



## Sigma Alimentos, S.A. de C.V. and Subsidiaries

### STATEMENT OF FINANCIAL POSITION

Information in thousands	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	Dec '19	Dec '18	Dec '19 <sup>(1)</sup>	Dec '18 <sup>(2)</sup>
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	9,730,213	12,213,324	516,323	620,504
Restricted cash	11,307	52,883	600	2,687
Customers, net	7,903,117	7,458,844	419,370	378,950
Income tax recoverable	407,015	514,381	21,598	26,133
Inventories	16,244,535	14,223,870	861,999	722,651
Other current assets	485,997	343,371	25,789	17,445
<b>Total current assets</b>	<b>34,782,184</b>	<b>34,806,673</b>	<b>1,845,679</b>	<b>1,768,371</b>
<b>NON-CURRENT ASSETS:</b>				
Property, plant and equipment, net	32,306,053	33,952,525	1,714,285	1,724,976
Intangible assets, net	15,700,537	14,502,648	833,132	736,815
Goodwill	12,865,034	13,567,178	682,669	689,288
Deferred income tax	2,678,379	2,261,926	142,125	114,918
Derivative financial instruments	326,380	1,064,360	17,319	54,075
Investments in associates and joint ventures	107,485	103,682	5,704	5,268
Other non-current assets	107,767	125,524	5,719	6,377
Restricted cash	55,114	35,429	2,925	1,800
<b>Total non-current assets</b>	<b>64,146,749</b>	<b>65,613,272</b>	<b>3,403,877</b>	<b>3,333,517</b>
<b>Total assets</b>	<b>98,928,933</b>	<b>100,419,945</b>	<b>5,249,556</b>	<b>5,101,888</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES:</b>				
Current debt	1,015,881	5,503,497	53,907	279,608
Suppliers	26,548,242	26,226,642	1,408,754	1,332,458
Income tax payable	1,739,222	1,679,617	92,290	85,334
Provisions	101,634	137,485	5,393	6,985
Derivative financial instruments	410,819	0	21,800	0
Other current liabilities	(10,459)	(12,494)	(555)	(635)
<b>Total current liabilities</b>	<b>29,805,339</b>	<b>33,534,747</b>	<b>1,581,588</b>	<b>1,703,750</b>
<b>NON-CURRENT LIABILITIES:</b>				
Non-current debt	44,083,260	42,709,384	2,339,230	2,169,873
Notes payables	1,875,040	249,988	99,497	12,701
Deferred income taxes	3,523,695	3,710,284	186,981	188,503
Employees benefits	1,771,234	1,395,158	93,989	70,882
Provisions	82,867	96,966	4,397	4,926
Income tax payable	555,832	1,620,357	29,495	82,323
Other non-current liabilities	31,156	40,951	1,653	2,081
<b>Total non-current liabilities</b>	<b>51,923,084</b>	<b>49,823,088</b>	<b>2,755,242</b>	<b>2,531,288</b>
<b>Total liabilities</b>	<b>81,728,423</b>	<b>83,357,835</b>	<b>4,336,830</b>	<b>4,235,038</b>
<b>STOCKHOLDERS' EQUITY</b>				
Total controlling interest:	17,200,510	16,471,633	912,726	836,850
Total non-controlling interest:	0	590,477	0	29,999
<b>Total stockholders' equity</b>	<b>17,200,510</b>	<b>17,062,110</b>	<b>912,726</b>	<b>866,849</b>
<b>Total liabilities and stockholders' equity</b>	<b>98,928,933</b>	<b>100,419,945</b>	<b>5,249,556</b>	<b>5,101,888</b>

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 18.8452 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on December 31, 2019.

(2) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 19.6829 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on December 31, 2018.



