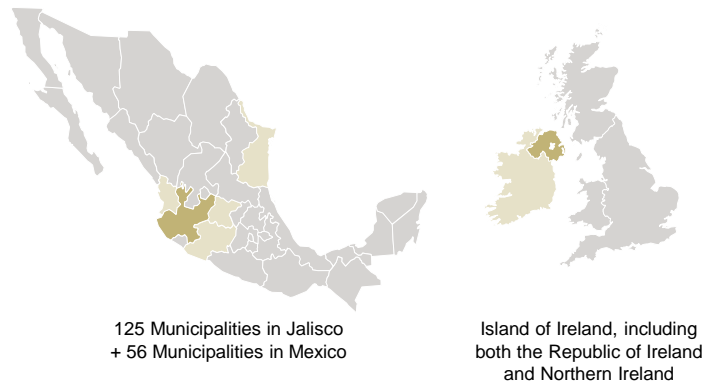
1. By volume of 9L cases sold
2. Includes local spirits



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

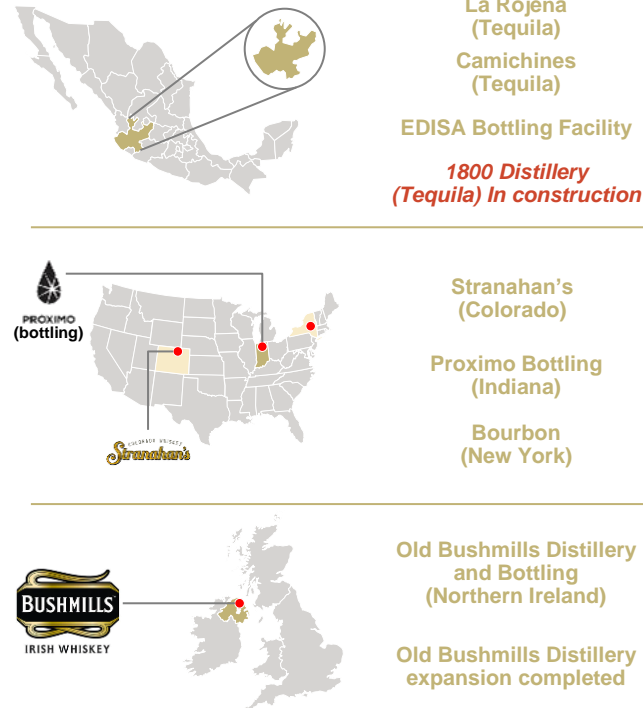


**Competitive Advantage Resulting from Appellation of Origin for Tequila and Irish Whiskey**



- 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**



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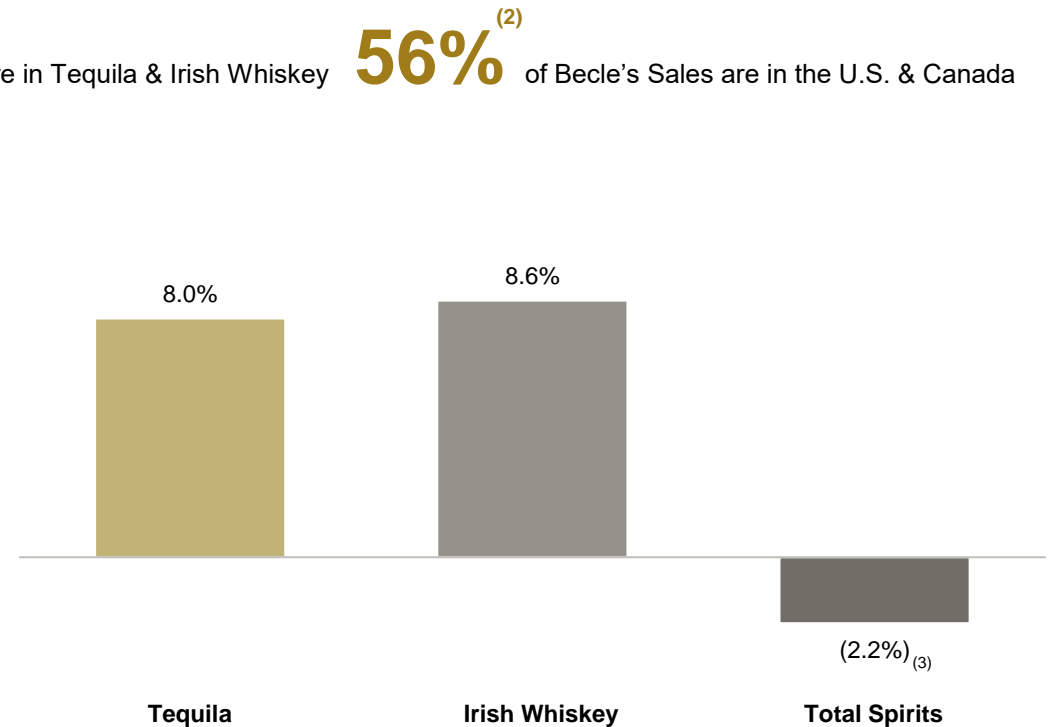
