



Transformational alliance in the European convenience retail and food service space

5 July 2022

Media & Analyst Presentation

Safe Harbor Statement

During the course of this presentation management may discuss certain forward-looking Considerations concerning FEMSA's and Valora Holding AG ("Valora") future performance that should be considered as good faith estimates made by the companies. These forward-looking Considerations reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact both company's performance.

Today's speakers

FEMSA

valora



Daniel Rodriguez
CEO of FEMSA



Salvador Alfaro
*CFO of FEMSA
Proximity Division*



Sascha Zahnd
Chairman of Valora Group



Michael Mueller
CEO of Valora Group

**A strong foundation to jointly develop the European market
leader in convenience stores and food service**

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Transaction summary



- FEMSA has announced its intention to launch a tender offer to purchase all of Valora's listed shares at a price of CHF 260 per share, representing a premium of 57% to the volume weighted average price of such shares during the past 60 trading days and 52% to the Valora closing share price on 4 July 2022
- Valora's major shareholder, Ernst Peter Ditsch, who owns a 16.91% stake in the group, has agreed with the terms of the offer and has committed to tender all of his shares into the tender offer
- Based on a strategic assessment and an independent fairness opinion, Valora's Board of Directors unanimously recommends shareholders to accept the tender offer
- The tender offer prospectus is expected to be published on or about 20 July 2022
- Total cash consideration for Valora shareholders to amount to CHF 1,139 million¹
- FEMSA would assume Valora's net debt² of CHF 222 million
- The transaction will be funded with FEMSA's outstanding cash balance
- This represents an implied EV³/2021 post-IFRS16 EBITDA⁴ multiple of 9.4x

¹ Based on 4,379,462 shares outstanding (4,390,000 shares issued minus 10,538 treasury shares); ² Net Debt pre-IFRS16 as of December 2021, adjusted for the dividends of CHF 3 per outstanding share for the financial year 2021 distributed in 2022.

³ Enterprise Value: Including IFRS 16 leases ⁴ EBITDA: EBIT post IFRS16, plus the amortization of intangible assets and the depreciation of property, plant and equipment, plus impairment losses and minus impairment loss reversals recognized in profit or loss during the reporting period, plus depreciation and amortization of right of use of assets.

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FEMSA – A 132-year growth story

