THE INVESTMENT CASE

EQUITY RESEARCH

Gruma, S.A.B. de C.V.

Consumer Staples | Packaged Foods

BMV: GRUMAB / OTC: GPAGF

August 2026 · Second Edition · 2Q26 Results

theinvestmentcase.com

GRUMA

Full Legal Disclaimer, Disclosures & Methodology

1. Nature of This Report

This Equity Deep Dive report on Gruma, S.A.B. de C.V. (BMV: GRUMAB / OTC: GPAGF) is published by The Investment Case, an independent financial research and media publication. This report applies a Bull Case / Bear Case / Key Risks analytical framework. It does not constitute a buy, sell, or hold recommendation for any security or financial instrument. The analysis and conclusions herein are the independent views of The Investment Case research team.

2. Author Position Disclosure

As of August 21, 2026, the author holds no position, long or short, in GRUMAB or GPAGF or any related securities. No position in Gruma or any affiliated entity has been held at any point during the preparation of this report.

3. Conflicts of Interest

The Investment Case has no conflicts of interest in connection with this report. No fees, compensation, or other consideration of any kind has been received from Gruma, S.A.B. de C.V. or any affiliated party in connection with the preparation or publication of this report. No non-monetary benefits (including investor access, management meetings, or sponsored events) have been received. This report was produced independently, and no party other than The Investment Case had any editorial influence over its contents or conclusions.

4. No Personalized Advice

This report has not been prepared with regard to the specific investment objectives, financial situation, or particular needs of any individual recipient. Nothing in this report constitutes financial, legal, or tax advice. Recipients should consult qualified independent advisers before making any investment decision. Past performance of any security or asset class is not a reliable indicator of future results. The value of investments may fall as well as rise.

5. Forward-Looking Statements and Estimates

Certain statements in this report are forward-looking, including revenue estimates, earnings projections, DCF valuations, and price target ranges. These reflect the author's assumptions as of the publication date and involve known and unknown risks. Actual outcomes may differ materially from those projected. The Investment Case undertakes no obligation to update any forward-looking statement after the date of publication. All estimates (marked "E") are The Investment Case's own projections and have not been verified or endorsed by Gruma.

6. Data Accuracy

Information and data have been obtained from sources believed to be reliable, including GRUMA's public filings with the BMV and CNBV, Bloomberg terminal data, Banxico publications, and INEGI statistics. The Investment Case makes no representation as to the accuracy, completeness, or timeliness of such data. All figures are as of the date indicated. Third-party sources are cited for reference only.

7. Copyright and Redistribution

8. Regulatory Disclaimer

The Investment Case is not registered as an investment adviser, broker-dealer, or financial institution in any jurisdiction. This report is intended for sophisticated readers and qualified professional investors capable of evaluating investment risks independently. Distribution may be restricted in certain jurisdictions.

02 Company Overview & Business Description

Business Model

GRUMA is the world's largest tortilla producer and the largest nixtamalized corn flour producer in Mexico, operating 77 plants across the Americas, Europe, Asia, and Oceania, with sales in 113 countries. Despite its Monterrey domicile and Mexican corporate identity, ~73% of FY2025 revenue and ~83% of EBITDA come from operations outside Mexico, anchored by Gruma USA's Mission and Guerrero brand portfolio.

Founded by Roberto González Barrera in 1949, GRUMA grew from a single GIMSA corn flour mill in Mexico into a global packaged-food company organized around two product platforms: nixtamalized corn flour (sold to industrial customers and the Mexican tortillería network under the Maseca brand) and finished tortillas, wraps, flatbreads, and corn chips (sold to retailers and food service customers under Mission, Guerrero, Calidad, Tortiricas, Tosty, and other regional brands). Strategy is anchored on two pillars: tortilla-and-flatbread leadership in core geographies, and migration of consumers from traditional cooked-corn tortilla production to industrial nixtamalized flour. The latter is the secular growth thesis management has reiterated across reporting cycles.

The company operates through five subsidiaries: Gruma USA (Mission Foods + Azteca Milling), GIMSA in Mexico, Gruma Europe (Mission Foods Europe + Azteca Milling Europe), Gruma Centroamérica, and Gruma Asia & Oceania. FY2025 consolidated net sales of USD 6,374.6mm, EBITDA of USD 1,136mm

COMPANY SNAPSHOT

77

TOTAL PLANTS

Across US, Mexico, Europe, Centroamérica, Asia & Oceania. Sales in 113 countries.