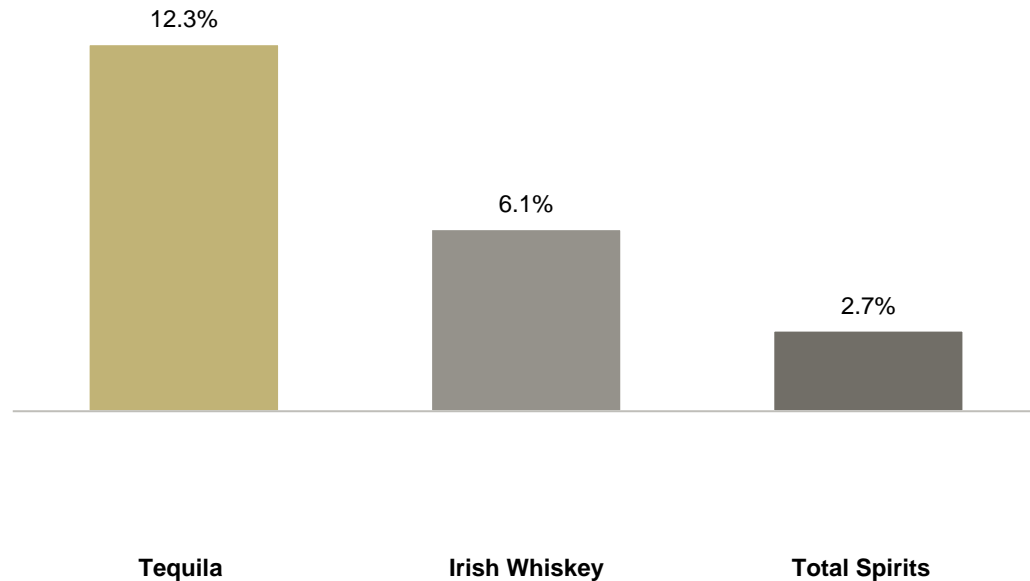
# ... In the Right Categories & Markets...



## Exposure to Dynamic Regions and Categories

Spirits Growth | 2017-2022 9L cases Volume CAGR

**78%**<sup>(1)</sup> of Beclé's Sales are in Tequila & Irish Whiskey **56%**<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 FY2023
- 2. Full Year 2023 Sales
- 3. Includes local spirits