## Sigma Alimentos, S.A. de C.V. and Subsidiaries

### STATEMENT OF INCOME

Information in thousands	(Thousands of pesos)		(Thousands of pesos)		(Thousands of U.S. Dollars)		(Thousands of U.S. Dollars)	
	IV Quarter 19	IV Quarter 18	YTD 19	YTD 18	IV Quarter 19 <sup>(1)</sup>	IV Quarter 18 <sup>(1)</sup>	YTD 19 <sup>(1)</sup>	YTD 18 <sup>(1)</sup>
Revenue	32,887,993	31,650,501	124,497,945	121,899,819	1,705,689	1,596,371	6,463,457	6,336,470
Cost of sales	(23,952,653)	(22,865,297)	(89,669,591)	(87,781,317)	(1,242,270)	(1,153,077)	(4,655,271)	(4,562,128)
<b>Gross profit</b>	<b>8,935,340</b>	<b>8,785,204</b>	<b>34,828,354</b>	<b>34,118,502</b>	<b>463,419</b>	<b>443,294</b>	<b>1,808,186</b>	<b>1,774,342</b>
Selling expenses	(5,200,354)	(5,106,442)	(20,335,548)	(19,988,760)	(269,685)	(257,555)	(1,055,762)	(1,039,463)
Administrative expenses	(1,435,543)	(1,348,139)	(5,472,987)	(5,392,609)	(74,467)	(68,043)	(284,181)	(280,552)
Other income (expenses), net	(23,580)	(1,561,109)	127,965	(1,299,329)	(1,236)	(77,468)	6,655	(63,745)
<b>Operating profit</b>	<b>2,275,863</b>	<b>769,514</b>	<b>9,147,784</b>	<b>7,437,804</b>	<b>118,031</b>	<b>40,228</b>	<b>474,898</b>	<b>390,582</b>
Financial Income	117,515	76,004	326,416	291,970	6,085	3,833	16,936	15,169
Financial expenses	(652,992)	(669,691)	(2,526,992)	(2,740,645)	(33,880)	(33,781)	(131,193)	(143,041)
Gain (loss) due to exchange fluctuation, net	(50,232)	169,881	(428,389)	573,292	(2,480)	8,949	(22,745)	30,126
Equity in income (loss) of associates	12,027	(1,236)	10,297	15,196	628	(62)	538	812
<b>Profit before income tax</b>	<b>1,702,181</b>	<b>344,472</b>	<b>6,529,116</b>	<b>5,577,617</b>	<b>88,384</b>	<b>19,167</b>	<b>338,434</b>	<b>293,648</b>
Income tax	(981,126)	(308,469)	(2,977,268)	(2,718,948)	39	(14,594)	(154,882)	(141,588)
<b>Net consolidated profit</b>	<b>721,055</b>	<b>36,003</b>	<b>3,551,848</b>	<b>2,858,669</b>	<b>88,423</b>	<b>4,573</b>	<b>183,552</b>	<b>152,060</b>
Profit (loss) attributable to:								
<b>Controlling interest</b>	<b>715,096</b>	<b>101,202</b>	<b>3,564,898</b>	<b>2,926,257</b>	<b>88,115</b>	<b>3,414</b>	<b>184,237</b>	<b>149,785</b>
<b>Non-controlling interest</b>	<b>5,959</b>	<b>(65,199)</b>	<b>(13,050)</b>	<b>(67,588)</b>	<b>308</b>	<b>1,159</b>	<b>(685)</b>	<b>2,275</b>

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## Sigma Alimentos, S.A. de C.V. and Subsidiaries

