



Public Tender Offer

by

Impulsora de Marcas e Intangibles, S.A. de C.V., Monterrey, Mexico

(a wholly-owned subsidiary of Fomento Económico Mexicano, S.A.B. de C.V.)

for all publicly held registered shares with a nominal value of CHF 1.00 each

of

Valora Holding Ltd., Muttenz, Switzerland

Offer Price: CHF 260 net in cash (the "**Offer Price**") per registered share of Valora Holding Ltd. ("**Valora**" or the "**Company**") with a nominal value of Swiss Francs ("**CHF**") 1.00 each (each a "**Valora Share**").

The Offer Price will be reduced by the gross amount of any dilutive effects in respect of the Valora Shares prior to the consummation (the "**Settlement**", and the date on which the Settlement shall occur, the "**Settlement Date**") of this public tender offer (*öffentliches Kaufangebot*) described in this Offer Prospectus (the "**Offer**"), as set forth in Section B.3 (*Offer Price*).

Offer Period: From August 11, 2022, to September 9, 2022, 4:00 p.m. Swiss time (subject to extension).

| Valora Holding Ltd. | Securities No. | ISIN | Ticker symbol |
|--|----------------|-----------------|---------------|
| Registered shares not tendered (first trading line) | 208 897 | CH000 208 897 6 | VALN |
| Registered shares tendered (second trading line) | 120 261 659 | CH120 261 659 0 | VALNE |

Financial Advisor and Offer Manager

Credit Suisse

Offer Prospectus dated July 26, 2022 (the "**Offer Prospectus**")

Offer Restrictions

General

The Offer is not being made and will not be made, directly or indirectly, in any country or jurisdiction in which the Offer would be considered unlawful or otherwise violate any applicable laws or regulations, or which would require Fomento Económico Mexicano, S.A.B. de C.V. ("**FEMSA**") or any of its direct or indirect subsidiaries, including Impulsora de Marcas e Intangibles, S.A. de C.V. (the "**Offeror**") (each direct or indirect subsidiary of FEMSA or of Valora, as the case may be, hereinafter a "**Subsidiary**", and FEMSA together with its Subsidiaries, the "**FEMSA Group**"), to change or amend the terms or conditions of the Offer in any material way, to make an additional filing with any governmental, regulatory or other authority or take additional action in relation to the Offer. It is not intended to extend the Offer to any such country or jurisdiction. Any such document relating to the 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 the Company by any person or entity resident or incorporated in any such country or jurisdiction.

According to Swiss law, Valora Shares tendered into the Offer may not be withdrawn after they are tendered except under certain circumstances, in particular in case a competing offer for the Valora Shares is launched.

Notice to U.S. Holders

The Offer is being made for the registered shares of Valora, a Swiss stock corporation (*Aktiengesellschaft*) whose shares are listed on the SIX Swiss Exchange ("**SIX**"), and is subject to Swiss disclosure and procedural requirements, which are different from those of the United States of America (the "**U.S.**"). The 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 Offer, extensions of the Offer, purchases outside of the Offer and minimum Offer Period, and is otherwise being made in accordance with the requirements of Swiss law. Accordingly, the Offer is 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. Holders of Valora Shares resident in the U.S. (each a "**U.S. Holder**") are urged to read this Offer Prospectus which is available at <https://femsa.gcs-web.com/valora-transaction> and consult with their own Swiss advisors regarding the Offer.

It may be difficult for U.S. Holders to enforce their rights and any claim arising out of U.S. securities laws, since the Offeror and the Company are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. Holders may not be able to sue a non-U.S. company or its officers or directors in a U.S. or non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

The receipt of cash pursuant to the Offer by a U.S. Holder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local laws, as well as foreign

and other tax laws. Each U.S. Holder is urged to consult his or her independent professional advisor immediately regarding the U.S. tax consequences of an acceptance of the Offer.

The information contained in this Offer Prospectus has not been reviewed or authorized by the U.S. Securities and Exchange Commission (the "**SEC**"). Neither the SEC nor any securities commission of any State of the U.S. has (a) approved or disapproved of the Offer; (b) passed upon the merits or fairness of the Offer; or (c) passed upon the adequacy or accuracy of the disclosure in this Offer Prospectus. Any representation to the contrary is a criminal offence in the U.S.

United Kingdom

The communication of this Offer Prospectus 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 ("**U.K.**"), this communication and any other offer documents relating to the Offer is/will be directed only at persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (ii) falling within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order or (iii) to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of Financial Services and Markets Act 2000) in connection with the offer to purchase securities may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). No communication in respect of the Offer must be acted on or relied on by persons who are not relevant persons. The Offer, any investment or investment activity to which this Offer relates is available only to relevant persons and will be engaged in only with relevant persons.

Australia, Canada and Japan

The Offer is not addressed to shareholders of the Company whose place of residence, seat or habitual abode is in Australia, Canada or Japan, and such shareholders may not accept the Offer.

Forward-Looking Statements

This Offer Prospectus contains statements that are, or may be deemed to be, forward-looking statements. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the words "aims", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "should" or similar terminology. These forward-looking statements include or describe matters that are not historical facts or which may not otherwise be provable by reference to past events. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and/or depend on circumstances that may or may not occur in the future.

A. BACKGROUND OF THE OFFER

The Offeror is a corporation organized under the laws of Mexico with registered seat in Monterrey, Mexico. The Offeror is a wholly-owned Subsidiary of FEMSA as further described in Section C (*Information regarding the Offeror*).

FEMSA is a *sociedad anónima bursátil de capital variable* organized and existing under the laws of the United Mexican States ("**Mexico**"), with registered office in Monterrey, Mexico, and whose shares are publicly listed on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*) and the New York Stock Exchange. FEMSA is a leading company that operates, through a diversified portfolio of companies, in the retail, beverage, the specialized distribution and the beer industry and that owns other ancillary businesses.

Valora is a stock corporation (*Aktiengesellschaft*) organized under the laws of Switzerland, having its registered seat in Muttenz, Switzerland. The Valora Shares are listed on SIX. Valora, together with its Subsidiaries (the "**Valora Group**"), is a small-format retailer in the convenience and food service sector. The retail business segment of Valora operates small-outlet convenience and retail units in high-frequency locations. Its food service segment maintains an integrated value chain covering all phases from lye bread production to wholesaling and the operation of takeaway concepts.

On July 4, 2022, FEMSA and Valora entered into a transaction agreement (the "**Transaction Agreement**") pursuant to which FEMSA agreed to submit and conduct, or cause one of its Subsidiaries to submit and conduct, the Offer and Valora's board of directors unanimously resolved, *inter alia*, to recommend the Offer for acceptance by the holders of Valora Shares. On the same date, FEMSA and Ernst Peter Ditsch, holding 742,197 Valora Shares, corresponding to 16.91% of the Company's share capital as of the date of this Offer Prospectus, entered into a tender undertaking in which Mr. Ditsch agreed to tender all 742,197 Valora Shares held by him into the Offer.

B. OFFER

1. Pre-Announcement

On July 5, 2022, FEMSA published a pre-announcement (the "**Pre-Announcement**") of the Offer in accordance with articles 5 *et seq.* of the Ordinance of the Swiss Takeover Board on Public Takeover Offers (*Verordnung der Übernahmekommission über öffentliche Kaufangebote*; the "**Takeover Ordinance**"). The Pre-Announcement was published in English, German and French on a designated offer website of FEMSA (<https://femsa.gcs-web.com/valora-transaction>) and on the website of the Swiss Takeover Board (the "**TOB**"), and was otherwise distributed in accordance with the Takeover Ordinance, before opening of trading on the SIX on July 5, 2022.

2. Object of the Offer

Except as set forth below and subject to the Offer restrictions set forth elsewhere in this Offer Prospectus, the Offer extends to all publicly held Valora Shares.

The Offer does not extend to Valora Shares held, or that may be held in the future, by FEMSA or any of its Subsidiaries (including the Offeror) or by Valora or any of its Subsidiaries.

Accordingly, the Offer relates to a maximum number of 4,385,709 Valora Shares, calculated as of July 4, 2022 (the last SIX trading day (each a "**Trading Day**") prior to the Pre-Announcement) as follows:

| | |
|---|------------------|
| Issued Valora Shares* | 4,390,000 |
| Valora Shares held by FEMSA or any of its Subsidiaries** | 0 |
| Valora Shares held by Valora or any of its Subsidiaries*** | 4,291 |
| Maximum Number of Valora Shares to which the Offer extends | 4,385,709 |

* According to the Commercial Register.

** As of July 4, 2022 (the last Trading Day prior to the Pre-Announcement).

*** As of July 4, 2022 (the last Trading Day prior to the Pre-Announcement) according to information provided by Valora.

Valora has agreed with FEMSA that Valora will not, and that it will procure that its Subsidiaries will not, from the date of the Transaction Agreement until the Settlement Date, sell or otherwise dispose of (except in connection with the Participation Plans (as defined in Section E.2 (*Share Capital and Outstanding Options and Similar Rights*))), issue, or acquire or repurchase any Valora Shares.

3. Offer Price

The Offer Price for each Valora Share is CHF 260 net in cash.

The Offer Price will be reduced by the gross amount of any dilutive effects in respect of the Valora Shares prior to the Settlement, including, but not limited to, dividend payments and other distributions of any kind, demergers and spin-offs, capital increases and the sale of treasury shares at an issuance or sale price per Valora Share below the Offer Price, the purchase by the Company or any of its Subsidiaries of Valora Shares at a purchase price above the Offer Price, the issuance by the Company or any of its Subsidiaries of options, warrants, convertible securities or other rights to acquire Valora Shares or other securities of the Company below market value, and repayments of capital in any form.

The Offer Price implies a premium of 57.3% to the volume-weighted average price of all on-exchange transactions in Valora Shares executed on the SIX during the sixty (60) Trading Days prior to the publication of the Pre-Announcement (being CHF 165.26).

The monthly median of the daily volume of on-exchange transactions on the SIX in Valora Shares was equal to or greater than 0.04% of the tradeable portion of the relevant security (free float) in at least ten (10) of the twelve (12) full months preceding the publication of the Pre-Announcement. Accordingly, the Valora Shares are deemed liquid pursuant to Circular No. 2 (Liquidity in the Context of Takeover Law) of the TOB of February 26, 2010, as amended.

Historical price trend of Valora Shares since 2018:

| | 2018 | 2019 | 2020 | 2021 | 2022** |
|-------|-------------|-------------|-------------|-------------|---------------|
| High* | 385.5 | 289.5 | 280.0 | 231.5 | 184.8 |
| Low* | 205.0 | 214.0 | 130.0 | 154.0 | 154.6 |

* Daily closing price in CHF

** From January 1, 2022 until July 4, 2022 (the last Trading Day prior to the Pre-Announcement)
Source: SIX Swiss Exchange

4. Cooling-off Period

If not extended by the TOB, a cooling-off period of ten (10) Trading Days (the "**Cooling-off Period**") will run following publication of this Offer Prospectus, *i.e.*, from July 27, 2022 through August 10, 2022. The Offer may only be accepted after the expiration of the Cooling-off Period.