4

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



## Diversified Brand Portfolio

## Net Sales by Category

By value as of 2023

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

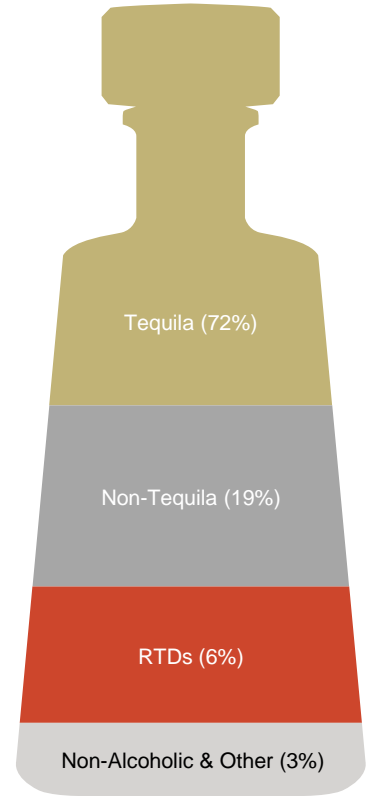


Ultra  
Premium

### RTD



### Non-Alcoholic





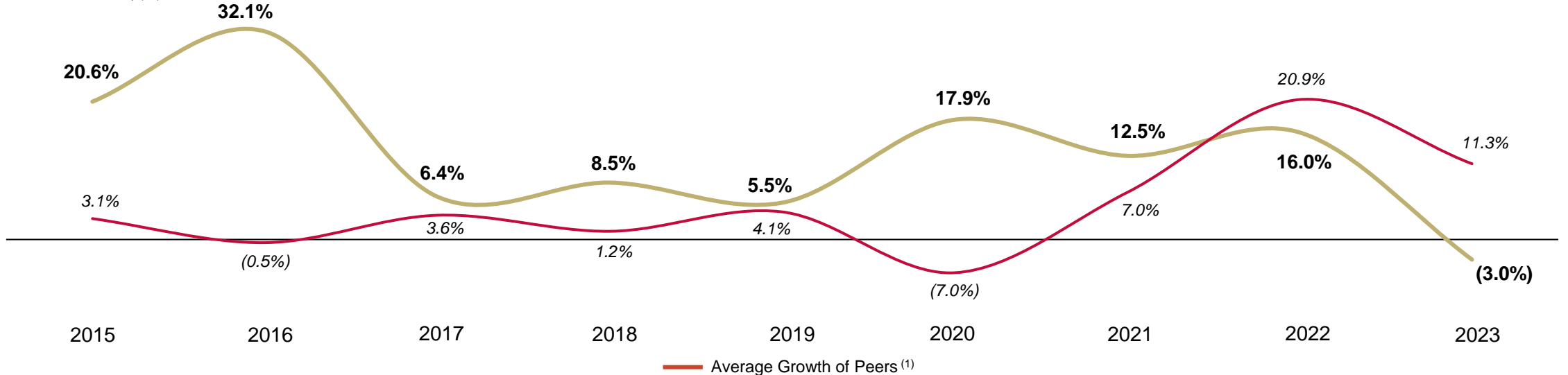
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# Proven Agility and Innovation Driving a Resilient Business Model with High Operating Cash Generation Capacity



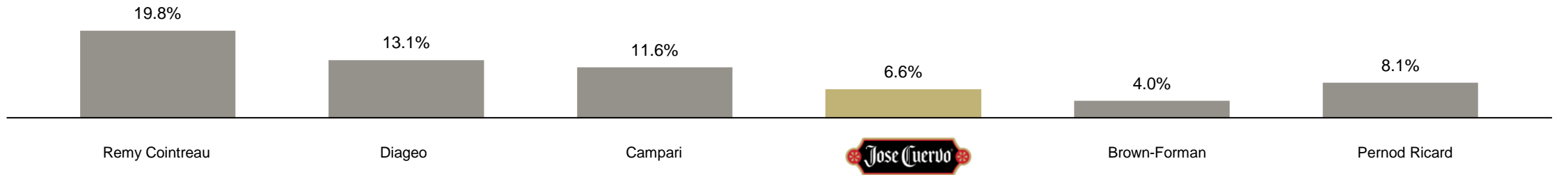
## Becle's Agile & Innovative Business Model is a Key Driver of its Outperformance

Net Sales Y-o-Y | (%)



## High EBITDA Generation

EBITDA Growth CAGR 2016 – 2023 | (%)



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 revenue growth of Campari, Diageo, Brown Forman, Remy Cointreau and Pernod Ricard.