### STATEMENT OF CASH FLOW

Information in thousands	(Thousands of pesos)		(Thousands of pesos)		(Thousands of U.S. Dollars)		(Thousands of U.S. Dollars)	
	IV Quarter 19	IV Quarter 18	YTD 19	YTD 18	IV Quarter 19 <sup>(1)</sup>	IV Quarter 18 <sup>(1)</sup>	YTD 19 <sup>(1)</sup>	YTD 18 <sup>(1)</sup>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Profit before income tax	1,702,181	344,473	6,529,115	5,577,618	88,386	19,167	338,435	293,647
Depreciation and amortization	1,072,064	1,012,338	4,270,578	3,990,117	55,601	51,050	221,726	207,499
Impairment of fixed assets and intangible assets	50,780	1,666,348	124,487	1,726,111	2,641	82,707	6,464	85,876
Costs associated with seniority premiums and pension plans	38,334	43,871	167,493	164,734	1,989	2,209	8,698	8,566
Gain on sale of property, plant and equipment	721	(9,128)	(39,827)	(11,394)	38	(450)	(2,074)	(600)
Financial cost, net	433,688	587,177	2,094,888	2,420,942	22,526	29,620	108,785	126,431
Foreign exchange, net	50,232	(169,882)	428,389	(573,292)	2,480	(8,950)	22,745	(30,126)
(Increase) Decrease in customers and other accounts receivable	(649,740)	(58,610)	(595,828)	512,958	(32,571)	(6,839)	(35,000)	18,925
(Increase) decrease in inventories	237,610	890,394	(2,562,508)	(134,505)	12,467	44,264	(133,238)	(10,560)
Increase (decrease) in suppliers and other accounts payable	1,367,556	1,349,798	1,794,470	249,045	72,507	53,901	87,642	(12,180)
Income tax paid	(597,915)	(355,205)	(3,456,414)	(3,111,708)	(47,904)	(17,800)	(197,289)	(165,224)
Other operating expenses	40,201	(21,471)	(155,514)	(449,531)	1,840	(1,210)	(8,315)	(31,513)
<b>Cash flows from operating activities</b>	<b>3,745,712</b>	<b>5,280,103</b>	<b>8,599,330</b>	<b>10,361,094</b>	<b>179,998</b>	<b>247,669</b>	<b>418,579</b>	<b>490,741</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>								
Business acquisitions, net of cash acquired	6,789	(3,881)	(243,854)	(7,657)	352	(194)	(12,445)	(409)
Interest received	92,035	(21,388)	202,746	183,719	4,767	5,266	10,514	9,547
Acquisition of intangible assets	(187,900)	(59,041)	(324,744)	(187,763)	(9,673)	(2,272)	(16,721)	(9,826)
Acquisition of property, plant and equipment	(1,264,748)	(1,399,688)	(3,066,155)	(3,322,732)	(48,961)	(70,871)	(142,376)	(170,875)
Sale of property, plant and equipment	(721)	9,128	39,827	11,394	(38)	450	2,074	600
Restricted cash and other assets.	(36,381)	0	14,883	41,525	(1,904)	2	764	2,197
<b>Cash flows from investing activities</b>	<b>(1,390,926)</b>	<b>(1,474,868)</b>	<b>(3,377,297)</b>	<b>(3,281,514)</b>	<b>(55,456)</b>	<b>(67,618)</b>	<b>(158,190)</b>	<b>(168,766)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Proceeds from loans and debt	3,834,006	4,934	3,954,038	219,615	200,219	194	206,470	11,537
Payments of loans and debt	(5,148,443)	(17,995)	(5,335,660)	(1,796,425)	(268,696)	(898)	(278,388)	(94,367)
Financial leases	(200,675)	0	(596,548)	0	(10,363)	0	(30,926)	0
Derivative financial instruments	(178,895)	(218,078)	(417,117)	(294,408)	(9,260)	(10,795)	(21,701)	(14,574)
Interest paid	(585,246)	(676,805)	(2,142,510)	(2,606,809)	(30,402)	(33,516)	(111,387)	(136,183)
Dividends paid to owners	0	(1,398,982)	(2,342,418)	(2,797,402)	0	(73,275)	(120,556)	(148,238)
Acquisition of non-controlling interest	(301,747)	0	(301,745)	0	(15,238)	0	(15,238)	0
<b>Cash flows from financing activities</b>	<b>(2,580,998)</b>	<b>(2,306,926)</b>	<b>(7,181,959)</b>	<b>(7,275,430)</b>	<b>(133,740)</b>	<b>(118,290)</b>	<b>(371,726)</b>	<b>(381,825)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(226,212)</b>	<b>1,498,309</b>	<b>(1,959,926)</b>	<b>(195,850)</b>	<b>(9,198)</b>	<b>61,761</b>	<b>(111,337)</b>	<b>(59,850)</b>
Exchange gains (losses) in cash and cash equivalents	(179,846)	112,385	(523,185)	(397,896)	9,320	(4,867)	7,156	31,415
Cash and cash equivalents at the beginning of the period	10,136,271	10,602,631	12,213,324	12,807,070	516,201	563,610	620,504	648,939
<b>Cash and cash equivalents at the end of the period</b>	<b>9,730,213</b>	<b>12,213,324</b>	<b>9,730,213</b>	<b>12,213,324</b>	<b>516,323</b>	<b>620,504</b>	<b>516,323</b>	<b>620,504</b>

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