5. Offer Period

If the Cooling-off Period is not extended by the TOB, the initial offer period of twenty-two (22) Trading Days is expected to commence on August 11, 2022 and to end on September 9, 2022, 4:00 p.m. Swiss time (the "**Offer Period**").

Holders of Valora Shares may tender their Valora Shares at any time prior to the end of the (possibly extended) Offer Period.

The Offeror reserves the right to extend the Offer Period once or several times with the approval of the Company to a maximum of forty (40) Trading Days from the commencement of the Offer or, with the approval of the TOB and the Company, beyond forty (40) Trading Days. In the event of an extension, the commencement of the Additional Acceptance Period (as defined below) and the Settlement Date will be deferred accordingly.

6. Additional Acceptance Period

After the expiration of the (possibly extended) Offer Period and if the Offer is declared successful (*zustande gekommen*), there will be an additional acceptance period of ten (10) Trading Days for the subsequent acceptance of the Offer (the "**Additional Acceptance Period**"). If the Cooling-off Period is not extended by the TOB and if the Offer Period is not extended, the Additional Acceptance Period is expected to begin on September 16, 2022 and to end on September 29, 2022, 4:00 p.m. Swiss time.

7. Offer Conditions, Waiver of Offer Conditions and Period for Which the Offer Conditions are in Force and Effect

The Offer is subject to the conditions set forth below (each an "**Offer Condition**"). The period in respect of which each of the Offer Conditions will be in force and in effect is described below.

- (a) Minimum Acceptance Rate: By the end of the (possibly extended) Offer Period, the Offeror shall have received valid and irrevocable acceptances for such number of Valora Shares representing, when combined with any Valora Shares that FEMSA and its Subsidiaries will own at the end of the (possibly extended) Offer Period (but not including Valora Shares held by the Company or any of its Subsidiaries), at least 66⅔% of the fully diluted share capital of Valora as at the end of the (possibly extended) Offer Period (i.e., of all Valora Shares issued as at such date plus all Valora Shares the issuance of which (i) has been resolved by a shareholders' meeting or the board of directors of the Company before such date, or (ii) may occur through the exercise of options or conversion or other rights for the issuance, acquisition, transfer or receipt of Valora Shares which are issued at, or the issuance of which has been resolved by the shareholders' meeting or the board of directors of the Company before, such date).
- (b) Merger Clearances and Other Approvals: All waiting periods applicable to the acquisition of the Company by the Offeror shall have expired or been terminated and all competent merger control and other authorities and, if applicable, courts in all jurisdictions shall have approved or cleared or, as the case may be, not prohibited or objected to, the Offer, its Settlement and the acquisition of the Company by the Offeror (each such expiration or termination of a waiting period, approval, clearance, non-prohibition or non-objection, a "**Clearance**"). No condition, restriction or undertaking shall have been imposed on FEMSA, the Company and/or any of their Subsidiaries in connection with any Clearance, and no Clearance shall be subject to any condition, restriction or undertaking on any of them that, individually or together with any other condition, restriction or undertaking or other facts, occurrences, circumstances or events, in the opinion of an independent accounting firm or investment bank of international repute to be appointed by the Offeror (the "**Independent Expert**") would reasonably be capable of causing a Material Adverse Effect on FEMSA, the Company, any of their respective Subsidiaries or on the combined group consisting of FEMSA Group and Valora Group when aggregating all respective effects on FEMSA Group and Valora Group. For the purposes of this Offer Condition (b), a "**Material Adverse Effect**" means a reduction of the consolidated earnings before interest, tax, depreciation and impairment of property, plant and equipment, impairment of goodwill, and amortization of and impairment of other intangible assets (EBITDA) by an amount of CHF 31,480,000 (which, according to the annual report of Valora for the year ended December 31, 2021, corresponds to approximately 33% of the EBITDA of Valora for the financial year 2021) or more.
- (c) No Injunction or Prohibition: No judgment, award, decision, order or other authoritative measure shall have been issued temporarily or permanently, in full or in part, preventing,

prohibiting or declaring illegal the Offer, its acceptance, the Settlement or the acquisition of the Company by the Offeror.

- (d) No Material Adverse Effect: Between the date of the Pre-Announcement and the end of the (possibly extended) Offer Period, no Company related unforeseeable facts, occurrences, circumstances or events shall have arisen or occurred, and no Company related unforeseeable facts, occurrences, circumstances or events shall have been disclosed or reported by the Company or otherwise come to FEMSA's or the Offeror's attention which, individually or together with any other Company related unforeseeable facts, occurrences, circumstances, events or conditions, restrictions or undertakings, in the opinion of the Independent Expert, would reasonably be capable of having a Material Adverse Effect on the Company, any of its Subsidiaries or on the Valora Group, taken as a whole. For the purposes of this Offer Condition (d) a "**Material Adverse Effect**" means a reduction of the consolidated earnings before interest, tax, depreciation and impairment of property, plant and equipment, impairment of goodwill, and amortization of and impairment of other intangible assets (EBITDA) by an amount of CHF 31,480,000 (which, according to the annual report of Valora for the year ended December 31, 2021, corresponds to approximately 33% of the EBITDA of Valora for the financial year 2021) or more as a result of one or more Company related unforeseeable facts, occurrences, circumstances or events. When determining whether facts, occurrences, circumstances or events would reasonably be capable of having a Material Adverse Effect with respect to any person mentioned in this Offer Condition (d), any fact, occurrence, circumstance or event that is caused by any macroeconomic fact, occurrence, circumstance or event such as the COVID-19 pandemic or the aggression and/or war of Russia against third countries, in particular against the Ukraine, shall not be taken into account, including related economic consequences of such events such as supply chain issues, supply drop, price increases of all kind of commodities (such as electricity or fuel), products and other goods, increases in factor costs (such as labor or financing costs including interest rates), inflation or recession.
- (e) Registration in the Share Register of the Company: The board of directors of the Company shall have resolved to register the Offeror and/or any other company controlled and designated by FEMSA in the Company's share register as shareholder(s) with voting rights with respect to all Valora Shares that FEMSA or any of its Subsidiaries has acquired or may acquire (with respect to Valora Shares to be acquired in the Offer, subject to all other Offer Conditions having been satisfied or waived), and the Offeror and/or any other company controlled and designated by FEMSA shall have been registered in the share register of the Company as shareholder(s) with voting rights with respect to all Valora Shares acquired.
- (f) Resignation and Appointment of Members of the Board of Directors of the Company: All members of Valora's board of directors shall have resigned from their functions on the board of directors of the Company and its Subsidiaries with effect from and subject to the Settlement, and a duly convened general meeting of the Company's shareholders

shall have elected the persons nominated by the Offeror to the Company's board of directors with effect from and subject to the Settlement.

(g) No Adverse Resolutions by the General Meeting of Shareholders of the Company: The general meeting of shareholders of the Company shall not have:

- resolved or approved any dividend, other distribution or capital reduction or any acquisition, spin-off (*Abspaltung*), transfer of assets and liabilities (*Vermögensübertragung*) or other disposal of assets (x) with an aggregate value or for an aggregate consideration of more than CHF 232,188,000 (corresponding to 10% of the consolidated total assets of the Valora Group as of December 31, 2021, as per the Company's annual report for the year ended December 31, 2021), or (y) contributing in the aggregate more than CHF 3,028,000 to the annual consolidated EBIT (corresponding to 10% of the EBIT of Valora in the financial year 2021, as per the Company's annual report for the year ended December 31, 2021);
- resolved or approved any merger, demerger (*Aufspaltung*) or ordinary, authorized or conditional increase of the share capital of the Company; or
- adopted any amendment of the articles of association of the Company to introduce any transfer restrictions (*Vinkulierung*) or voting limitations (*Stimmrechtsbeschränkungen*).

(h) No Acquisition or Sale of Material Assets or Incurrence or Repayment of Material Indebtedness: With the exception of the obligations that have been made public prior to the date of the Pre-Announcement or that are related to the Offer or arise from the Settlement, between December 31, 2021, and the transfer of control to the Offeror, the Company and its Subsidiaries shall not have undertaken to acquire or sell (or have acquired or sold) any assets or have undertaken to incur or repay (or have incurred or repaid) any indebtedness in the aggregate amount or aggregate value of more than CHF 232,188,000 (corresponding to 10% of the consolidated total assets of the Valora Group as of December 31, 2021, as per the Company's annual report for the year ended December 31, 2021).

Waiver of Offer Conditions

The Offeror reserves the right to waive, in whole or in part, one or more of the Offer Conditions.

Period for Which the Offer Conditions are in Force and Effect

Offer Conditions (a) and (d) shall be in force and in effect until the expiration of the (possibly extended) Offer Period.

Offer Conditions (b), (c), (g) and (h) shall be in force and effect until the Settlement.

Offer Conditions (e) and (f) shall be in force and effect until the Settlement or, if earlier, until the date when the applicable corporate body of the Company has taken the required resolution mentioned therein.

If any of the Offer Conditions (a) or (d) have not been satisfied or waived by the end of the (possibly extended) Offer Period, the Offer will be declared unsuccessful.

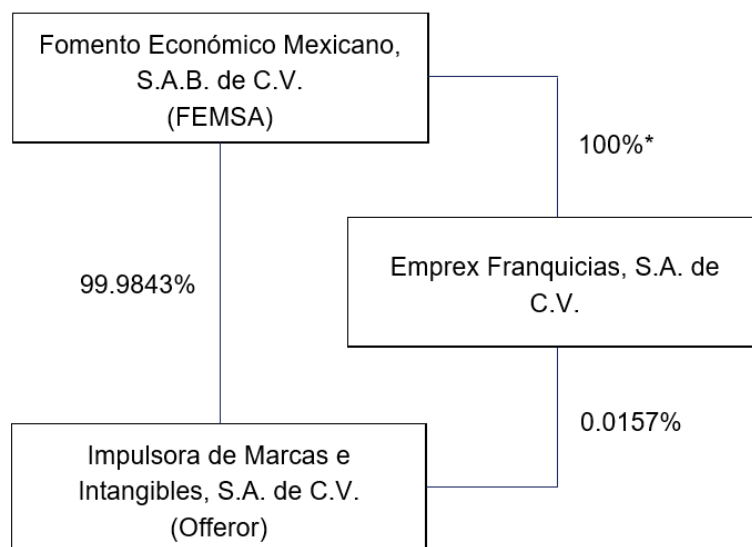
If the respective corporate body of the Company resolves on the matters specified in Offer Conditions (e) or (f) prior to the expiration of the (possibly extended) Offer Period and any of the Offer Conditions (e) or (f) have not been satisfied or waived (with respect to the resolutions of corporate bodies mentioned therein) by the end of the (possibly extended) Offer Period, the Offer will be declared unsuccessful.

If the Offer Condition (b) has not been satisfied or waived by the anticipated Settlement Date, the Offeror is obliged to postpone the Settlement for a period of up to four months after the expiration of the Additional Acceptance Period (the "**Postponement**"). If any of the Offer Conditions (c), (g) or (h) or, if and to the extent still applicable (see preceding paragraphs), any of the Offer Conditions (e) or (f) have not been satisfied or waived by the anticipated Settlement Date, the Offeror shall be entitled to declare the Offer unsuccessful or to declare a Postponement. During the Postponement, the Offer shall continue to be subject to the Offer Conditions (b), (c), (g) and (h) and, if and to the extent still applicable (see preceding paragraphs), Offer Conditions (e) and (f) as long as, and to the extent, such Offer Conditions have not been satisfied or waived. Unless the Offeror applies for, and the TOB approves, an additional postponement of the Settlement, the Offeror will declare the Offer unsuccessful if such Offer Conditions have not been satisfied or waived during the Postponement.