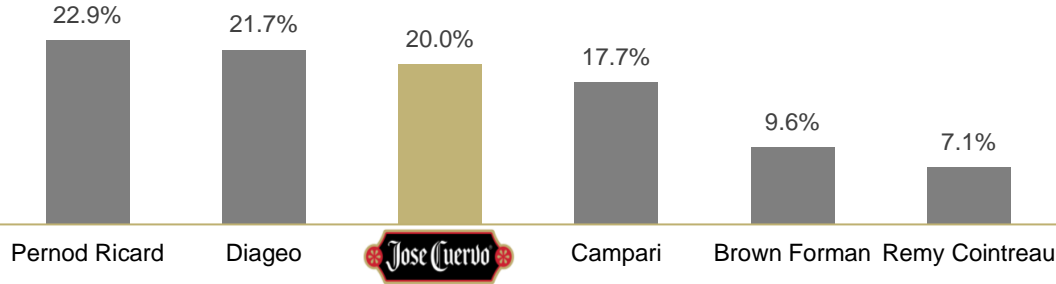
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# Best-in-Class Capital Structure & Prudent Financial Policy Whilst Delivering Consistent Growth

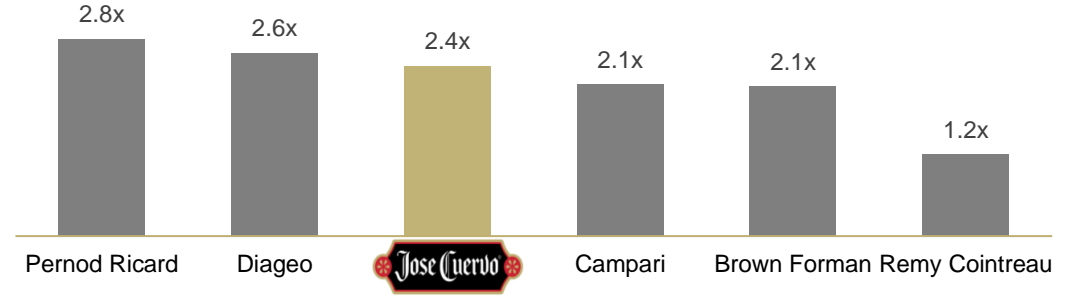


## Best-In-Class Credit Metrics

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

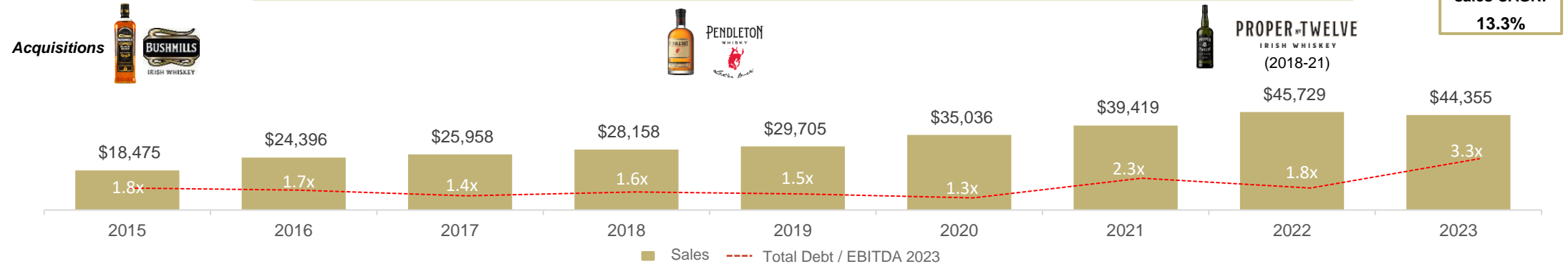


Net Debt / EBITDA <sup>(1)</sup>



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

Sales in 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. Bloomberg: As of December 31<sup>st</sup>, 2023.



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

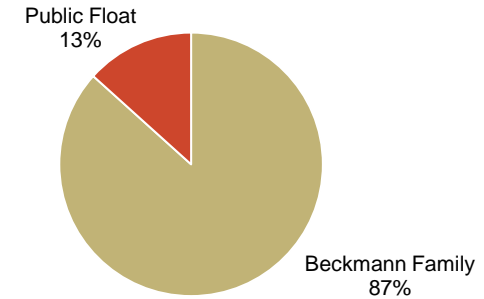
- Founded in 1758, **Becle is today an 11<sup>th</sup> generation managed spirits company**
- **Public company since 2017 and part of the S&P/BMV IPC index**
  - Market Cap of US\$7.0 <sup>(1)</sup> Bn
- Talented management team supported by a **highly experienced and independent board of directors**
- **At the fore front of sustainability practices** throughout the Tequila production cycle & other spirits bottling facilities