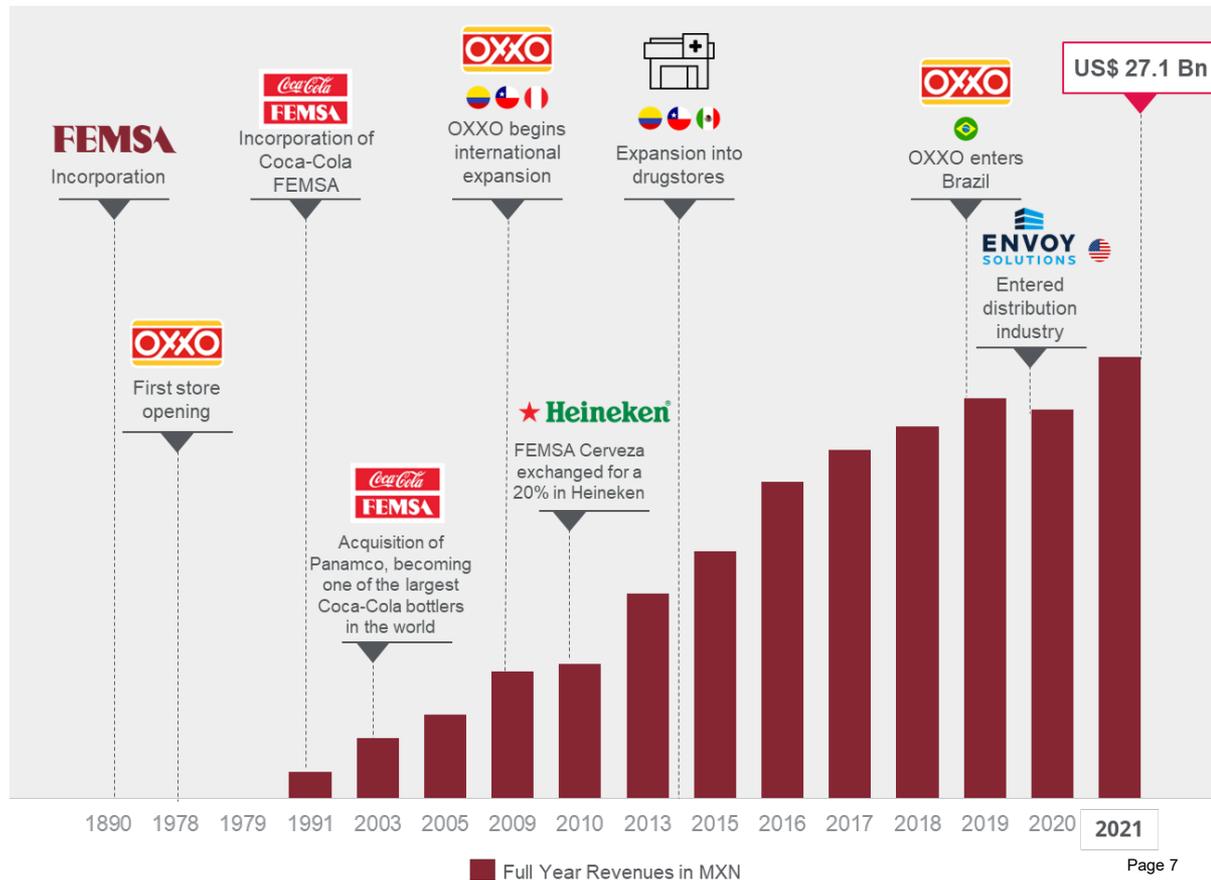
FEMSA was born as a brewery in northern Mexico in 1890.



Since then, we have diversified our businesses into **manufacturing, distribution, and retail.**



Today, we have grown to become **one of Latin America's largest companies,** with **over 25,000 retail points of sale,** and **320,000 employees in 13 countries**

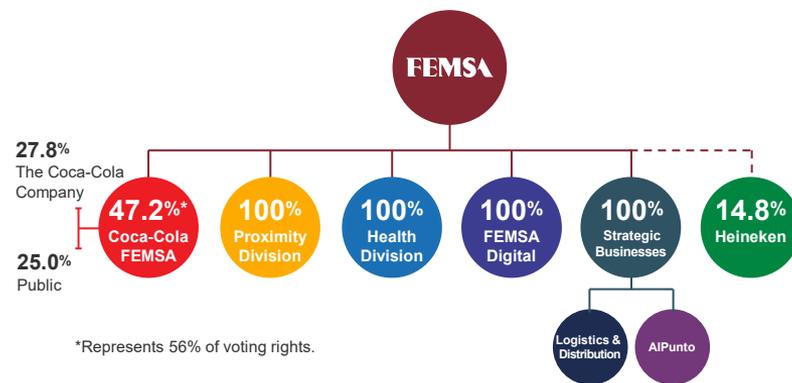


FEMSA at a glance



FEMSA operates in 13 countries:
 Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Nicaragua, Panama, Peru, Uruguay and the United States.

