

KUO INAUGURATED THE FIRST PHASE OF ITS EXPANSION PROJECT IN THE PORK MEAT BUSINESS

Mexico City, May 18th, 2018 - Grupo KUO, S.A.B. de C.V. (BMV: KUO), announces that yesterday inaugurated the first phase of the investment project of the Pork Meat business. These, in line with the press release published in June 14th, 2016, in which was indicated an investment of US\$350 million for the period 2016-2020 for this expansion.

The first phase includes a processing plant, a balanced food plant and a breeding center. The processing plant is the largest of its kind in Mexico and will contribute to position national industry ahead of the curve in terms of technological innovation and sustainability. The balanced food plant, equipped with the best technology, will produce balanced and pelleting feed. On the other hand, the breeding center, will specialize in selection and growth of breeding females of high genetic value and health.

ABOUT KUO

Grupo KUO is a leading industrial conglomerate in Mexico, with annual sales amounting approximately \$39,200 million as of December 31st, 2017, exports to around 70 countries across every continent and approximately 21,000 employees. Its current business portfolio includes three sectors: Consumer, Chemical and Automotive.

This press release contains forward-looking statements that reflect the current opinions of Grupo KUO's management regarding future events. The words or phrases "predict", "believe", "estimate", "expect", "have the intention of", "may", "plan" and "should" and similar expressions generally indicate comments about expectations. These comments are subject to risks, uncertainties and changing circumstances. Final results may be materially different from current expectations because of various factors, which include but are not limited to global and local changes in politics, the economy, business, competition and market and regulatory factors, cyclical trends in the automotive and chemical sectors, as well as other factors that are highlighted under the heading "Risk Factors" in the annual report submitted by Grupo KUO to the Mexican National Banking and Securities Commission (CNBV). Grupo KUO has no obligation whatsoever to update these comments on expectations. Any comment on expectation is valid only on the date on which it is made.

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