

EARNINGS RELEASE

EBITDA GREW 7.8% AND REVENUES INCREASED 2.1% IN 3Q23

Monterrey, Mexico, October 26, 2023 – Arca Continental, S.A.B. de C.V. (BMV: AC*) (“Arca Continental” or “AC”), the second-largest Coca-Cola bottler in Latin America, announced its results for the third quarter and first nine months of 2023 (“3Q23” and “9M23”).

Table 1: Financial Highlights

DATA IN MILLIONS OF MEXICAN PESOS						
	3Q23	3Q22	Variation %	Jan-Sep'23	Jan-Sep'22	Variation %
Total Beverage Volume (MUC)	664.9	619.2	7.4	1,865.2	1,777.8	4.9
Net Sales	56,911	55,723	2.1	163,646	155,151	5.5
EBITDA	11,509	10,675	7.8	32,374	29,639	9.2
Net Income	4,537	4,230	7.3	12,961	11,547	12.2

Total Beverage Volume includes jug water

Net sales not including Revenues outside the territory (OT) in USA

EBITDA = Operating income + Depreciation + Amortization + Non Recurring Expenses

3Q23 HIGHLIGHTS

- Net Sales increased 2.1% when compared to 3Q22, reaching Ps. 56,911 million.
- EBITDA grew 7.8% to Ps.11,509 million for a margin of 20.2%.
- Net Income totaled Ps. 4,537 million, up 7.3%, reaching a margin of 8%.

9M23 HIGHLIGHTS

- Net Sales increased 5.5%, when compared with 9M22, to Ps. 163,646 million.
- EBITDA totaled Ps. 32,374 million, 9.2% higher than in 3Q22, for a margin of 19.8%.
- Net Income grew 12.2% to Ps. 12,961 million for a margin of 7.9%.

COMMENTS FROM THE CHIEF EXECUTIVE OFFICER

"In this third quarter, the substantial increase in both Volume by 7.4% and EBITDA by 7.8% demonstrates that we continue to make progress on the path of profitable and sustainable growth that we charted on over 97 years as Coca-Cola bottler, with the commitment of all our associates to making a positive difference in the communities we serve," said Arturo Gutiérrez, CEO of Arca Continental.

"Seeking to have a strong year-end, we will be focused on capturing new opportunities with our broad product portfolio, strengthening our execution capabilities, and quickly adopting our digital tools as we continue to advance with our sustainability agenda," he added.

CONSOLIDATED RESULTS

The figures presented in this report were prepared in accordance with International Financial Reporting Standards ("IFRS").

TABLE 2: CONSOLIDATED DATA

	3Q23	3Q22	Variation %	Jan-Sep'23	Jan-Sep'22	Variation %
Volume by category (MUC)						
Colas	342.8	323.6	5.9	945.5	916.4	3.2
Flavors	114.3	109.9	4.1	335.9	326.4	2.9
Sparkling Total Volume	457.1	433.4	5.5	1,281.4	1,242.7	3.1
Water*	83.7	71.2	17.5	229.2	199.1	15.1
Still Beverages**	59.8	53.8	11.0	168.7	156.6	7.7
Volume excluding Jug	600.6	558.5	7.5	1,679.3	1,598.4	5.1
Jug	64.3	60.7	5.9	186.0	179.4	3.6
Total Volume	664.9	619.2	7.4	1,865.2	1,777.8	4.9
Income Statement (MM MXP)						
Net Sales***	56,911	55,723	2.1	163,646	155,151	5.5
EBITDA	11,509	10,675	7.8	32,374	29,639	9.2
EBITDA Margin	20.2%	19.2%	100 bp	19.8%	19.1%	70 bp

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, fruit, and alcoholic beverages

*** Net Sales not including Revenues outside the territory (OT) in USA

FINANCIAL ANALYSIS

INCOME STATEMENT

- Consolidated net sales in 3Q23 increased 2.1% (13.6% on a currency-neutral basis) to Ps. 56,911 million compared to 3Q22. In the first nine months, net sales were Ps. 163,646 million, up 5.5% (14.9% on a currency-neutral basis) versus last year.
- Total sales volume grew 7.5% in 3Q23 to 601 MUC, excluding jug water, mainly driven by growth in the personal water and still beverage categories, up 17.5% and 11%, respectively. As of September 2023, sales volume, excluding jug water, increased 5.1% to 1,679 MUC.