Corporate Structure Equity Stakes and Business Units




~25,000
 stores in 6 countries

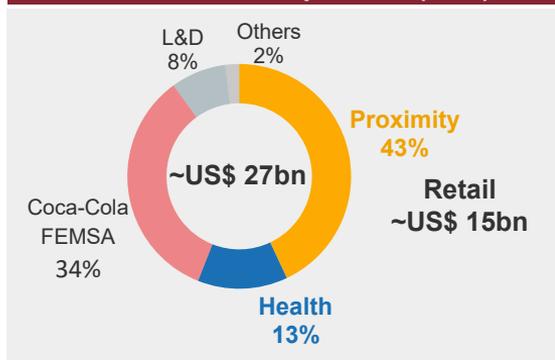

+265 million
 people served in
 10 countries
 by Coca-Cola FEMSA


US\$27.1 billion
 2021 total revenues


+320,000
 employees
 As of December 2021

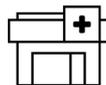
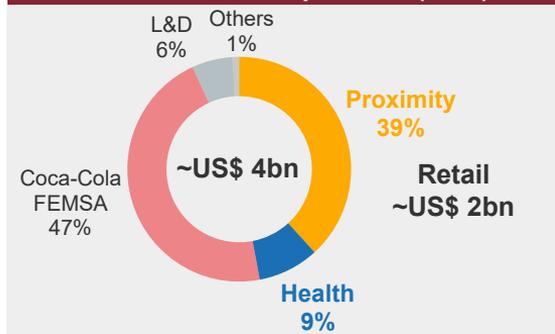
Leading small-format retail operator in the Americas

FEMSA revenue split 2021 (USD)



Proximity Division

FEMSA EBITDA split 2021 (USD)



Health Division

- With +20,500 locations **OXXO** is the second largest retailer in Mexico in terms of revenues
- Growing its footprint in South America with presence in Colombia, Chile, Peru and Brazil
- Spin by OXXO digital wallet app** launched in 2021, is currently adding customers at a rate of approximately 300,000 per month, already reaching +2.7 million users
- Currently adding +1.9 million accounts per month, **OXXO's loyalty program OXXO Premia** rewards customers and drives engagement and sales, while generating valuable data that can be monetized in various ways
- With 569 service stations across 17 states, **OXXO Gas** operates the largest network of petrol service stations in Mexico

- The largest drugstore operator in Latin America by stores
- More than 3,600 locations spread across Chile, Colombia, Ecuador and Mexico

EBITDA: EBIT + Depreciation + Amortizations. EBITDA calculated under IFRS16 standards

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Valora – A foodvenience leader in the heart of Europe... **FEMSA** | valora