## Becle’s Key Milestones Shaped the Tequila Industry

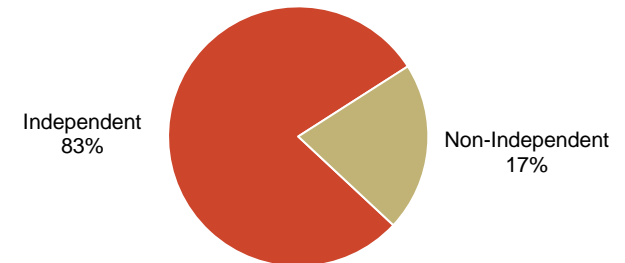
1795	1812	1852	1880	1945
				
First license ever to sell tequila	Oldest distillery in Mexico	First export to the US	First distiller to bottle tequila in glass bottles	Margarita created using Jose Cuervo tequila

Notes:  
1. As of December 31, 2023. FX: Ps\$ 16.8935= US\$

## Ownership



## Highly Experienced and Independent Board of Directors





## Transaction Rationale

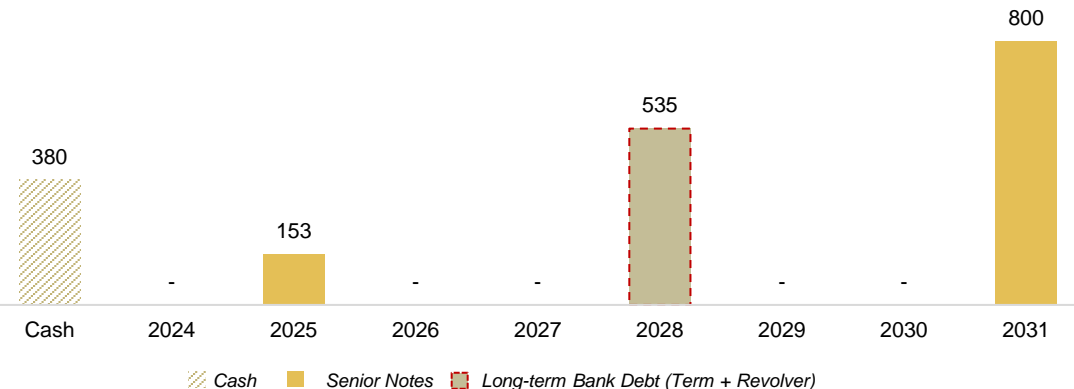
- Term out US\$535mn of bank financing, essentially all of the Company's short-term indebtedness
  - Leave no relevant debt maturities until May 2025 (US\$153mn balance outstanding from the JBYCMX 3.75% 05/13/25 Senior Notes)
  - Extend the average life of debt by c. 1.5 years
- Combine a term loan with a revolving facility for added flexibility / liquidity
- Expand and diversify funding sources and bank counterparties
- Maintain leverage unchanged

## Sources & Uses

Sources			Uses
Term Facility	US\$385mn	72%	Repay existing short-term indebtedness of US\$500mn with US\$35mn left undrawn under the RCF
Revolving Facility	US\$150mn	28%	

## Debt Maturity Profile

As of 2023 | US\$ MM<sup>(1)</sup>



### Notes:

1. As of December 31, 2023. FX: Ps\$ 16.8935= US\$
2. Adjusted for Lease Liabilities

## Debt Stats

**Total Debt:** **MXN23.9bn** (US\$1.4bn equiv.)

**Net Debt:** **MXN17.4bn** (US\$1.0bn equiv.)

**Adjusted Net Debt to EBITDA:** **c.2.8x** <sup>(2)</sup>

**Adjusted Net Debt to Market Cap:** **c.17%**

**Debt Composition (by type):**  
**36% loans**  
**64% bonds**

Unchanged for the Transaction



# 9 Strong ESG Driven Culture



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**





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# Beckle'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.



