



Alfa, S.A.B. de C.V. and Subsidiaries

Unaudited Consolidated Financial Statements

June 30, 2020

Alfa, S.A.B. de C.V. and Subsidiaries

Unaudited Consolidated Statements of Financial Position

As of June 30, 2020 and 2019

(In millions of Mexican pesos)

	2020	2019		2020	2019
Assets			Liabilities and Stockholders' equity		
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and Cash equivalents	\$ 54,210	23,330	Current portion of long-term debt	\$ 3,908	7,449
Customers	30,501	34,331	Current debt	22,160	17,525
Provision for impairment of customers	(5,422)	(5,480)	Suppliers	59,313	56,211
Other receivables	16,101	14,226	Derivative financial instruments	1,943	1,542
Derivative financial instruments	470	172	Current lease liabilities	2,324	2,112
Inventories	52,975	48,241	Other current liabilities	26,767	22,031
Other assets	3,395	2,744			
Total current asstes	<u>152,229</u>	<u>117,563</u>	Total current liabilities	<u>116,415</u>	<u>106,870</u>
			NON-CURRENT LIABILITIES:		
DERIVATIVE FINANCIAL INSTRUMENTS	1,536	432	Non-current debt	171,203	131,727
INVESTMENTS ACCOUNTED USING EQUITY METHOD	10,734	9,727	Derivative financial instruments	134	326
OTHER INVESTMENTS	531	497	Non-current lease liabilities	6,871	5,449
PROPERTY, PLANT AND EQUIPMENT, NET	153,496	149,513	Other liabilities	3,433	3,442
GOODWILL AND INTANGIBLE ASSTES, NET	56,844	50,129	Deferred income tax	13,216	12,521
RIGHT-OF-USE ASSETS	8,839	7,024	Employees' benefits	6,183	4,984
OTHER NON-CURRENT ASSETS	<u>31,847</u>	<u>25,460</u>	Total non-currents liabilities	<u>201,041</u>	<u>158,449</u>
			Total liabilities	<u>317,456</u>	<u>265,319</u>
TOTAL ASSETS	<u>\$ 416,057</u>	<u>360,345</u>	STOCKHOLDERS' EQUITY		
			Controlling interest:		
			Capital stock	205	210
			Retained earnings	74,002	70,802
			Total controlling interest	74,207	71,012
			Non-controlling interest	24,395	24,015
			Total stockholders' equity	<u>98,601</u>	<u>95,026</u>
			TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 416,057</u>	<u>360,345</u>

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Unaudited Consolidated Statements of Income

For the six months ended June 30, 2020 and 2019

(In millions of Mexican pesos)

	2020	2019
Revenue	\$ 156,966	\$ 171,627
Cost of sales	(129,462)	(139,691)
Gross profit	27,503	31,936
General expenses	(22,828)	(22,130)
Other expenses	859	1,589
Operating profit	5,534	11,395
Financial income, net	(7,413)	(4,141)
Share of income of investments accounted using the equity method	(81)	49
Profit before income tax	(1,960)	7,303
Income tax:		
Caused Income tax	(2,750)	(3,652)
Deferred income tax	5,538	674
Net Consolidated profit	\$ 828	\$ 4,325
Controlling interest	1,386	3,080
Non-controlling interest	(557)	1,245

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Unaudited Consolidated Statements of Cash Flows

For the six months ended June 30, 2020 and 2019

(In millions of Mexican pesos)

	2020	2019
<u>Cash flow from operating activities:</u>		
Profit before tax	\$ (1,960)	\$ 7,303
Depreciation, Amortization & Impairments	10,866	9,955
Profit on sale of property, plant and equipment	(2,018)	(865)
Interest collectible	4,489	3,772
Effect of changes in fair value of derivative financial instruments	0	0
Foreign exchange, net	0	0
Other, net	(3,075)	(5,781)
Total	8,302	14,385
Decrease in customers and other accounts receivable	4,858	1,621
Increase (decrease) in inventory	(579)	3,063
Decrease in suppliers	(7,905)	(7,558)
Decrease in other accounts payable	(962)	(986)
Net cash generated from operating activities	3,714	10,524
<u>Cash flows from investing activities</u>		
Interest received	239	448
Acquisition of property, plant and equipment	(3,502)	(5,496)
Investments in shares	0	0
Business acquisitions	(148)	(672)
Other assets	(2,659)	(6,019)
Net cash received (used) in investing activities	(6,069)	(11,739)
<u>Cash flows from financing activities</u>		
Proceeds from borrowings or debt	44,874	16,838
Payments of borrowings or debt	(10,217)	(14,951)
Increase of borrowings or debt	34,657	1,887
Dividends paid	(1,980)	(1,969)
Dividends paid to non-controlling interest	(931)	(1,346)
Interest paid	(4,659)	(4,504)
Other	1,134	4,602
Cash received (used) in financing activities	28,221	(1,329)
Increase (decrease) in cash and cash equivalents	25,866	(2,544)
Exchange gains on cash and cash equivalents	3,149	(537)
Cash and cash equivalents at beginning of year	25,195	26,411
Cash and cash equivalents at end of the period	54,210	23,330