KPIs 2021A

2,230
External sales² CHFmm

1,750
Net revenue CHFmm

95.5
EBITDA CHFmm

30.3
EBIT CHFmm

25.1
Free cash flow CHFmm

~15,000
Employees in the network³

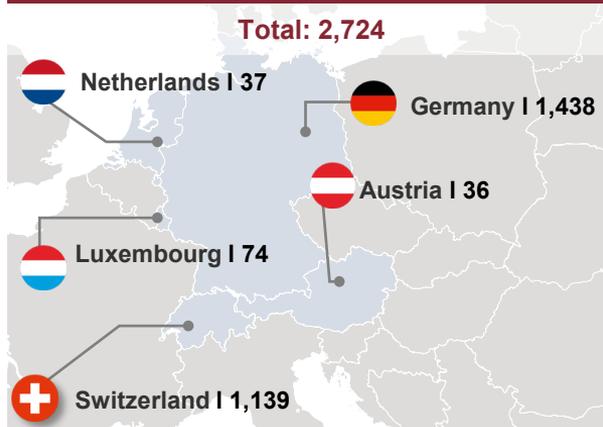
68%
Foodvenience share of Group GP⁴

One of the leading pretzel producers worldwide

~730
Bakery products million pieces

3
Industrial bakery plants

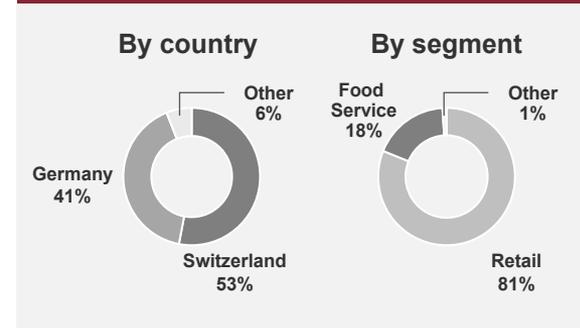
Number of stores 2021A



Market leading concept brands

Retail	Food Service

External sales split 2021A

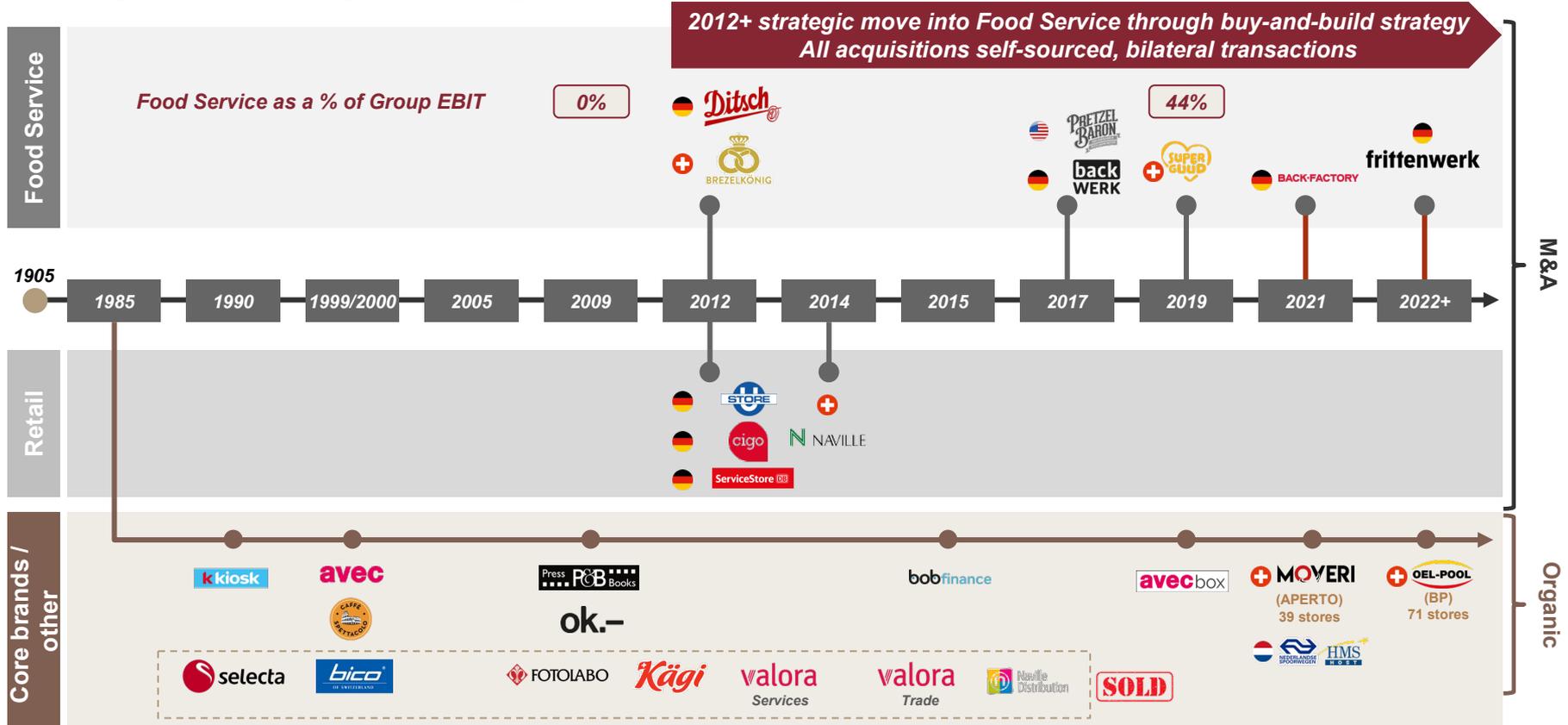


Store development



¹ Incl. agency; ² Valora's net revenue plus the sales generated by its contracted sales outlets; ³ Incl. franchisee personnel; ⁴ Foodvenience categories (Food, Services, Non-Food) excl. Tobacco, Press, Book; before full Covid recovery, full-year effect Back-Factory, and recent new partnerships with Moveri and Oel-Pool as well as recent Frittenwerk acquisition; ⁵ Acquired on 1st July 2022

...further enhanced by new partnerships, M&A, and portfolio pruning...