C. INFORMATION REGARDING THE OFFEROR

1. Name, Registered Seat, Capital, Shareholders and Principal Business Activities of the Offeror

The Offeror is a corporation organized under the laws of Mexico with registered seat in Monterrey, Mexico. The Offeror is a wholly-owned Subsidiary of FEMSA. The following chart illustrates the shareholding structure, as existing on the date hereof:



* of which 0.0006% are held indirectly through other subsidiaries of FEMSA.

The Offeror has a share capital of MXN 31,968,196,169.00, divided into 319,681,961,690 shares without par value. Its main corporate purpose is to incorporate, promote, and administer all kinds of corporate entities or partnerships, and to acquire and own stock or membership interests in any such entities or partnerships.

FEMSA is a *sociedad anónima bursátil de capital variable* organized and existing under the laws of Mexico, with registered office in Monterrey, Mexico, and whose shares are publicly listed on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*) and the New York Stock Exchange. FEMSA owns a diversified portfolio of companies, having direct operations in 13 countries. Retail operations are key to FEMSA's business strategy and contribute more than half of the group's revenue. FEMSA operates the largest convenience store chain in Mexico and Latin America (OXXO), with more than 20,000 units, as well as more than 3,600 pharmacies in four Latin American countries (Cruz Verde, Yza and others). FEMSA also owns the largest franchise bottler of Coca-Cola products in the world in terms of sales volume (Coca-Cola FEMSA), and is the second largest shareholder of the Heineken group (with an economic interest of 14.76%). The FEMSA Group also owns a variety of smaller companies involved in several adjacent activities to those of its main businesses, including logistics and distribution, point-of-sale (POS) refrigeration, distribution of products used by foodservice providers, and plastics solutions. FEMSA has more than 320,000 employees and reported revenues of more than USD 27 billion in 2021.

FEMSA has three series of capital stock, each with no par value: Series B Shares, Series D-B Shares and Series D-L Shares. Series B Shares have full voting rights, and Series D-B and D-L Shares have limited voting rights. FEMSA's shares are listed on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*) (trading symbol FEMSAUBD.MX; FEMSAUB.MX) and the New York Stock Exchange (trading symbol FMX). As of April 8, 2022, the following persons and entities have been reported in the annual report of FEMSA for the fiscal year ending December 31, 2021 (as filed with the U.S. Securities and Exchange Commission on April 14, 2022 (Form 20-F)) as

shareholders holding 5% or more of the voting rights of FEMSA pursuant to the reporting provisions of applicable U.S. securities laws:

Ownership of Capital Stock as of April 8, 2022

| Shareholder | Series B Shares ⁽¹⁾ | | Series D-B Shares ⁽²⁾ | | Series D-L Shares ⁽³⁾ | | Total Shares of FEMSA Capital Stock |
|--|--------------------------------|------------------|----------------------------------|------------------|----------------------------------|------------------|-------------------------------------|
| | Shares Owned | Percent of Class | Shares Owned | Percent of Class | Shares Owned | Percent of Class | |
| Technical Committee and Trust Participants under the Voting Trust ⁽⁴⁾ | 6,922,134,985 | 74.86 % | | | | | 38.69 % |
| William H. Gates III ⁽⁵⁾ | 278,873,490 | 3.02 % | 557,746,980 | 12.9 % | 557,746,980 | 12.9 % | 7.79 % |

(1) As of April 8, 2022, there were 2,161,177,770 Series B Shares outstanding.

(2) As of April 8, 2022, there were 4,322,355,540 Series D-B Shares outstanding.

(3) As of April 8, 2022, there were 4,322,355,540 Series D-L Shares outstanding.

(4) As a consequence of the voting trust's internal procedures, the following trust participants are deemed to have beneficial ownership with shared voting power of the shares deposited in the voting trust: BBVA Bancomer, S.A., as Trustee under Trust No. F/25078-7 (controlled by the estate of Max Michel Suberville), BBVA Bancomer, S.A., as Trustee under Trust No. F/29490-0 (controlled by Alberto (+), Susana and Cecilia Bailleurs), Invex, S.A., as Trustee under Trust No. 3763 controlled by the Garza Lagüera Gonda Family, Paulina Garza Lagüera Gonda, Max Brittingham, Maia Brittingham, Bárbara Garza Lagüera Gonda, Bárbara Braniff Garza Lagüera, Eugenia Braniff Garza Lagüera, Lorenza Braniff Garza Lagüera, Mariana Garza Lagüera Gonda, Paula Treviño Garza Lagüera, Inés Treviño Garza Lagüera, Eva María Garza Lagüera Gonda, Eugenio Fernández Garza Lagüera, Daniela Fernández Garza Lagüera, Eva María Fernández Garza Lagüera, José Antonio Fernández Garza Lagüera, Consuelo Garza Lagüera de Garza, Alepage, S.A. (controlled by Consuelo Garza Lagüera de Garza), Alfonso Garza Garza, Juan Pablo Garza García, Alfonso Garza García, María José Garza García, Eugenia María Garza García, Patricio Garza Garza, Viviana Garza Zambrano, Patricio Garza Zambrano, Marigel Garza Zambrano, Ana Isabel Garza Zambrano, Juan Carlos Garza Garza, José Miguel Garza Celada, Gabriel Eugenio Garza Celada, Ana Cristina Garza Celada, Juan Carlos Garza Celada, Eduardo Garza Garza, Eduardo Garza Páez, Balbina Consuelo Garza Páez, Eugenio Andrés Garza Páez, Eugenio Garza Garza, Camila Garza Garza, Ana Sofía Garza Garza, Celina Garza Garza, Marcela Garza Garza, Carolina Garza Villarreal, Alberto Bailleurs González (+), María Teresa Gual de Bailleurs, Corbal, S.A. de C.V. (controlled by Alberto Bailleurs González (+)), María Magdalena Michel y Suberville, Max David Michel, Juan María Pedro David Michel, Monique Berthe Michele Madeleine David Michel, María Berta Renee Michel y Suberville, Magdalena María Guichard Michel, Rene Cristobal Guichard Michel, Miguel Graciano José Guichard Michel, Graciano Mario Juan Guichard Michel, Juan Bautista Guichard Michel, BBVA Bancomer, S.A., as Trustee under Trust No. F/3038 (controlled by María Berta Michel y Suberville), Invex, S.A. as Trustee under Trust No. F/4165 (controlled by the Michel González family), Franca Servicios, S.A. de C.V. (controlled by the Calderón Rojas family), and BBVA Bancomer, S.A. as Trustee under Trust No. F/29013-0 (controlled by the Calderón Rojas family).

(5) Includes aggregate shares beneficially owned by Cascade Investments, LLC, over which William H. Gates III has sole voting and dispositive power.

74.86% of the voting rights of FEMSA are held by a voting trust as referred to in the above table (the "**Voting Trust**"). The trust participants agreed on May 6, 1998, to deposit a majority of their shares of FEMSA into the Voting Trust. The primary purpose of the Voting Trust is to permit the trust assets to be voted as a block, in accordance with the instructions of the technical committee of the Voting Trust. The trust participants are separated into seven trust groups, and the technical committee comprises one representative appointed by each trust group. The Voting Trust constitutes legally independent assets without legal personality governed by the laws of Mexico. The assets of the Voting Trust are legally held by the trustee for the account of the trust participants. Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, Fiduciario with registered office in San Pedro Garza García, N.L., Mexico, acts a trustee of the Voting Trust (the "**Trustee**"). Further information on the Voting Trust can be found on p. 92 s. of the annual report of FEMSA for the fiscal year ending December 31, 2021 (as filed with the U.S. Securities and Exchange Commission on April 14, 2022 (Form 20-F)) available at <https://femsa.gcs-web.com/static-files/9f86ca1f-1dfb-4a44-ba21-2f9adfc9e566>. One of the seven trust groups, which is itself organized as a voting trust in accordance with the laws of Mexico and named F/3763 ("**Trust F/3763**"), holds the majority of the votes in the Voting Trust. The Trustee also acts as trustee of the Trust F/3763.

2. Persons Acting in Concert with the Offeror

In connection with the Offer, the Trust F/3763 (acting through the Trustee), the Voting Trust (acting through the Trustee) and all companies and persons (directly or indirectly) controlled by FEMSA as well as from July 4, 2022, the date on which FEMSA and Valora entered into the

Transaction Agreement, Valora and all companies and persons (directly or indirectly) controlled by Valora are deemed to be acting in concert with the Offeror.

3. Annual Report

As a private company and wholly-owned Subsidiary of FEMSA, the Offeror has never published an annual report. The annual report and the consolidated financial statement of FEMSA for the fiscal year ended December 31, 2021 (as filed with the U.S. Securities and Exchange Commission on April 14, 2022 (Form 20-F)) is available at <https://femsa.gcs-web.com/static-files/9f86ca1f-1dfb-4a44-ba21-2f9adfc9e566> and the results for the first quarter of 2022 of FEMSA are available at <https://femsa.gcs-web.com/static-files/ca364404-f776-4a10-b55b-b01b8b270137>.

4. Participations in Valora

As of July 4, 2022 (the last Trading Day prior to the Pre-Announcement), the Offeror and the persons acting in concert with it (excluding Valora and its direct and indirect Subsidiaries) held no Valora Shares and no financial instruments with respect to Valora Shares.

As of the same date, Valora and its direct and indirect subsidiaries held, according to Valora, 4,291 Valora Shares in treasury (corresponding to approximately 0.1% of Valora's share capital registered in the commercial register as of such date) and no financial instruments with respect to Valora Shares.

5. Purchases and Sales of Equity Securities in Valora

During the 12-month period preceding the date of the Pre-Announcement, the Offeror and the persons acting in concert with it (excluding Valora and its direct and indirect Subsidiaries) did not purchase or sell any Valora Shares. During the same period, the Offeror and the persons acting in concert with it (excluding Valora and its direct and indirect Subsidiaries) did not purchase or sell any financial instruments with respect to Valora Shares. Following the date of the Pre-Announcement, the Offeror and the persons acting in concert with it (excluding Valora and its direct and indirect Subsidiaries) did not purchase or sell any Valora Shares or any financial instruments with respect to Valora Shares. For a description of the undertakings by certain shareholders of Valora to tender their Valora Shares into the Offer see Section A (*Background of the Offer*).

According to Valora, since July 4, 2022 (the date on which FEMSA and Valora entered into the Transaction Agreement), after close of trading on the SIX, neither Valora nor any of its direct or indirect Subsidiaries have purchased or sold any Valora Shares or financial instruments with respect to Valora Shares.

D. FINANCING OF THE OFFER

The Offer will be financed with available cash on hand.

E. INFORMATION REGARDING VALORA

1. Name, Registered Seat, Business Activity and Annual Report

Valora is a Swiss stock corporation (*Aktiengesellschaft*), having its registered seat in Muttenz, Switzerland. Pursuant to its articles of association, the Company's main corporate purpose is the participation in trading, manufacturing and services companies in and outside Switzerland.