### Biodiversity

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



### Sustainable Sourcing

Sourcing of most of our ingredients locally.



### Climate Change



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



### 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

# Consolidated Statements of Comprehensive Income



	Twelve months ended December 31 <sup>st</sup>					Fourth quarter ended December 31 <sup>st</sup>				
	2022	% of net sales	2023	% of net sales	2023 (USD) <sup>(1)</sup>	2022	% of net sales	2023	% of net sales	2023 (USD) <sup>(1)</sup>
<b>(Ps\$MM)</b>										
<b>Net sales</b>	<b>45,729</b>		<b>44,355</b>		<b>2,626</b>	<b>13,801</b>		<b>13,164</b>		<b>779</b>
Cost of goods sold	20,642	45.1	21,874	49.3	1,295	5,859	42.5	6,235	47.4	369
<b>Gross profit</b>	<b>25,087</b>	<b>54.9</b>	<b>22,480</b>	<b>50.7</b>	<b>1,331</b>	<b>7,941</b>	<b>57.5</b>	<b>6,930</b>	<b>52.6</b>	<b>410</b>
Advertising, marketing and promotion	10,162	22.2	9,986	22.5	591	3,946	28.6	2,845	21.6	168
Distribution	2,193	4.8	1,926	4.3	114	657	4.8	524	4.0	31
Selling and administrative	3,877	8.5	4,252	9.6	252	1,146	8.3	1,229	9.3	73
Other expenses (income), net	(34)	(0.1)	78	0.2	5	9	0.1	175	1.3	10
<b>Operating income</b>	<b>8,890</b>	<b>19.4</b>	<b>6,238</b>	<b>14.1</b>	<b>369</b>	<b>2,183</b>	<b>15.8</b>	<b>2,158</b>	<b>16.4</b>	<b>128</b>
Financing results	620	1.4	7	0.0	0	230	1.7	(224)	(1.7)	(13)
Equity Method	39	0.1	43	0.1	3	39	0.3	43	0.3	3
<b>Income before income taxes</b>	<b>8,231</b>	<b>18.0</b>	<b>6,188</b>	<b>14.0</b>	<b>366</b>	<b>1,915</b>	<b>13.9</b>	<b>2,339</b>	<b>17.8</b>	<b>138</b>
Income taxes	2,350	5.1	1,454	3.3	86	518	3.8	376	2.9	22
<b>Consolidated net income</b>	<b>5,881</b>	<b>12.9</b>	<b>4,734</b>	<b>10.7</b>	<b>280</b>	<b>1,396</b>	<b>10.1</b>	<b>1,963</b>	<b>14.9</b>	<b>116</b>
<b>EBITDA</b>	<b>9,843</b>	<b>21.5</b>	<b>7,312</b>	<b>16.5</b>	<b>433</b>	<b>2,495</b>	<b>18.1</b>	<b>2,436</b>	<b>18.5</b>	<b>144</b>

1. MXN figures converted to US\$ at a rate of 16.8935 (rate as of December 31, 2023), solely for the convenience of the reader