... with a best-in-class multi-format platform and brand positioning

	Brand	# of POS as of 2021A	Geographical presence	Predominant model
Retail	 avec	180	 	Franchise
	 ServiceStore	104		Franchise
	 STORE	25		Franchise
	 kiosk	1,117	  	Franchise
	 cigo	395		Franchise
	 Press PCB Books	190	  	Owned
	Total	2,011	  	Franchise
Food Service	 backWERK	427	  	Franchise
	 BREZELKONIG	59	 	Franchise
	 Ditsch	192		Franchise
	 CAFE BRAND	32	 	Owned
	 SUPER GUUD	3		Owned
		Total	713	  

Note: "Franchise" includes agencies



City centers



Shopping malls



Gas stations



Transport hubs

High footfall prime locations

Introducing new formats



avec



kiosk

Fully-baked



Cincinnati
2 lines
(+1 line to be completed in Q1 2023)

Fully-baked



Oranienbaum
10 lines
(2 lines completed in 2020)

Pre-proved dough



Emmenbrücke
1 line
(exclusively Brezelkönig, no B2B)

Pre-proved dough



Mainz
3 lines

B2B production expansion

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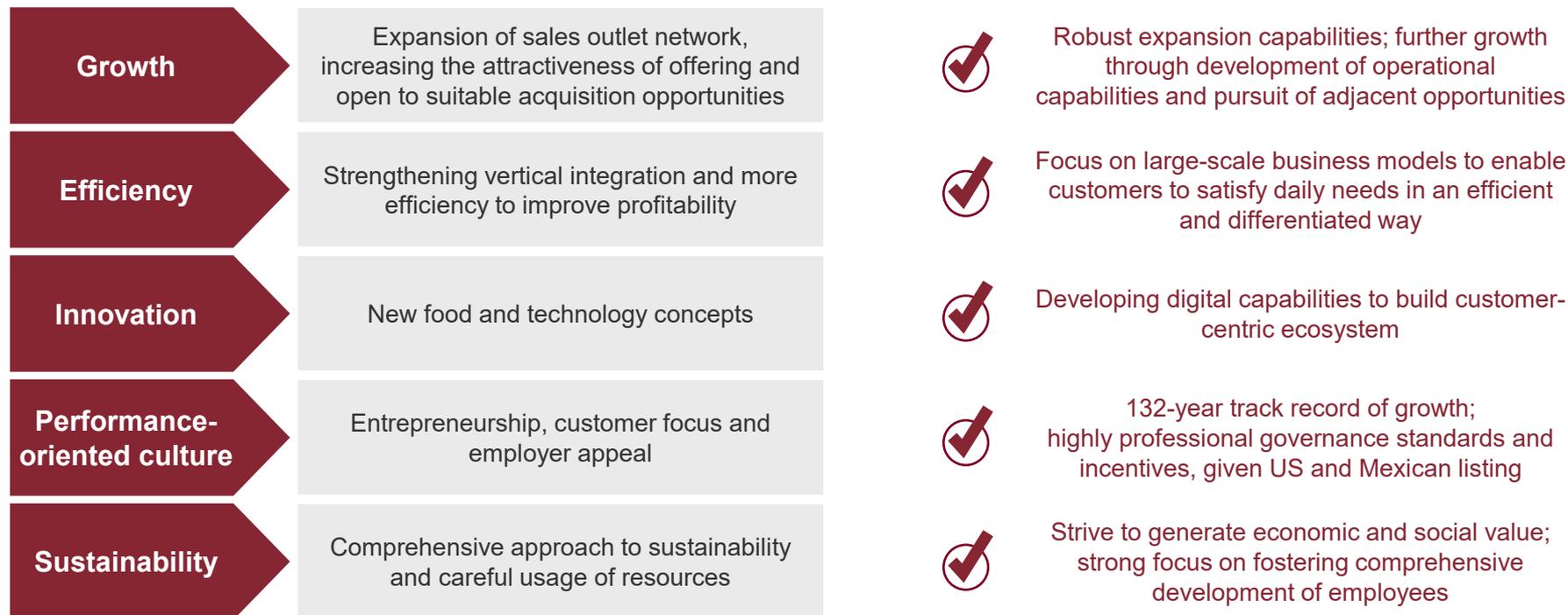
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Together, a perfect fit to reinforce and accelerate Valora's growth strategy