The consolidated financial statements of Valora as of December 31, 2021, can be consulted on Valora's website at <https://annualreport.valora.com>.

2. Share Capital and Outstanding Options and Similar Rights

Share Capital of Valora

According to the online excerpt of the Commercial Register of July 4, 2022 (the last Trading Day prior to the Pre-Announcement), the share capital of Valora amounts to CHF 4,390,000, divided into 4,390,000 registered shares (*Namenaktien*) with a nominal value of CHF 1.00 each. The Valora Shares are listed on the SIX under the Swiss securities number 208 897 (ISIN: CH000 208 897 6; ticker symbol: VALN).

According to its articles of association, Valora has (i) an authorized capital of CHF 439,000 (expiring March 31, 2023), allowing for the issuance of up to 439,000 registered shares and (ii) a conditional share capital of CHF 439,000 allowing for the issuance of up to 439,000 registered shares in connection with the exercise of conversion and/or option rights issued in connection with newly issued or already issued bonds or other financial market instruments by the Company or one of its Subsidiaries. In the Transaction Agreement, Valora has undertaken, among other things, not to issue, sell or otherwise dispose of, or acquire any equity securities (including Valora Shares) or equity-linked securities or other rights for securities in the Company and not to change the share capital or capital structure of the Company without the prior written approval of FEMSA.

As of July 4, 2022 (the last Trading Day prior to the Pre-Announcement), Valora and its direct and indirect Subsidiaries held, according to Valora, 4,291 Valora Shares in treasury (corresponding to approximately 0.1% of Valora's share capital registered in the commercial register as of such date).

Outstanding Options and Similar Rights

Valora has (i) long term incentive plans which govern performance share units ("**PSUs**") granted and allocated to the members of its Group Executive Management, (ii) a short term bonus plan for members of the Group Executive Management and certain other eligible employees, (iii) employee share plans under which eligible employees may receive (as part of their salary) or buy Valora Shares (which are then blocked for a period of three years) at a discount and (iv) a board share plan pursuant to which members of the board of directors of Valora receive 20% of their fixed remuneration in the form of Valora Shares blocked for period of three years (the aforementioned plans collectively the "**Participation Plans**").

The Offer extends to all Valora Shares that are currently blocked under any Participation Plan for which the blocking period will be accelerated to terminate if and as soon as the Offeror, after the expiration of the Offer Period, has declared the Offer successful, in order that such Valora Shares can be tendered into the Offer during the Additional Acceptance Period. The Offer does not extend to any PSU which will be settled in cash. Please refer to Section H (*Report of the Board of Directors of Valora Holding Ltd. pursuant to Article 132 FMIA*) for details on the treatment of the Participation Plans in connection with the Offer.

Valora has undertaken in the Transaction Agreement not to, (i) change or amend or agree to change or amend any of the terms and conditions of the Participation Plans (except as agreed by FEMSA and Valora in the Transaction Agreement), (ii) establish or implement any new share participation or other employee incentive plan with respect to Valora Shares or other equity securities of Valora, (iii) make allocations or agree to or perform any cash settlement or repurchase of any rights under the Participation Plans in the absence of a legally binding confirmation of the TOB that the best price rule is not violated, (iv) issue or create any obligation to issue any Valora Shares or other equity securities, or any options or other rights for Valora Shares or other equity securities of Valora.

Except for the rights and entitlements granted to eligible employees under certain Participation Plans, Valora has not issued any options, warrants or conversion rights relating to the sale, issuance, transfer or acquisition of any Valora Shares or other equity securities of Valora.

3. Intentions of the Offeror with Respect to Valora

Through the Offer, the Offeror intends to obtain full control over Valora and its Subsidiaries, with the aim of combining Valora's business with the Offeror's business.

Business combination

FEMSA intends to use Valora as a platform for expansion of its retail business throughout Europe, and further intends to support and enhance the current strategic plan of Valora. FEMSA believes it can accelerate such strategic plan, deliver sustainable growth, and create long-term value through:

- optimization of the existing network of stores;
- acceleration of the conversion of traditional formats into modern convenience formats;
- expansion of the convenience footprint, including through consolidation of independents, expansion in newer geographies, diversification into forecourts, and roll-out of new concepts;
- continued strategic shift toward convenience store and food service (foodvenience) market;
- optimization of procurement;
- enhancement of the level of digitization across the business; and

- sharing of know-how and best practices between Valora and FEMSA's respective management teams.

Following the Settlement of the Offer, Valora will operate within FEMSA's Proximity Division. As such, FEMSA's current intention for Valora is to continue its operations as a business unit in Europe, and FEMSA plans to offer Valora financial and operational support and enable collaboration and exchange of best practices among business units with the purpose of value generation.

FEMSA does currently not foresee any significant changes in management of Valora. FEMSA intends to establish an advisory board composed of members with European retail experience, that may include some or all of the current members of the Board of Directors of Valora. It is the current plan of FEMSA to maintain Valora's corporate headquarter in its current location.

Squeeze-out

If FEMSA and/or its Subsidiaries hold more than 98% of the voting rights in Valora after the Settlement, the Offeror intends to request the cancellation of the remaining publicly held Valora Shares in accordance with article 137 of the Financial Markets Infrastructure Act ("**FMIA**").

If FEMSA and/or its Subsidiaries hold between 90% and 98% of the voting rights in Valora after the Settlement, the Offeror intends to merge with Valora, or to merge Valora with a Swiss company directly or indirectly controlled by FEMSA, in each case in accordance with article 8 para. 2 and article 18 para. 5 of the Swiss Merger Act, whereby the remaining public shareholders of Valora would be compensated (in cash or otherwise) and not receive any shares in the surviving company. The Swiss tax consequences resulting from a squeeze-out merger may, depending on the structuring of the squeeze-out merger, be considerably worse for individuals who are resident in Switzerland for tax purposes and who hold the Valora Shares as their private assets (*Privatvermögen*), and potentially also for foreign investors, compared with the tax consequences of an acceptance of the Offer (see below Section L.5 (*Costs and Taxes; General Tax Consequences for Accepting and Non-Accepting Shareholders*)).

If FEMSA and/or its Subsidiaries hold less than 90% of the voting rights in Valora after the Settlement, FEMSA and/or its Subsidiaries intend to, depending on the circumstances, purchase additional Valora Shares from remaining shareholders of Valora and/or combine the Offeror's business or other businesses of FEMSA and/or its Subsidiaries with Valora through a contribution in kind to Valora of assets, businesses or shareholdings in a capital increase of Valora with respect to which the pre-emptive rights of the remaining public shareholders of Valora would be excluded and new Valora Shares would be issued only to the contributing company. Furthermore, the Offeror may consider implementing one or several other transactions under the Swiss Merger Act.

De-Listing

After the Settlement of the Offer, the Offeror intends to have Valora submit an application to SIX Exchange Regulation for the de-listing of the Valora Shares in accordance with the listing rules of SIX Exchange Regulation (the "**Listing Rules**") and for an exemption from certain disclosure and publicity obligations under the Listing Rules until the date of de-listing of the Valora Shares.

4. **Agreements between the Offeror and Valora, its Directors, Officers and Shareholders**

Confidentiality Agreement

On May 24, 2022, FEMSA and Valora entered into a confidentiality agreement customary for this type of transaction (the "**Confidentiality Agreement**"). Following the execution of the Confidentiality Agreement, FEMSA was allowed to conduct limited due diligence relating to Valora.

Transaction Agreement

On July 4, 2022, FEMSA and Valora entered into the Transaction Agreement, which was unanimously approved by Valora's board of directors. The following is a summary of the main terms of the Transaction Agreement:

- FEMSA agreed to make, or to cause an affiliate of FEMSA to make, the Offer, and Valora and its board of directors, respectively, agreed to unanimously support the Offer and to recommend to Valora's shareholders the acceptance of the Offer, among other things, by way of its recommendation contained in the board report included in Section H (*Report of the Board of Directors of Valora Holding Ltd. pursuant to Article 132 FMIA*).
- Valora undertook not to solicit, initiate, encourage or facilitate any transactions concerning (whether directly or indirectly) Valora Shares or other equity or equity-linked securities of Valora or any of its subsidiaries or material assets or businesses of Valora or of any of its Subsidiaries. In addition, Valora undertook not to enter into discussions or negotiations or provide information on Valora with respect to any such transactions, and not to support or recommend any proposal for such transaction or competing offer or withdraw its recommendation for the Offer, except under certain conditions (as further specified in the Transaction Agreement) with respect to an unsolicited third party tender or exchange offer for all the Valora Shares or an unsolicited merger or consolidation involving Valora (or any other unsolicited transaction having the same or substantially the same economic effect) that Valora's board of directors has determined at its reasonable discretion and in the exercise of its duty of care to be more favourable to Valora and its shareholders than the terms and conditions of the Offer ("**Better Offer**"). Valora also agreed to provide FEMSA with information with respect to an unsolicited Better Offer and granted FEMSA a matching right with regard to any Better Offer. Valora agreed to provide FEMSA with information disclosed to an any third party intending to announce a Better Offer on terms not less favorable than those applied to such third party.
- Valora agreed, subject to mandatory legal requirements, to support the Offer and to cooperate with FEMSA and its affiliates (including the Offeror) in relation to the implementation and settlement of the Offer.
- The parties have entered into customary undertakings to pursue the satisfaction of the Offer Conditions.
- Valora agreed to promptly register the Offeror and/or any of its affiliates in Valora's share register as shareholders with voting rights with respect to all Valora Shares that the Offeror

or any of its affiliates have acquired or may acquire in the Offer or otherwise as of the Settlement.

- Valora agreed to procure that all members of Valora's board of directors shall resign from their functions on the board of directors of Valora no later than on the first day of the Additional Acceptance Period and with effect from the Settlement.
- Valora agreed to call an extraordinary shareholders' meeting within two Trading Days after the Offeror has declared the Offer successful, and to propose to shareholders the election of individuals designated by FEMSA to Valora's board of directors with effect as per the Settlement.
- Valora agreed to operate its business in the ordinary course of business and consistent with past practice, and to execute, enter into or announce certain transactions only with the consent of FEMSA.
- Valora made certain representations and warranties to FEMSA.
- The parties agreed to treat the PSUs granted and the blocked Valora Shares outstanding under the relevant Participation Plans as summarized under Section H (*Report of the Board of Directors of Valora Holding Ltd. pursuant to Article 132 FMIA*).
- FEMSA agreed to implement a retention plan, the key terms of which are summarized under Section H (*Report of the Board of Directors of Valora Holding Ltd. pursuant to Article 132 FMIA*).
- FEMSA agreed to certain operational and corporate governance matters including, among others, the continued use of Valora's business name and brand, Valora's format brands and to maintain Valora's headquarter.
- FEMSA stated its firm intention to implement the mid term plan of Valora and to invest in the European expansion via Valora and to invest into the growth of the European business beyond the mid term plan of Valora.
- The Transaction Agreement may be terminated under certain circumstances, including (i) by mutual written consent of both parties, (ii) by either party if the Offer is not successful, (iii) by either party if the Offer has failed or the TOB permits the Offer not to be launched, no longer to remain open or not to be settled, so long as the party seeking to terminate is not in breach of any provision under the Transaction Agreement that causes any such non-pursuance, (iv) by the Offeror, if the Company enters into a definitive agreement with a third party regarding a Better Offer, (v) by the Offeror, if the board of directors of the Company or any committee thereof (1) fails to recommend the Offer to the shareholders of the Company as contemplated in the Transaction Agreement, or (2) withdraws, modifies or qualifies its recommendation of the Offer or makes an announcement to that effect, or (3) approves or recommends a Better Offer or makes an announcement to that effect, or (vi) by either party if the other party fails to meet material obligations under the Transaction Agreement.