USD 6.4bn

FY2025 NET SALES

-1.7% YoY on peso translation effects in GIMSA; volume 4,337 kT

17.8%

FY2025 EBITDA MARGIN

EBITDA USD 1,136mm, +40 bps YoY; Gruma USA 21.5%, GIMSA 10.7%

~73% / ~83%

NON-MEXICO SALES / EBITDA

US-centric earnings on a Mexican-domiciled parent

(17.8% margin), and net income of USD 519mm. The 2025 revenue split by subsidiary: Gruma USA 54% (USD 3,447mm), GIMSA 28% (USD 1,832mm segment view), Gruma Europe 8% (USD 511mm), Centroamérica 6% (USD 397mm), and Asia & Oceania 4% (USD 281mm). EBITDA contribution skews further toward the US: Gruma USA 65%, GIMSA 17%, Europe 5%, Centroamérica 7%, and Asia & Oceania 3%. The skew is the direct mechanical consequence of Gruma USA's 21.5% segment margin against GIMSA's 10.7%.

55.8%

GONZÁLEZ MORENO CONTROL

Banamex + Banorte trusts; 44.2% free float; BMV: GRUMAB · OTC: GPAGF

Subsidiary Composition

Gruma USA produces 65% of consolidated EBITDA on 54% of revenue, the central reality of the GRUMA equity story. GIMSA delivers 17% of EBITDA on 28% of revenue, structurally diluting margins. Non-US, non-Mexico segments (Europe, Centroamérica, Asia & Oceania) combined deliver 18% of revenue and 15% of EBITDA, with Centroamérica's 19.2% EBITDA margin nearly matching Gruma USA's 21.5% and Europe compounding EBITDA at an approximately 40% CAGR over 2022-2025.

The subsidiary structure is the most important framework for analyzing GRUMA's earnings. Gruma USA is a branded US packaged-food business with retail and food service exposure across Mission, Guerrero, and Calidad tortillas plus Azteca Milling corn flour. GIMSA is a bulk-channel commodity-flour producer (82% bulk, 18% retail) supplying Mexico's industrial tortilla customers and tortillería network at ~74% Mexican corn flour market share. Gruma Europe and Asia & Oceania are mix-shift growth segments where retail tortilla and Better For You product lines are expanding alongside food service penetration. Centroamérica produces corn flour, tortillas, and snacks (Tosty brand) and has compounded EBITDA margin from ~9-11% in 2020 to 19.2% in 2025.

Subsidiary	FY25 Sales (USD mm)	% of Sales	FY25 EBITDA (USD mm)	EBITDA Margin
Gruma USA	3,447	54%	740	21.5%
GIMSA (Mexico)	1,832	28%	198	10.7%
Gruma Europe	511	8%	61	11.9%
Centroamérica	397	6%	76	19.2%
Asia & Oceania	281	4%	38	13.4%
Eliminations / other	(94)	n.a.	23	n.m.
Consolidated	**6,375**	**100%**	**1,136**	**17.8%**

Source: GRUMA 4Q25 earnings release, FY2025 Annual Report (segment view). GIMSA shown in segment view including intercompany sales; consolidated view is USD 1,735mm after eliminations.

Subsidiary	Plants	Capacity (kT/yr)	2025 Utilization
Gruma USA (Mission Foods + Azteca Milling)	27	2,000	77%
GIMSA (Mexico corn flour mills)	18	2,200	95%
Gruma Europe (Mission Foods + Azteca Milling)	9	595	73%
Gruma Centroamérica	8	293	~87%
Gruma Asia & Oceania	4	143	~75%
Total	**77**	**5,231**	**~83%**

Source: GRUMA AR 2025 Section 2.2.3. The five reporting segments shown operate 66 plants; GRUMA's company-wide total is 77 (AR 2025), the 11-plant balance in Mission Foods Mexico tortilla and technology / equipment operations not allocated to the five segments. Installed capacity (5,231 kT/yr) and utilization cover the five corn-flour and tortilla segments. GIMSA Celaya inactive since Feb 2006; Jalisco temporarily closed 1Q26. Foshan, China plant added 2025.

Capacity Utilization and Expansion Runway

Consolidated utilization of ~83% across 5,231 kT of installed capacity masks a wide dispersion that maps directly onto each subsidiary's growth economics. GIMSA runs at 95%, the tightest in the group: the 18 Mexican corn flour mills are effectively capacity-constrained, which is why the segment's growth is priced through corn-flour conversion and pricing rather than volume, and why the 1Q26 temporary closure of the Jalisco mill and the long-dormant Celaya facility (inactive since 2006) matter at the margin. Gruma USA, by contrast, runs at about 77% across 27 plants and 2,000 kT (FY2025 volume of 1,535 kT), leaving roughly 465 kT of headroom that can absorb several years of branded and private-label volume growth before major greenfield capital is required. The USD 85mm Indianapolis expansion budgeted for 2026 is incremental debottlenecking against that headroom rather than a step-change build.