valora

FEMSA



FEMSA and Valora to become each other's lever for the accelerated European market expansion



Build on strong Swiss heritage

- Benefit from Valora's positioning and roots in the heart of Europe
- Leverage Valora's Swiss heritage and its reputable brand portfolio
- Build on Valora's thrive for excellence, efficiency and innovation



Accelerate strategic plan

- Boost Valora's network and partnerships in existing markets
- Accelerate format conversion into modern convenience
- Fuel the strategic shift towards foodvenience



Expand European footprint

- Unique opportunity for FEMSA to enter the European market
- Expand Valora's convenience footprint beyond existing markets
- Leverage successful M&A platform to drive consolidation and expansion



Leverage digitalization

- Synergize mutual focus on innovation and digitalization
- Leverage digital customer journey and customer-centric ecosystem
- Out-of-the box thinking, capitalize on respective benchmarks



Best of both worlds

- Combine scale and concept know-how with European roots, expertise and network
- Benefit from shared know-how and best practices across two strong teams
- Broaden career opportunities for employees on global scale

Valora is perfectly aligned with FEMSA's strategic priorities

- High strategic fit with FEMSA's long-term value creation pathway
- Accelerated growth by leveraging respective core convenience skill sets
- Creates the foundation for further proactive consolidation of the European convenience market
- Enables FEMSA to remain at the cutting edge of modern convenience retail
- Further optimizes FEMSA's risk / return profile



Compelling stakeholder considerations



FEMSA will operate Valora as a separate business and as its European retail affiliate within its Proximity Division

Valora's renowned concepts enable to continue to thrive under their current brands

The headquarters of FEMSA's European retail business will be located in Switzerland

Valora's Executive Management and leadership team will continue to drive the business and accelerate the European expansion

An advisory board with specific knowledge in Valora's industry and markets will support the strategy execution

Strong commitment to Valora's employees as well as its existing relationships with suppliers, franchise/agency partners and further stakeholders

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Transaction overview

- All cash public tender offer by Fomento Economico Mexicano, S.A.B. de C.V. («FEMSA»)¹, for Valora Holding AG («Valora»)
- Fully financed through cash on hand
- Offer supported by shareholder Ernst Peter Ditsch representing 16.91% of the registered share capital in Valora
- Intention to delist Valora from SIX Swiss Exchange



Offer price

- FEMSA offers CHF 260 per Valora share in cash
- Highly attractive premium to Valora's shareholders
 - a 52.0% premium to the last trading price on 4th July 2022
 - a 57.3% premium to the 60 days volume weighted average price
- This represents an implied EV² /2021 post-IFRS16 EBITDA³ multiple of 9.4x
- Independent Fairness Opinion by IFBC concluded that FEMSA's offer price is fair



Offer conditionality

- The offer is subject to the satisfaction of customary conditions, including acceptance by 66.67% of all publicly held Valora shares (including the 16.91% shares already subject to an agreement to tender)
- The offer is also subject to customary regulatory approvals for this type of transactions



Offer period

- Planned publication of the offer prospectus on or about 20 July 2022
- Planned offer period from 5 August to 2 September 2022

The Valora Board unanimously recommends the acceptance of FEMSA's offer

¹ Through its wholly owned subsidiary "Impulsora de Marcas e Intangibles S.A. de C.V."; ² Enterprise Value: Including IFRS 16 leases ³ EBITDA: EBIT post IFRS16, plus the amortization of intangible assets and the depreciation of property, plant and equipment, plus impairment losses and minus impairment loss reversals recognized in profit or loss during the reporting period, plus depreciation and amortization of right of use of assets.