Tender Undertaking

On July 4, 2022, Ernst Peter Ditsch signed a tender undertaking with FEMSA pursuant to which Mr. Ditsch agreed to tender his 742,197 Valora Shares into the Offer.

No Other Agreements

Except for the agreements summarized in Section A (*Background of the Offer*) and this Section E.4 (*Agreements between the Offeror and Valora, its Directors, Officers and Shareholders*), no agreements in relation to the Offer exist or will exist at the Settlement Date, as the case may be, between the applicable members of the FEMSA on the one hand, and Valora, its Subsidiaries and their directors, officers and shareholders on the other hand.

5. Confidential Information

The Offeror confirms that FEMSA and its direct and indirect Subsidiaries (including the Offeror) have not received, directly or indirectly, from Valora or any of its direct or indirect Subsidiaries, any confidential information regarding Valora' business which could significantly influence the decision of the recipients of the Offer, except for the information that has been or is publicly disclosed in this Offer Prospectus, the report of the board of directors of Valora (see Section H (*Report of the Board of Directors of Valora Holding Ltd. Pursuant to Article 132 FMIA*) or otherwise.

F. PUBLICATION

This Offer Prospectus as well as all other statutory publications of the Offeror in connection with the Offer will be published on <https://femsa.gcs-web.com/valora-transaction> and submitted in electronic form to the major Swiss media, the major news agencies active in Switzerland, the major electronic media which distribute stock exchange information and the TOB. This Offer Prospectus will be published on July 26, 2022 before opening of trading on the SIX.

This Offer Prospectus may be obtained without delay and free of charge in German, French and English from Credit Suisse AG, Zurich (e-mail: equity.prospectus@credit-suisse.com).

G. REPORT OF THE REVIEW BODY PURSUANT TO ARTICLE 128 FMIA

As a review body recognized according to the FMIA to review public takeover offers, we have reviewed the offer prospectus of Impulsora de Marcas e Intangibles, S.A. de C.V. (the "Offeror"). The report of the board of directors of the target company and the Fairness Opinion of IFBC AG were not subject to our review.

The preparation of the offer prospectus is the responsibility of the Offeror. Our responsibility is to express an opinion on the offer prospectus based on our review. We confirm that we comply with the independence requirements provided by takeover law and there are no circumstances incompatible with our independence.

Our review was conducted in accordance with the Swiss Auditing Standard on the examination of Public Takeover Offers (AS 880), which requires that a review pursuant to article 128 FMIA be

planned and performed to verify the formal completeness of the offer prospectus pursuant to the FMIA and its ordinances, and to obtain reasonable assurance about whether the offer prospectus is free from any material misstatements in consequence of violations or errors. It has to be noted that ciphers 4 to 7 below cannot be verified with the same assurance as ciphers 1 to 3. We have reviewed the information in the offer prospectus by means of analyses and ascertainties on a test basis. Furthermore, we have verified the compliance with the FMIA and its ordinances. We believe that our review provides a reasonable basis for our opinion.

In our opinion:

1. the Offeror has taken the necessary measures in order for the required funds to be available on the settlement date;
2. the provisions governing change of control offers, in particular those governing the minimum price, have been observed;
3. the Best Price Rule has been observed until the publication of the offer prospectus.

Moreover, we have not encountered any facts from which we had to infer that:

4. the recipients of the offer are not treated equally;
5. the offer prospectus is not complete and accurate;
6. the offer prospectus is not in accordance with the FMIA and its ordinances;
7. the provisions regarding the effects of the pre-announcement have not been observed.

This report is neither a recommendation for the acceptance or rejection of the offer nor a confirmation (Fairness Opinion) regarding the financial appropriateness of the offer price.

Zurich, 22 July 2022

BDO Ltd

Marcel Jans
Partner

Thomas Hulmann
Director

H. REPORT OF THE BOARD OF DIRECTORS OF VALORA HOLDING LTD. PURSUANT TO ARTICLE 132 FMIA

The board of directors of Valora Holding AG ("**Board of Directors**") with registered office in Muttenz, Switzerland ("**Valora**" or the "**Company**", and together with its subsidiaries, the "**Valora Group**"), hereby comments pursuant to article 132 para. 1 of the Financial Market Infrastructure Act ("**FMIA**") and articles 30-32 of the Takeover Ordinance on the public tender offer (the "**Offer**") of Impulsora de Marcas e Intangibles, S.A. de C.V. with registered office in Monterrey, México (the "**Offeror**"), for all publicly held registered shares of Valora with a nominal value of CHF 1.00 each (each a "**Valora-Share**"). Impulsora de Marcas e Intangibles, S.A. de C.V. is an indirect

100% subsidiary of Fomento Económico Mexicano, S.A.B. de C.V with registered office in Monterrey, México ("**FEMSA**").

I. RECOMMENDATION OF THE BOARD OF DIRECTORS AND RATIONALE

1. Recommendation

Based on an in-depth review of the Offer and taking into account the fairness opinion of IFBC AG, Zurich ("**IFBC**"), which forms an integral part of this report ("**Board Report**") (see section I.2.3 below), the Board of Directors, composed of the members set out in section II.1.1 below, unanimously resolved on 4 July 2022 to recommend to the shareholders of Valora to accept the Offer submitted by the Offeror and has decided on the content of this Board Report on 19 July 2022.

2. Rationale

The Board of Directors has negotiated a transaction agreement ("**Transaction Agreement**") that governs certain aspects of the continuation of Valora's business and of the corporate governance after the settlement of the Offer and made an in-depth review of the Offer as described in the offer prospectus of the Offeror (the "**Offer Prospectus**").

2.1 Offer Price

The price offered by the Offeror amounts to CHF 260 net in cash for each Valora-Share ("**Offer Price**"). The Offer Price implies a premium of approximately 52.0% to the unaffected closing price of the Valora-Shares on 4 July 2022 and a 57.3% premium to the volume-weighted average price ("**VWAP**") of the Valora-Shares during the sixty (60) SIX trading days prior to the publication of the pre-announcement on 5 July 2022 ("**Pre-Announcement**").

2.2 Offer Conditions

The Offer remains subject to the conditions and further terms set forth in the Offer Prospectus, including:

- by the end of the (possibly extended) offer period, the Offeror shall have received valid and irrevocable acceptances for such number of Valora-Shares representing, when combined with the Valora-Shares that the Offeror will own at that point in time, at least 66 2/3% of the fully diluted share capital of Valora;
- a no material adverse effect offer condition which excludes any macroeconomic effects such as the COVID-19 pandemic or the aggression and/or war of Russia against third countries, in particular against the Ukraine, including related economic consequences of such events such as supply chain issues, supply drop, price increases of all kind of commodities (such as electricity or fuel), products and other goods, increases in factor costs (such as labor or financing costs including interest rates), inflation or recession; and
- further customary offer conditions, such as regulatory approvals.

For a more detailed description of all Offer conditions please refer to section B.7 of the Offer Prospectus.

2.3 Fairness Opinion

To evaluate and confirm financial fairness, the Board of Directors has mandated IFBC to act as independent expert and to issue a fairness opinion to assess the financial appropriateness of the Offer Price. In the fairness opinion dated 4 July 2022, IFBC concluded, based on its analysis, that the Offer Price is fair from a financial point of view. Based on and subject to the assumptions set out therein, IFBC determined, based on the core valuation method, the DCF analysis, a value of CHF 276.90 per Valora-Share with range of CHF 227.10 to CHF 336.80 per Valora-Share.

The fairness opinion can be ordered in German, French and English at no cost at Valora Holding AG, Investor Relations, Hofackerstrasse 40, 4132 Muttenz, Switzerland (email: ir@valora.com) or downloaded on www.valora.com/femsa.

2.4 Business Rationale

Valora's strategy has been focused on offering the best food and convenience concepts based on an in-depth understanding of customers and formats, operational excellence, ongoing innovation and agility as well as optimal value creation. Valora continued to organically and inorganically grow its successful concept of innovative foodvenience formats – small-scale sales outlets at high-traffic transport, city and petrol station locations.

Against this background, the Board of Directors of Valora, with the assistance of professional advisors, has thoroughly explored different strategic alternatives, including discussions with FEMSA. The respective opportunities and risks including transactional execution risks have been assessed and the interests of all stakeholders of Valora carefully considered.

The Board of Directors concluded that the Offer provides an excellent strategic opportunity for Valora to meet future market challenges from a position of strength and to create substantial value for stakeholders.

The Offeror intends to use Valora as a platform for additional growth in the European convenience store and food service (foodvenience) market and the combination of the Offeror and Valora is expected to create a formidable player in the respective market. The combined company will have the know-how, skill set and means to pro-actively accelerate its growth and continue to expand Valora's market position in Europe. Although Valora is relinquishing its legal independence, it can execute its existing growth strategy more quickly as the European retail affiliate within the FEMSA Group. This is especially true as the Offeror and Valora complement each other very well with their growth-oriented strategies in the convenience store and food service businesses, capacity for innovation, and digitalisation philosophy.

Valora will continue to be headquartered in Muttenz (BL) and to operate under its own company name as the European affiliate within FEMSA's Proximity Division and will take on responsibility for further developing the European convenience markets for FEMSA. This ensures that Valora's

renowned concepts, brand names and locations are preserved and recognizes the qualification of Valora's employees, who will benefit from broadened career opportunities on a global scale.

2.5 Squeeze-Out and Delisting

In the event that after the consummation of the Offer ("**Settlement**"), the Offeror holds more than 98% of the voting rights of the Company, the Offeror intends to request the cancellation of the remaining Valora-Shares in accordance with art. 137 FMIA with the competent court. In the event that after the Settlement, the Offeror holds between 90% and 98% of the voting rights of Valora, the Offeror intends to compensate the remaining minority shareholders of Valora in cash in connection with a squeeze-out merger pursuant to art. 8 para. 2 of the Swiss Merger Act.

The remaining shareholders may thus be compulsorily squeezed-out of the Company. In case of a possible squeeze-out merger, the compensation may in certain cases deviate from the Offer Price. The tax consequences of a squeeze-out by way of a cancellation or a squeeze-out merger are described in section L.5 of the Offer Prospectus.

After the Settlement of the Offer, the Offeror intends to have the Valora-Shares delisted from SIX Swiss Exchange. The delisting may significantly impair the ability to trade in Valora-Shares.

2.6 Agreements with Major Shareholders

The Board of Directors has, when deciding to support the transaction, taken note of the fact that the major shareholder in Valora holding 16.91% of all Valora-Shares has contractually agreed to tender all its 742,197 Valora-Shares into the Offer.