The international segments carry the most expansion optionality. Europe at 73% utilization across 9 plants has absorbed the loss of the Roermond, Netherlands facility (offline since the December 2019 fire) and still compounds EBITDA at an approximately 40% CAGR over 2022-2025; Asia & Oceania at ~75% is ramping the new Foshan, China tortilla and pizza-base plant that began production in 3Q25; and Centroamérica at ~87% added a new Guatemala corn flour mill in February 2026 that lifts subsidiary capacity by approximately 10%. The pattern is consistent with management's capital-allocation framework of maintenance and debottlenecking capex in the high-utilization core (GIMSA, Centroamérica) and selective capacity additions in the mix-shift growth platforms (Europe, Asia) where retail and Better-For-You penetration is still building.

Supply Chain and Listing

Each subsidiary runs an integrated local supply chain. Corn or wheat is sourced regionally. Nixtamalized flour is produced in adjacent mills. Tortillas, wraps, and chips are manufactured close to retail and food service demand. Cross-border product flows are minimal. Intercompany sales (eliminated in consolidation) totaled USD 355mm in 2025, primarily GIMSA supplying other GRUMA entities (USD 161mm) and Mission Foods Mexico shipping to Gruma USA (USD 124mm). The structurally local supply chain is a material risk hedge against USMCA review outcomes and tariff escalation: Mission Foods USA sources US corn from Iowa, Nebraska, and Illinois growers, and Mexican operations source Mexican white corn for the domestic market.

GRUMAB trades on the Bolsa Mexicana de Valores as a single share class (Series B Class I: one share, one vote). The unsponsored OTC ADR trades as GPAGF (GRUMA terminated its sponsored ADR program on September 8, 2015 and disclaims liability for the unsponsored OTC instrument). The González Moreno family's 55.8% control through the Banamex and Banorte trusts is detailed in the Ownership and Governance discussion that follows.

06 Growth Drivers & Catalysts

The catalyst chapter of the full report opens with a matrix of six dated events, each mapped to timing, probability, magnitude and the thesis view it supports or falsifies, and then works through what the sequence means for a position. The section that reads the calendar is reproduced here in full.

Reading the Catalyst Calendar

The calendar resolves in a deliberate sequence, and the order governs position sizing. The 3Q26 print in mid-October is the first and highest-information event: it is the read on the cyclical-versus-structural question and it arrives ahead of every optionality thread. The FY2026 results in February 2027 are the confirmatory second leg, testing whether net leverage unwinds toward the guided ~1.3x, whether the buyback pace holds, and how the GIMSA domestic price adjustments read in a full period. Continued 2H26 buybacks run underneath both prints as ongoing capital-return support. Two prior overhangs have receded: the USMCA July 1, 2026 review deadline passed without incident, and the CNA antitrust matter closed in January 2026 with no divestiture, so neither is a live catalyst. Only the Venezuela ICSID contingent asset remains as undated tail optionality, credited in the Bull rather than the central path. A practitioner reading the calendar should treat mid-October as the decision point that governs whether the position is carried into the February confirmation or cut beforehand.

The full report develops the rest of the chapter with the same discipline:

1. GIMSA Margin Recovery
2. Europe and Centroamérica Compounding
3. Buyback Acceleration and Capital-Return Runway
4. Venezuela ICSID Optionality

Each section is built from the primary filings and the earnings calls, with every figure traced to its source.

This is a preview of our full Gruma deep dive.

The complete 87-page report includes:

Executive Summary: Investment tear sheet, investment thesis, bull case and bear case, key risks, financial snapshot and the key catalysts

Company Overview: Business model, subsidiary composition, brand portfolio, plant footprint, ownership structure, management and strategic milestones

Industry and Competitive Landscape: Tortilla and corn flour markets, the Hispanic demographic driver, the competitive landscape, peer comparison, the regulatory environment and the commodity cost environment

Financial Analysis: Revenue analysis, volume versus price and mix, FX translation effects, profitability by subsidiary, the GIMSA cost normalization arc, peer margin comparison, balance sheet and leverage, cash flow and capital allocation, and the key financial metrics

Valuation: Discounted cash flow, the WACC build, sensitivity analysis, relative valuation and the valuation summary

Growth Drivers and Catalysts: The 3Q26 US-stabilization test, year-end leverage normalization, GIMSA margin recovery, Europe and Centroamérica compounding, buyback acceleration and Venezuela ICSID optionality (you have read one section; the rest remain)

Risk Analysis: The risk matrix and the risk deep dive

Conclusion and Appendix: Investment thesis summary, what would change our view, what comes next, full financials, DCF assumptions, the event calendar and sources