# Consolidated Statements of Financial Position



(Ps\$ MM)	Twelve months ended December 31st		
	2022	2023	2023 (USD) <sup>(7)</sup>
<b>Assets</b>			
Cash and cash equivalents	4,521	6,367	377
Trade receivables	11,812	11,229	665
Inventories <sup>(1)</sup>	19,549	16,935	1,002
Other assets <sup>(2)</sup>	3,602	3,563	211
<b>Total current assets</b>	<b>39,483</b>	<b>38,094</b>	<b>2,255</b>
Inventories <sup>(1)</sup>	13,545	16,107	953
Property, plant and equipment	14,074	15,743	932
Intangible assets	18,849	16,919	1,002
Goodwill	6,022	5,536	328
Right-of-use assets	2,679	2,813	167
Other assets <sup>(3)</sup>	3,214	4,013	238
<b>Total non-current assets</b>	<b>58,383</b>	<b>61,131</b>	<b>3,619</b>
<b>Total assets</b>	<b>97,866</b>	<b>99,225</b>	<b>5,874</b>
<b>Liabilities</b>			
Senior Notes	96	84	5
Bank Loan	-	47	3
Trade payable	8,443	4,486	266
Other accounts payable <sup>(4)</sup>	6,963	7,189	426
<b>Total current liabilities</b>	<b>15,502</b>	<b>11,806</b>	<b>699</b>
Senior Notes	17,508	15,373	910
Bank Loan	-	8,393	497
Lease liabilities	2,410	2,486	147
Other long-term liabilities <sup>(5)</sup>	4,023	3,528	209
<b>Total non-current liabilities</b>	<b>23,941</b>	<b>29,780</b>	<b>1,763</b>
<b>Total liabilities</b>	<b>39,443</b>	<b>41,586</b>	<b>2,462</b>
<b>Stockholders' equity</b>			
Controlling interest <sup>(6)</sup>	58,306	57,504	3,404
Non-controlling interest	117	135	8
<b>Total stockholders' equity</b>	<b>58,423</b>	<b>57,639</b>	<b>3,412</b>
<b>Total liabilities and stockholders' equity</b>	<b>97,866</b>	<b>99,225</b>	<b>5,874</b>

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. MXN figures converted to US\$ at a rate of 16.8935 (rate as of December 31, 2023), solely for the convenience of the reader

# Consolidated Statements of Cash Flows



(Ps\$ MM)	Twelve months ended December 31st		
	2022	2023	2023 (USD) <sup>(1)</sup>
<b>Operating activities:</b>			
Income before income taxes	8,231	6,188	366
Adjustment from items not implying cash flows:			
Depreciation and amortization	953	1,074	64
Loss on sale of property, plant and equipment	68	66	4
Non-cash items	(54)	97	6
Interest income	(143)	(240)	(14)
Unrealized foreign exchange profit	(386)	(1,156)	(68)
Interest expense	519	774	46
Equity method on associates	39	43	3
Net cost for the period of employee benefits	54	29	2
<b>Subtotal</b>	<b>9,281</b>	<b>6,874</b>	<b>407</b>
<b>Net cash from operating activities</b>	<b>(1,744)</b>	<b>765</b>	<b>45</b>
<b>Investment Activities:</b>			
Property, plant and equipment	(3,728)	(3,115)	(184)
Intangible assets	(86)	(97)	(6)
Investment in associates	(118)	(584)	(35)
Interest income	143	240	14
<b>Net cash flows used in investment activities</b>	<b>(3,789)</b>	<b>(3,556)</b>	<b>(211)</b>
<b>Financing activities</b>			
Dividends paid	(1,510)	(1,764)	(104)
Principal lease payment	(686)	(962)	(57)
Bank loan facility	-	8,813	522
Bank loan paid	-	(8,615)	(510)
Syndicated bank loan	-	8,568	507
Interest paid	(636)	(851)	(50)
<b>Net cash from financing activities</b>	<b>(2,832)</b>	<b>5,190</b>	<b>307</b>
Net increase (decrease) of cash and cash equivalents	(8,365)	2,399	142
<b>Cash and cash equivalents at beginning of year:</b>			
At beginning of the period	12,791	4,521	268
Cash proceeds from acquisition	25	-	-
Effects of exchange rate changes on cash and cash equivalents	70	(553)	(33)
<b>Cash and cash equivalents at end of period</b>	<b>4,521</b>	<b>6,367</b>	<b>377</b>

1. 2023 MXN figures converted to US\$ at a rate of 16.8935, solely for the convenience of the reader

2. Net decrease in accounts in operating activities section includes movement in the following accounts: trade receivables, related parties, other recoverable taxes and other receivables, inventories, biological assets, prepayments, trade payable, other assets, other accounts payables, employee benefits, income taxes paid or recoverable



## As of February 23<sup>rd</sup>, 2024

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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 2024

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<b>Consolidated Net Sales Value</b>	Mid single digit growth “area” (assuming a 17.50 peso per dollar exchange rate)
<b>Consolidated Capital Expenditures <sup>(1)</sup></b>	US\$160 - 180 million “area”
<b>Advertising, marketing and promotion (AMP)</b>	Range of 21% to 23% of Net Sales

**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.