- Cost of sales in the quarter was in line with previous year, stemming from better prices in the majority of our raw materials, as well as favorable hedging. In the first nine months, cost of sales increased 3.3% versus last year.
- In 3Q23, consolidated gross profit increased 4.4% to Ps. 26,195 million, reflecting a gross margin of 46% and an expansion of 100 basis points, mainly driven by better raw material prices. In the first nine months of the year, gross profit totaled Ps. 75,048 million, up 8.2% and representing a gross margin of 45.9%, 120 bps above 9M22.
- Selling and administrative expenses rose 1.3% to Ps. 17,175 million in 3Q23. In the first nine months of 2023, this figure rose 5.7% to Ps. 49,866 million and represented a ratio of expenses to revenues of 30.5%, in line with the previous year.
- In 3Q23, consolidated operating income was Ps. 9,319 million, 10.8% higher than 3Q22, representing an operating margin of 16.4% and an increase of 130 basis points. In the first nine months of 2023 operating income rose 13.3% to Ps. 25,863 million for a margin of 15.8%, up 110 bps versus 9M22.
- Consolidated EBITDA in 3Q23 increased 7.8% (16.9% on a currency-neutral basis) to Ps. 11,509 million, representing an EBITDA margin of 20.2%. In the first nine months of 2023, EBITDA reached Ps. 32,374 million, an increase of 9.2% (17.2% on a currency-neutral basis) for a margin of 19.8%, up 70 bps versus 9M22.
- Comprehensive financing result in 3Q23 was Ps. 1,078 million, stemming mainly from an currency loss from the cash position in dollars. In the first nine months of 2023, the comprehensive cost of financing rose 8.6% to Ps. 2,901 million.
- Income tax in 3Q23 reached Ps. 2,781 million, 10.7% higher than 3Q22, at an effective rate of 33.3%. In the first nine months of 2023, income tax increased 15.2% to Ps. 7,362 million, representing an effective tax rate of 31.8%.
- In 3Q23, net income reached Ps. 4,537 million in 3Q23, 7.3% above 3Q22, reflecting a net margin of 8%, up 40 bps versus 3Q22. In the first nine months of 2023, net income totaled Ps. 12,961 million, up 12.2% versus 9M22, for a net margin of 7.9%.

BALANCE SHEET & CASH FLOW STATEMENT

- As of September 30, 2023, the cash balance was Ps. 27,286 million and total debt was Ps. 46,307 million, for a net debt position of Ps. 19,022 million. Net Debt/EBITDA ratio was 0.45x.
- Net operating cash flow reached Ps. 23,191 million as of September, 2023.
- CAPEX for the period totaled Ps. 7,681 million, mainly allocated towards further enhance execution at the point of sale, increase cooler coverage, returnable bottles, as well as projects to expand production and distribution capabilities.

Mexico

Arca Continental reports its information for three regions: Mexico, United States and South America, (which includes Peru, Argentina and Ecuador). Each region includes results for both beverage and complementary businesses.

TABLE 3: MEXICO DATA

	3Q23	3Q22	Variation %	Jan-Sep'23	Jan-Sep'22	Variation %
Volume by Category (MUC)						
Colas	222.7	206.0	8.1	593.6	567.9	4.5
Flavors	37.7	36.7	2.7	102.7	102.8	-0.1
Sparkling Total Volume	260.4	242.7	7.3	696.3	670.7	3.8
Water*	43.1	38.0	13.5	115.4	103.5	11.5
Still Beverages**	23.5	20.0	17.1	65.0	59.8	8.8
Volume excluding jug	327.0	300.8	8.7	876.8	834.0	5.1
Jug	62.2	59.1	5.3	179.3	173.8	3.2
Total Volume	389.2	359.8	8.2	1,056.1	1,007.7	4.8
Mix (%)						
Returnable	28.6	29.4	-0.8	28.5	29.8	-1.3
Non Returnable	71.4	70.6	0.8	71.5	70.2	1.3
Multi-serve	57.8	56.9	0.9	57.1	56.6	0.5
Single-serve	42.2	43.1	-0.9	42.9	43.4	-0.5
Income Statement (MM MXP)						
Net Sales	28,005	24,964	12.2	76,291	67,103	13.7
EBITDA	6,959	6,128	13.6	18,247	15,892	14.8
EBITDA Margin	24.8%	24.5%	30 bp	23.9%	23.7%	20 bp

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, fruit, and alcoholic beverages

OPERATING RESULTS IN MEXICO

- Net sales in Mexico increased 12.2% in 3Q23, reaching Ps. 28,005 million, due to selective price adjustments and a positive volume performance. Net sales rose 13.7% to Ps. 76,291 million year-to-date.
- In the quarter, sales volume reached 327 MUC, excluding jug water, driven by growth in the water and stills categories, up 13.5% and 17.1%, respectively. Average price per unit case, excluding jug water, was Ps. 79.78 for an increase of 3.6%, as a result of our RGM initiatives as well as selective price increases.