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FEMSA and Valora – A perfect fit to jointly pursue leadership in Europe

Positioned to capture favorable megatrends

Increasingly mobile society:
convenience food, out-of-door consumption, small retail outlets

Differentiated offering versus competition

Approaching 3,000 outlets in Europe;
key know-how of both industry and local market

Foodvenience platform for accelerated European expansion

Expand in both dimensions: growing into other regions as well as broadening the offering for existing base

Building upon leading governance standards of two listed groups

Track record of transparency and good corporate governance;
executive & leadership team continuity for sustained growth

A win-win for both shareholder groups

Attractive premium for Valora shareholders, valuable step into Europe for FEMSA's retail business to become a market leader - in one go!

Next Steps

- 5 July 2022: **Pre-Announcement**
- 20 July 2022: **Publication of Offer Prospectus**
- 5 August to 2 September 2022: **Offer Period**
- 9 to 22 September 2022: **Additional Acceptance Period**
- End of Sept. / beginning of Oct. 2022: **Settlement**

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Legal Disclaimers

Important Additional Information

The tender offer described herein has not yet commenced. This presentation is for informational purposes only and does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer, to purchase or subscribe for any registered shares or other equity securities in Valora Holding AG, nor shall it form the basis of, or be relied on in connection with, any contract therefor. This presentation is not part of the offer documentation relating to the tender offer. Main terms and conditions of the tender offer have been published in today's pre-announcement of the tender offer, and full details including terms and conditions will be published in the tender offer prospectus. Shareholders of Valora Holding AG are urged to read the tender offer documents, which are or will be available at <https://femsa.gcs-web.com/valora-transaction>.

Certain Offer Restrictions

The tender offer will not be made, directly or indirectly, in any country or jurisdiction in which the tender offer would be considered unlawful or otherwise violate any applicable laws or regulations, or which would require FEMSA or any of its subsidiaries to change or amend the terms or conditions of the tender offer in any way, to make an additional filing with any governmental, regulatory or other authority or take additional action in relation to the tender offer. It is not intended to extend the tender offer to any such country or jurisdiction. Any such document relating to the tender offer must neither be distributed in any such country or jurisdiction nor be sent into such country or jurisdiction and must not be used for the purpose of soliciting the purchase of securities of Valora Holding AG by any person or entity resident or incorporated in any such country or jurisdiction.

The tender offer is subject to the requirements of Section 14(e) of, and Regulation 14E under, the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), including amendments to the terms and conditions of the tender offer, extensions of the tender offer, purchases outside of the tender offer and minimum offer period, and is otherwise being made in accordance with the requirements of Swiss law. Accordingly, the tender offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under U.S. tender offer procedures and laws. Neither the U.S. Securities and Exchange Commission nor any securities commission of any State of the U.S. has (a) approved or disapproved of the tender offer; (b) passed upon the merits or fairness of the tender offer; or (c) passed upon the adequacy or accuracy of the disclosure in the pre-announcement. Any representation to the contrary is a criminal offence in the U.S.

The communication is not being made by, and has not been approved by, an authorised person for the purposes of Section 21 of the Financial Services and Markets Act 2000. In the United Kingdom.

Reference is made to the pre-announcement of the tender offer published today for full offer restrictions.



**Transformational alliance
in the European convenience retail
and food service space**

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<https://femsa.gcs-web.com/valora-transaction>

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