2.7 Conclusion

Based on the considerations summarized above, the Board of Directors came to the conclusion that the Offer is in the best interest of Valora, its shareholders, employees, customers and suppliers and that the Offer Price is fair and appropriate. The Board of Directors therefore recommends to the shareholders of Valora to accept the Offer of the Offeror.

3. Agreements with FEMSA or the Offeror

On 24 May 2022, Valora and FEMSA signed a confidentiality and standstill agreement, following the execution of which FEMSA was allowed to conduct a limited due diligence relating to Valora.

In addition, Valora and FEMSA concluded the Transaction Agreement on 4 July 2022, which in essence contains provisions regarding the takeover process and terms and conditions of the Offer and the respective rights and obligations of Valora and FEMSA in relation to the Offer. In particular, the Transaction Agreement sets forth the Offer Price to be offered by the Offeror and that in return, the Board of Directors undertakes to support the Offer and to recommend its acceptance to the shareholders of Valora. In addition, the Transaction Agreement contains important obligations of Valora, which among others include the following (in summarized form):

- Valora undertook not to solicit, initiate, propose or negotiate, or continue discussions or negotiations regarding, any third party transaction. However, Valora is allowed, in response to an unsolicited written approach to acquire all Valora Shares or all or substantially all assets of Valora, which the Board of Directors determines in its good faith judgment and after consultation with its financial advisor, to be in the aggregate and considering all relevant aspects more favorable to the Company and its shareholders than the Offer (the transaction for which such proposal is made, a Better Offer) and after having notified the Offeror of the Better Offer, to furnish information to and participate in discussions and negotiations with the relevant third party.
- Valora undertook to procure that neither the Board of Directors nor any committee thereof shall (i) withdraw or modify the recommendation of the Offer or the Board Report, (ii) approve or enter into any (binding or non-binding) agreement relating to any third party transaction, (iii) approve or recommend any third party transaction or (iv) in case of (i) through (iii) make any announcement to that effect, unless, in each case, a third party transaction is submitted and the Company Board determines in good faith and at its reasonable discretion, after consultation with its financial advisor, and in compliance with the principle of equal treatment of competing bidders, that such third party transaction is a Better Offer and that the person who made such Better Offer is reasonably capable of making, financing and consummating such Better Offer, in which case the Company and the Company Board shall be allowed to take any action referred to in clauses (i) through (iv) above; *provided*, however, that, prior to taking any such action, the Company shall have notified the Offeror about the Better Offer, shall have provided the Offeror the opportunity to submit an improved Offer and the Offeror not having submitted such improved Offer within the agreed period.
- Valora undertook to operate its business in the ordinary course of business, consistent with past practice and based on the current budget as well as with the required diligence from the date of the Transaction Agreement through the Settlement and to execute certain business matters only with the consent of the Offeror, unless required by applicable laws, fairly disclosed or if the Board of Directors has withdrawn or modified its recommendation of the Offer. Valora further undertook to use its commercially reasonable efforts to preserve substantially intact its business organization and goodwill, keep available the services of its officers and employees and preserve the relationships with the persons having business relationships with the Valora Group.

A detailed summary of the content of the Transaction Agreement can be found in section E.4 of the Offer Prospectus.

II. ADDITIONAL INFORMATION REQUIRED BY SWISS TAKEOVER LAW

1. Potential Conflicts of Interest of the Board of Directors and the Group Executive Management

1.1 Board of Directors

The Board of Directors of Valora is composed of six (6) members: Sascha Zahnd (chairperson), Insa Klasing (vice-chairperson), Markus Bernhard, Michael Kliger, Felix Stinson and Dr. Karin Schwab.

In case the Offer is successful, all members of the Board of Directors will resign from their functions with effect from the Settlement of the Offer.

No member of the Board of Directors has entered into a contractual or other relationship with FEMSA and/or the Offeror. No member of the Board of Directors has been elected at the request of FEMSA or the Offeror or is exercising his/her mandate following instructions from FEMSA or the Offeror. The members of the Board of Directors are neither employees nor members of any corporate bodies of FEMSA and/or the Offeror or of companies having a significant business relationship with FEMSA and/or the Offeror.

Accordingly, no member of the Board of Directors has a conflict of interest in connection with the Offer. The resolution to recommend the acceptance of the Offer was therefore passed by the entire Board of Directors. Except for the facts described in section II.2 below, the Offer does not have any financial consequences for the members of the Board of Directors.

1.2 Group Executive Management

The executive management of the Valora Group consists of Michael Müller (CEO), Beat Fellmann (CFO), Thomas Eisele (CEO Food Service) and Roger Vogt (CEO Retail) (the "**Group Executive Management**").

No member of the Group Executive Management has entered into a contractual or other relationship with FEMSA and/or the Offeror. FEMSA intends to continue to operate Valora under the current management. The members of the Group Executive Management are neither employees nor members of any corporate bodies of FEMSA and/or the Offeror or of companies having significant business relations with FEMSA and/or the Offeror.

Accordingly, no member of the Group Executive Management has a conflict of interest in connection with the Offer and except for the facts described in section II.2 below, the Offer does not have any financial consequences for the members of the Group Executive Management.

2. Possible financial consequences of the Offer for the members of the Board of Directors and the Group Executive Management

2.1 Participation Plans and outstanding Entitlements – Overview and Consequences of the Offer on Participation Plans and outstanding Entitlements

(1) Long Term Incentive Plans Regulations 2019 and 2021

Members of the Group Executive Management ("**LTIP Participants**") participate in the Long Term Incentive Plan ("**LTIP**") of the Company, which foresees the allocation of Performance Share Units ("**PSUs**"). The former Long Term Incentive Plan Regulations effective as of 1 January 2019 ("**LTIP Plan 2019**") were amended in 2020 and on 1 January 2021, the revised Long Term Incentive Plan Regulations ("**LTIP Plan 2021**") came into force. The first grant under the LTIP Plan 2021 occurred in the financial year 2021.

The LTIP target amount is pre-determined in individual contractual agreements. For the CEO, it amounts to 60% of the annual fixed salary and for other members of the Group Executive Management, it ranges from 44% to 50% of the annual fixed salary. The number of PSUs awarded every year equals the LTIP target amount divided by the fair value of the PSU on the grant date. Under the LTIP Plan 2021, the fair value of the PSU on the grant date corresponds to the fair market value. The fair market value is measured at grant date and recognised over the period during which the members of the Group Executive Management become unconditionally entitled to the award. It is determined using a fair value simulation and is adjusted for expected dividends during the performance period. The PSUs are subject to a performance period of three (3) years, after which they are converted into Valora-Shares. Under the LTIP Plan 2021, the vesting multiple (ratio of conversion of PSU into Valora-Shares) depends on the achievement of two equally weighted performance conditions, ROCE to focus on capital efficiency and EBITDA to put emphasis on the Company's operational performance. Under the LTIP Plan 2021, both performance metrics are based on a linear vesting curve between 0% and 200%, which provides for a robust, symmetrical vesting corridor. The maximum overall vesting multiple is 200%, i.e. 2.0 vested Valora-Shares per PSU, plus additional 0.5 matching Valora-Shares per vested Valora-Share (if a pre-defined Total Shareholder Return (TSR) condition is reached during the TSR performance period), which results in a maximum of 3 Valora-Shares per PSU. At the beginning of the performance period, the Board of Directors determines the targets for ROCE, EBITDA and TSR taking into consideration the mid-term plan. Targets are disclosed retrospectively at the end of the performance period. After the end of the performance period, the NCC determines whether, and to which extent, the pre-set ROCE, EBITDA and TSR targets were achieved.

All PSUs outstanding as of the date of the Transaction Agreement and not vested or forfeited (in accordance with the relevant Participation Plan [*i.e. the PSUs granted 2020 under the LTIP Plan 2019 and the PSUs granted 2021 and 2022 under the LTIP Plan 2021*], grant letter or otherwise) as of the Settlement shall be determined in accordance with the respective Participation Plan, calculated at the Offer Price and settled in cash on the date of the Settlement.

All PSUs granted in 2019 and 2020 are forfeited (in accordance with the relevant Participation Plan). At the date of this Board Report, 16,274 PSUs are outstanding, which are not yet vested or forfeited (in accordance with the relevant Participation Plan).

(2) *Short Term Bonus Plan*

The Short Term Bonus Plan Regulations effective as of 1 January 2020 ("**STBP**") is applicable to members of management levels A – D. The STBP is designed to reward the annual business performance of the Company and its units. The effective payment factor ranges from 0% to a maximum of 150% of the target Short Term Bonus ("**STB**"). The target STB (i.e. bonus at 100% performance achievement) is expressed as a percentage of the base salary and varies among the different management levels.

According to supplementary rules to the STBP, the members of the Group Executive Management are free to choose the form of payment of the STB – fully or partially as blocked or freely tradable Valora-Shares or in cash – every year. If the right to choose is not or cannot be exercised (e.g. because the participant qualifies as an insider), the STB is paid out in cash at the latest in March of the year following the bonus year (i.e. the year to which the bonus relates). Valora-Shares are allocated at the latest in March of the year following the bonus year. The number of Valora-Shares allocated is determined based on the arithmetic average of the daily volume-weighted average share price of the Valora-Shares during the ten (10) trading days ending on the grant date, without discount. In the past three (3) years, no Valora-Shares were allocated under the STBP.

To the extent required, the STBP will be amended such that (i) the participants in the STB shall receive their 2022 bonus payment under the STB in any event in cash, (ii) the Board of Directors will determine the bonus for the full year 2022 five (5) trading days before the Settlement based on the then actual achievements, and (iii) the payment of the so determined bonus will be made on a pro rata basis for 2022 at the time of the Settlement and the remaining part of the 2022 bonus will be paid at the end of January 2023, subject to the Settlement.

(3) *Share Participation Plan*

Under a Share Participation Plan effective as of 24 November 2015 ("**SPP**"), as part of their salary eligible employees may receive Valora-Shares (which are then blocked for three (3) years) at a discount.

The Board of Directors decided to suspend the SPP as of the date of the Transaction Agreement and the salary of eligible employees will be paid fully in cash (instead of partly through the allocation of Valora-Shares).

(4) *Employee Share Participation Plan*

Under the Employee Share Participation Plan Regulations which entered into force on 1 December 2010 ("**ESPP**"), employees of a Valora Group company in Switzerland are entitled to acquire Valora-Shares at a preferential price at the beginning of the following year based on certain criteria and function/management level. The price is 60% of the average market price in November of the previous year. The Valora-Shares are acquired with all rights, but are subject to a blocking period of three (3) years.

The Board of Directors decided to suspend the ESPP as of the date of the Transaction Agreement.

(5) *Board Share Plan*

Under the board participation regulations ("**Board Share Plan**") of 29 March 2019 20% of the individual total compensation of each member of the Board of Directors is paid in Valora-Shares. The Valora-Shares are blocked for a period of three (3) years beginning at the date of the ordinary shareholders' meeting at which the term of office, for which the remuneration is granted, begins.

The Board Share Plan is, based on a resolution passed by the Board of Directors, suspended as of 4 July 2022, the date the Transaction Agreement was signed, and the members of the Board of Directors will, going forward, receive their remuneration in cash payments only. The remuneration will be on a pro rata basis starting on 6 April 2022 (date of the annual shareholders' meeting on which the remuneration period starts), and ending on the date they cease to be members of the Board of Directors.

(6) *Shareholding Requirements*

Under a regulation concerning shareholding requirements ("**Shareholding Requirements**") effective as of 1 January 2021, minimum shareholding requirements for the Board of Directors and the Group Executive Management are established.

The application of the rules in the Shareholding Requirements is, based on a resolution passed by the Board of Directors, suspended as of 4 July 2022, the date the Transaction Agreement was signed and the Shareholding Requirements will be cancelled as per (and concurrently with) the Settlement. Valora-Shares that will be tendered into the Offer are still to be considered for the calculation of the minimum shareholding according to the Shareholding Requirements and a sale of all Valora-Shares in the context of the Offer is permitted.

(7) *Treatment of blocked Valora-Shares*

All Valora-Shares which currently are or will be blocked (under any Participation Plan, grant letter or otherwise) will be unblocked if and as soon as the Offeror, after the expiration of the main offer period, declares the Offer successful, in order to allow for such Valora-Shares to be tendered into the Offer during the additional acceptance period.

2.2 Valora-Shares and Entitlements held by members of the Board of Directors and the Group Executive Management

(1) *Board of Directors*

As of the date of this Board Report, the members of the Board of Directors hold the following numbers of Valora-Shares:

| Name | Unblocked Valora-Shares | Blocked Valora-Shares |
|------------------|-------------------------|-----------------------|
| Sascha Zahnd | 123 | 1,006 |
| Insa Klasing | 123 | 533 |
| Markus Bernhard | - | 551 |
| Michael Kliger | 380 | 551 |
| Felix Stinson | - | 356 |
| Dr. Karin Schwab | - | 509 |

(2) *Group Executive Management*

As of the date of this Board Report, the members of the Group Executive Management of Valora hold the following numbers of Valora-Shares and, calculated on a pro forma basis as of the date of the Transaction Agreement and in application of the LTIP, the following numbers of PSU (that translate in the mentioned number of Valora-Shares at Settlement):

| Name | Unblocked Valora-Shares | Blocked Valora-Shares | PSUs and corresponding Valora-Shares ¹ |
|----------------|-------------------------|-----------------------|---|
| Michael Müller | 11,826 | - | 6,129 (PSUs) 13,273 (Shares) |
| Beat Fellmann | 450 | - | 2,905 (PSUs) 6,290 (Shares) |

¹ The number of PSUs and Valora-Shares which relate to the 2022 grant, are based on the assumption that the Offer is successful and that Settlement occurs on 30 September 2022 (and thus calculated on a pro rata basis and taking into account the Vesting Factor and the Matching Factor). Moreover the number of Valora Shares is derived by way of a pro forma assessment of the performance of the PSUs in accordance with the LTIP Plan 2021.

| | | | |
|---------------|-------|---|----------------|
| | | | 2,653 (PSUs) |
| Thomas Eisele | 1,570 | - | 5,746 (Shares) |
| | | | 2,517 (PSUs) |
| Roger Vogt | 685 | - | 5,451 (Shares) |

2.3 Retention Plan

In accordance with its agreement with the Company in the Transaction Agreement (see section I.3 above), FEMSA has agreed to put in place a retention plan ("**Retention Plan**") for a number of key employees of the Company ("**Participants**"). The purpose of the Retention Plan is to provide the Participants with an incentive to stay employed with the Company for at least three (3) years after Settlement ("**Retention Period**").

During the Retention Period, Participants receive a fix amount each year, irrespective of their performance. If the employment of a Participant ends during the Retention Period due to a termination by the Company, the Participant will receive a pro rata payment of the fix amount for the incomplete year of employment. In addition, at the end of the Retention Period, each Participant receives a one-time variable payment provided that the Participant has not given notice of termination prior to such date. Notice of termination given by the Company in year three (3) does not deprive the Participant from his/her entitlement to the variable payment unless the notice of termination is given for cause (*aus wichtigem Grund*).

2.4 Compensation and Benefits

The members of the Board of Directors are not granted any compensation, severance payments or other benefits as a result of the Offer.

The members of the Group Executive Management are not granted any severance payments and the employment contracts of the members of the Group Executive Management do not contain any change of control clauses. Reference is further made to the Retention Plan mentioned in section II.2.3 above.

In the Transaction Agreement, the Offeror undertook (i) to ensure that the Company and its subsidiaries will put the discharge of the persons who, at the time of the signing of the Transaction Agreement and/or the Settlement of the Offer, are members of the Board of Directors or the Group Executive Management, respectively members of the board of directors or the executive management of the subsidiaries of the Company, on the agenda of the next extraordinary and the next ordinary shareholders' meeting of the Company and of its subsidiaries, respectively, for the term of office until the Settlement, (ii) to vote all shares it holds in the Company and its subsidiaries, whether directly or indirectly, in favor of the discharge of the persons mentioned in (i) above

respectively to ensure that the voting rights are exercised in this manner and (iii) to waive all claims against the persons mentioned in (i) above in connection with acts or omissions committed in their function as members of the Board of Directors or the Group Executive Management, respectively as members of board of directors or the executive management of a subsidiary of the Company, except for fraud or wilful misconduct.

3. Contractual Agreements and other Connections with FEMSA or the Offeror

Apart from the confidentiality and standstill agreement signed on 24 May 2022 and the Transaction Agreement, there are no contractual agreements or other connections between Valora and its company bodies and FEMSA or the Offeror.

4. Intentions of Shareholders who hold 3% or more of the Voting Rights

To the knowledge of the Board of Directors, at the time of the publication of this Board Report, the following shareholders hold 3% or more of the voting rights of Valora:

| Shareholder | Number of Valora-Shares | Percentage |
|-----------------------------------|--------------------------------|-------------------|
| Ernst Peter Ditsch | 742,197 | 16.91% |
| T. Rowe Price Associates, Inc.* | 224,439 | 5.11% |
| Sand Grove Capital Management LLP | 148,000 | 3.37% |
| Dimensional Fund Advisors LP* | 103,128 | 3% |

* As disclosed with the SIX Disclosure Office.

On 4 July 2022, Ernst Peter Ditsch signed a tender undertaking, according to which he undertook to tender his Valora-Shares into the Offer.

Valora holds a preferential purchasing right with respect to all of the Valora-Shares held by Ernst Peter Ditsch. In the Transaction Agreement, Valora agreed that it will – prior to the beginning of the offer period and under the condition that the Offeror declares the Offer successful – irrevocably waive such preferential purchasing right with respect to all of the Valora-Shares held by Ernst Peter Ditsch allowing Mr. Ditsch to tender all of his Valora-Shares into the Offer.

The Board of Directors is not aware of the intentions of other shareholders who hold 3% or more of the voting rights in Valora in connection with the Offer.

5. Defensive measures pursuant to art. 132 para. 2 FMIA

The Board of Directors has not taken any defensive measures against the Offer and does not intend to take defensive measures in the future or to propose any such defensive measures to an extraordinary shareholders' meeting.

6. Financial Reporting: Material Changes in the Assets and Liabilities, Financial Condition, Profits and Losses and Business Perspectives

The annual report as of 31 December 2021 of Valora was published on 23 February 2022. In addition, on 20 July 2022, Valora published its half-year report 2022. The annual and half-year reports are available under <https://www.valora.com/de/investors/publications/>.

Other than the transaction to which this Board Reports relates, the Board of Directors is not aware of any significant changes in the assets and liabilities, financial condition, profits and losses and business perspectives of Valora since 30 June 2022, which could influence the decision of the shareholders of Valora regarding the Offer of the Offeror.

Muttenz, 25 July 2022

On behalf of the Board of Directors of Valora Holding AG

Sascha Zahnd
Chairman of the Board of Directors

I. FAIRNESS OPINION

The fairness opinion prepared by IFBC AG, Zurich, Switzerland to the board of directors of Valora, which confirms that the Offer Price is fair from a financial point of view, can be ordered at no cost at Valora (e-mail: ir@valora.com) or downloaded under www.valora.com/femsa.

J. DECISION OF THE SWISS TAKEOVER BOARD

On July 25, 2022, the TOB issued the following decision (*Verfügung*) (unofficial translation from the German original):

1. The public tender offer made by Impulsora de Marcas e Intangibles, S.A. de C.V. to the shareholders of Valora Holding Ltd. complies with the statutory provisions on public tender offers.
2. It is declared that the treatment of Valora Holding Ltd.'s employee share ownership plans, as made and agreed in the transaction agreement of July 4, 2022, complies with the principle of equal treatment of all shareholders of Valora Holding Ltd. and, in particular, with the best-price rule.
3. It is declared that the envisaged retention plan does not fall within the scope of the best price rule pursuant to art. 10 para. 1 Takeover Ordinance.
4. Impulsora de Marcas e Intangibles, S.A. de C.V. is granted an exemption to the extent that the identity of the shareholders or groups of shareholders of Fomento Económico Mexicano, S.A.B. de C.V. as well as the percentage of their shareholding only have to be disclosed in the offer prospectus above a threshold of five or more per cent of the voting rights. For the disclosure of the qualified shareholdings in Fomento Económico Mexicano, S.A.B. de C.V. in the offer prospectus, Impulsora de Marcas e Intangibles, S.A. de C.V. is also

permitted to refer to the most recent disclosure made by Fomento Económico Mexicano, S.A.B. de C.V. in accordance with the U.S. Securities Exchange Act of 1934.

5. Impulsora de Marcas e Intangibles, S.A. de C.V., is required to publish the dispositive of this decision in the offer prospectus.
6. This decision will be published on the website of the Swiss Takeover Board after the publication of the offer prospectus.
7. The fee chargeable to Fomento Económico Mexicano, S.A.B. de C.V. and Impulsora de Marcas e Intangibles, S.A. de C.V., with joint and several liability, shall amount to CHF 300,000.

K. RIGHTS OF SHAREHOLDERS OF VALORA

1. Request for Party Status (Article 57 Takeover Ordinance)

Shareholders of Valora who have been holding at least 3% of the voting rights of Valora, whether exercisable or not (a "**Qualified Participation**"), since July 5, 2022 (each a "**Qualified Shareholder**"), will be granted party status if they file a respective request with the TOB. The request of a Qualified Shareholder must be received by the TOB (Stockerstrasse 54, 8002 Zurich; fax: +41 44 283 17 40) within five (5) Trading Days from the date of publication of the decision of the TOB (see above Section J (*Decision of the Swiss Takeover Board*)). The first Trading Day after the publication of the decision of the TOB on the TOB's website will be the first day of the filing period. Concurrently with the request, the applicant has to furnish proof of his/her/its Qualified Participation. The TOB may request proof of the Qualified Shareholder's continued Qualified Participation at any time. The party status of a Qualified Shareholder will be upheld in relation to any further decisions issued by the TOB in connection with the Offer, provided that the Qualified Shareholder continues to hold a Qualified Participation.

2. Objection (Article 58 Takeover Ordinance)

A Qualified Shareholder may file an objection against the TOB's decision in respect of the Offer (see above Section J (*Decision of the Swiss Takeover Board*)). The objection must be filed with the TOB (Stockerstrasse 54, 8002 Zurich; fax: +41 44 283 17 40) within five (5) Trading Days from the date of publication of the decision of the TOB. The first Trading Day after the publication of the decision of the TOB on the TOB's website will be the first day of the filing period. The objection must contain a motion, summary reasons and proof of the Qualified Participation as from July 5, 2022.

L. IMPLEMENTATION OF THE OFFER

1. Information; Acceptance of Offer

Valora's shareholders will be informed of the procedure for accepting the Offer by their broker or custodian bank, and will have to act in accordance with such instructions.

Holders of Valora Shares holding their Valora Shares in their own possession (e.g. at home or in a bank safe in certificated form) or in an account (e.g. a blocked account) with the share registrar of Valora (each an "**Alternative Holder**") will receive information on the procedure for accepting the Offer from Valora and/or the share registrar of Valora, Nimbus AG, and are requested to follow the respective instructions.

For further assistance in connection with the Offer and/or additional information on how to accept the Offer, holders of Valora Shares may also contact the information agent Morrow Sodali (tel.:+44 20 31 48 97 80; email: valora-offer@investor.morrowsodali.com).

2. Offer Manager and Information Agent

The Offeror has mandated Credit Suisse AG, Zurich (the "**Offer Manager**"), with the execution of the Offer. Credit Suisse AG also acts as the tender agent for the Offer.

The Offeror has mandated Morrow Sodali to be the information agent of the Offer and to provide assistance and information to holders of Valora Shares in connection with the Offer.

3. Tendered Valora Shares

Tendered Valora Shares will be booked to the separate Swiss securities number 120 261 659 (ISIN: CH120 261 659 0; ticker symbol: VALNE). The Offer Manager will apply on behalf of the Company for the opening of a second trading line for the tendered Valora Shares as of August 11, 2022. It is expected that the trading on the second trading line will be terminated upon the expiration of the Additional Acceptance Period or, in the event of a Postponement in accordance with Section B.7 (*Offer Conditions, Waiver of the Offer Conditions and Period for Which the Offer Conditions are in Force and Effect*), at the end of the third (3rd) Trading Day prior to the Settlement Date.

4. Payment of the Offer Price; Settlement Date

The Offer Price for the Valora Shares which will have been validly tendered during the Offer Period and the Additional Acceptance Period is expected to be paid on the Settlement Date, being September 30, 2022, according to the indicative timetable set forth in Section N (*Indicative Timetable*). In the event of an extension of the Cooling-off Period by the TOB, an extension of the Offer Period pursuant to Section B.5 (*Offer Period*) or a Postponement of the Settlement in accordance with Section B.7 (*Offer Conditions, Waiver of the Offer Conditions and Period for Which the Offer Conditions are in Force and Effect*), the Settlement will be deferred accordingly, in particular if merger control and other approvals (see Offer Condition (b) (*Merger Control and Other Approvals*)) are outstanding or waiting periods have not yet lapsed by the end of the Additional Acceptance Period.

5. Costs and Taxes; General Tax Consequences for Accepting and Non-Accepting Shareholders

Costs and Taxes

During the (possibly extended) Offer Period and the Additional Acceptance Period, Valora Shares deposited with banks in Switzerland and Valora Shares in the possession of Alternative Holders may be tendered free of costs and fiscal charges. Any Swiss transfer stamp duty as well as stock exchange fees, if applicable, imposed on the sale will be borne by the Offeror.

Swiss Tax Consequences for Shareholders who tender their Valora Shares into the Offer

No Swiss withholding tax will be levied on the sale of Valora Shares pursuant to this Offer.

The following Swiss individual and corporate income tax consequences will likely result for Valora shareholders who are resident in Switzerland for tax purposes and tender their Valora Shares into the Offer:

- Pursuant to general principles of Swiss income taxation, shareholders holding their Valora Shares as private assets (*Privatvermögen*) and who tender their Valora Shares into the Offer realize either a tax-free private capital gain or suffer a non-tax-deductible capital loss, unless the shareholder classifies as a professional securities dealer (*gewerbsmässiger Wertschriftenhändler*).
- Shareholders holding their Valora Shares as business assets (*Geschäftsvermögen*), for example by classifying as a professional securities dealer (*gewerbsmässiger Wertschriftenhändler*), who tender their Valora Shares into the Offer realize either a taxable capital gain or a tax-deductible capital loss depending on the relevant income tax value of their Valora Shares pursuant to general principles of Swiss individual and corporate income taxation.

Shareholders who are not tax residents of Switzerland are not subject to Swiss individual and corporate income taxes, except if their Valora Shares are attributed to a permanent establishment (*Betriebsstätte*) or a fixed place of business in Switzerland.

Swiss Tax Consequences for Shareholders who do not tender their Valora Shares into the Offer

If FEMSA or one or several of its direct or indirect Subsidiaries (including the Offeror) hold more than 98% of the voting rights in Valora after the Settlement, the Offeror intends to request the cancellation of the outstanding publicly held Valora Shares in accordance with article 137 FMIA. In such a case, the Swiss tax consequences for the holders of Valora Shares will be the same as if they had tendered their Valora Shares into the Offer (see above).

If FEMSA or one or several of its direct or indirect Subsidiaries (including the Offeror) hold between 90% and 98% of the voting rights in Valora after the Settlement, the Offeror intends to merge with Valora, or to merge Valora with a Swiss company directly or indirectly controlled by

FEMSA, in each case in accordance with article 8 para. 2 and article 18 para. 5 of the Swiss Merger Act, whereby the remaining minority shareholders would be compensated (in cash or otherwise) and not receive any shares in the surviving company. The consideration paid to remaining Valora minority shareholders (irrespective of their tax residence) in the squeeze-out merger may, depending on the structuring of the squeeze-out merger, be subject to Swiss withholding tax of 35% on the difference between (i) the amount of the consideration and (ii) the sum of the nominal value of the Valora Shares concerned and of the proportionate part of Valora's reserves from capital contributions (*Reserven aus Kapitaleinlagen*) attributable to the respective Valora Shares. Upon request, the Swiss withholding tax, if any, will generally be refunded to shareholders of Valora who have their tax residence in Switzerland, provided that such shareholders duly declare the consideration in the tax return or, in the case of legal entities, in the profit and loss statement. Valora shareholders who are not tax residents of Switzerland may be entitled to a full or partial refund of the Swiss withholding tax if the country of residence for tax purposes has entered into a bilateral treaty for the avoidance of double taxation with Switzerland and the conditions of such treaty are met.

Furthermore, the following Swiss individual and corporate income tax consequences may result for Valora shareholders who are resident in Switzerland for tax purposes depending on the structure of the squeeze-out merger:

- Shareholders holding their Valora Shares as private assets (*Privatvermögen*) may realize a taxable income on the difference between (i) the amount of the consideration and (ii) the sum of the nominal value of the Valora Shares concerned and of the proportionate part of Valora's reserves from capital contributions (*Reserven aus Kapitaleinlagen*) attributable to the respective Valora Shares.
- Shareholders holding their Valora Shares as business assets (*Geschäftsvermögen*), for example by classifying as professional securities dealer (*gewerbsmässiger Wertschriftenhändler*), may face the same tax consequences as if they tender their Valora Shares into the Offer (see above).

Shareholders who are not tax residents of Switzerland are not subject to Swiss individual or corporate income taxes, except if their Valora Shares are attributed to a permanent establishment (*Betriebsstätte*) or a fixed place of business in Switzerland.

General Remark

All shareholders of Valora and beneficial owners of Valora Shares are expressly advised to consult their own tax advisors with respect to the Swiss and foreign tax consequences of the Offer and its acceptance or non-acceptance, respectively.

6. Squeeze-out and Delisting

After the Settlement, as set out in Section E.3 (*Intentions of the Offeror with Respect to Valora*), the Offeror intends to request the cancellation of the outstanding publicly held Valora Shares, or to merge with Valora, or merge Valora with a Swiss company directly or indirectly controlled by FEMSA, whereby the remaining public shareholders of Valora will receive a compensation, but

no shares of the surviving company, if permitted by law. Furthermore, after the Settlement the Offeror intends to have Valora apply with SIX Exchange Regulation for the delisting of the Valora Shares in accordance with the Listing Rules and for an exemption from certain disclosure and publicity obligations under the Listing Rules of SIX until the date of delisting of the Valora Shares.

M. APPLICABLE LAW AND JURISDICTION

The Offer, and all rights and obligations arising under or in connection with the Offer, shall be governed by, and construed in accordance with, the **substantive laws of Switzerland**, excluding the UN Convention on Contracts for the International Sale of Goods, and without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than Switzerland. The exclusive place of jurisdiction for all disputes arising out of or in connection with the Offer shall be the city of **Zurich, Switzerland**.

N. INDICATIVE TIMETABLE

| | |
|--------------------|--|
| July 26, 2022 | Publication of Offer Prospectus |
| July 27, 2022 | Start of Cooling-off Period |
| August 10, 2022 | End of Cooling-off Period |
| August 11, 2022 | Start of Offer Period |
| | Opening of the second trading line on the SIX for tendered Valora Shares |
| September 9, 2022 | End of Offer Period, 4:00 p.m. Swiss time* |
| September 12, 2022 | Provisional notice of the interim results of the Offer* |
| September 15, 2022 | Definitive notice of the interim results of the Offer* |
| September 16, 2022 | Start of the Additional Acceptance Period* |
| September 29, 2022 | End of the Additional Acceptance Period, 4:00 p.m. Swiss time* |
| | Closing of the second trading line on the SIX for tendered Valora Shares** |
| September 30, 2022 | Provisional notice of the end results of the Offer* |
| October 5, 2022 | Definitive notice of the end results of the Offer* |
| October 7, 2022 | Settlement of the Offer* |

* The Offeror reserves the right to extend the Offer Period pursuant to Section B.5 (*Offer Period*), once or several times, in which case the above dates will be deferred accordingly. In addition, the Offeror reserves the right to postpone the Settlement pursuant to Section B.7 (*Offer Conditions, Waiver of the Offer Conditions and Period for Which the Offer Conditions are in Force and Effect*), in particular if merger control and other approvals are outstanding or waiting periods have not yet lapsed.

** It is expected that the trading on the second trading line will be terminated upon the expiration of the Additional Acceptance Period or, in the event of a Postponement in accordance with Section B.7 (*Offer Conditions, Waiver of the Offer Conditions and Period for Which the Offer Conditions are in Force and Effect*), at the end of the third (3rd) Trading Day prior to the Settlement Date.

O. SECURITY NUMBERS

| Valora Holding Ltd. | Securities No. | ISIN | Ticker symbol |
|--|----------------|-----------------|---------------|
| Registered shares not tendered (first trading line) | 208 897 | CH000 208 897 6 | VALN |
| Registered shares tendered (second trading line) | 120 261 659 | CH120 261 659 0 | VALNE |

P. OFFER DOCUMENTATION

This Offer Prospectus may be obtained free of charge (in German, French and English) from Credit Suisse AG (e-mail: equity.prospectus@credit-suisse.com).

This Offer Prospectus and other information concerning the Offer are also available at <https://femsa.gcs-web.com/valora-transaction>.

Financial Advisor and Offer Manager

CREDIT SUISSE 