- During 3Q23, EBITDA for Mexico rose 13.6% to Ps. 6,959 million and representing a margin of 24.8%, an expansion of 30 basis points. In the first nine months of 2023, EBITDA increased 14.8% to Ps. 18,247 million, representing a margin of 23.9% for an expansion of 20 bps compared to 9M22.
- We delivered consecutive record-breaking volume with over 100 million-unit cases every month in the third quarter.
- In terms of channels, all of them reported volume increases. The traditional channel maintaining sequential growth and modern trade posting a volume increase of 14.6%.
- The colas category continued its positive performance with 8.1% growth in the quarter, driven mainly by Coca-Cola Sin Azucar with new packaging options and flavor innovations from Coca-Cola Creations.
- In 3Q23, the water category also grew driven by Topo Chico brand, which increased by 23% and accounted for 47% of the category's growth, as a result of promotions in the modern channel and outstanding execution within the traditional channel to satisfy the high consumer demand.
- We continue accelerating the expansion of AC Digital. At the close of 3Q23, we reached more than 283 thousand customers registered. Our total client base that interacts with the platform now represents 85% of our traditional commercial customers. In addition, more than 54% of our volume was captured through this platform.
- Growth in the stills category was mainly driven by the sport drinks and coffee categories, which grew 24.2% and 89.4%, respectively, capitalizing on opportunities in the traditional channel.
- The on-premise channel continued its positive trend with 5.6% growth driven by the leisure and at-work channels.
- During 3Q23, our efforts continued to focus on guaranteeing affordability, while at the same time capturing new consumption occasions, through a price-pack strategy and differentiated portfolio.
- Bokados in Mexico posted low single-digit growth in net sales during 3Q23, mainly driven by the positive performance of the traditional channel and a solid pricing strategy.
- We launched the following new products: *Chicharrón Cracklin* (pork rinds) and *Cacahuete Japonés Extreme* (Japanese-style peanuts), aimed at capturing new consumption occasions through continued innovation in products and flavors.

United States

The U.S. includes the beverage businesses of CCSWB and the snacks businesses of Wise and Deep River.

TABLE 4: UNITED STATES DATA

	3Q23	3Q22	Variation %	Jan-Sep'23	Jan-Sep'22	Variation %
Volume by Category (MUC)						
Colas	51.9	52.0	-0.3	149.9	152.9	-2.0
Flavors	29.8	29.1	2.5	86.4	86.7	-0.3
Sparkling Total Volume	81.6	81.1	0.7	236.3	239.6	-1.4
Water*	18.5	15.2	21.4	45.2	41.6	8.7
Still Beverages**	20.8	19.9	4.3	55.3	54.5	1.5
Total Volume	120.9	116.2	4.0	336.9	335.8	0.3
Mix (%)						
Multi-serve	65.2	65.6	-0.4	65.5	66.6	-1.1
Single-serve	34.8	34.4	0.4	34.5	33.4	1.1
Income Statement (MM MXP)						
Net Sales***	19,121	20,485	-6.7	57,170	57,856	-1.2
EBITDA	2,893	2,666	8.5	8,750	7,970	9.8
EBITDA Margin	15.1%	13.0%	210 bp	15.3%	13.8%	150 bp

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

*** Net Sales not including Revenues outside the territory (OT) in USA

OPERATING RESULTS IN THE U.S.

- In 3Q23, net sales in the U.S. declined 6.7% (increasing 11.6% in local currency) to Ps. 19,121 million. Sales volume in the quarter was 121 MUC, up 4% when compared to 3Q22. In the first nine months of the year, sales decreased 1.2% (up 12.7% in local currency) to Ps. 57,170 million.
- During the quarter, EBITDA in the U.S. region totaled Ps. 2,893 million, an increase of 8.5% (29.8% in local currency) and representing an EBITDA margin of 15.1%, for an expansion of 210 basis points compared to 3Q22. In the first nine months of 2023, EBITDA reached Ps. 8,750 million, an increase of 9.8% (25.3% in local currency) for a margin of 15.3%, a 150-bps expansion.
- Our price-pack strategy to achieve high-margin SKUs enabled us to register solid financial results for 3Q23, which led to a net price increase of 8.4% with a true rate increase of 8.3%, cycling last year's price increase.
- In 3Q23, all three channels grew, led by convenience stores and on-premise, which performed favorably with increases of 9.1% and 5.1%, respectively. The supermarket channel posted growth from investments in initiatives to drive volume, which led to increases in immediate consumption packages, thereby generating higher revenue per unit case.
- During the quarter, we strengthened our market leadership maintaining solid value share, driven by the water and stills categories.



- During 3Q23, we launched Bodyarmor Flash IV, our newest brand in the rapid hydration segment, Coca-Cola Creations Y3000, and 13 new SKUs of Bang energy portfolio.
- The personal water category grew 21.4% in the quarter, driven by execution at the point of sale and consumer preference for premium water brands like Smartwater, Vitaminwater and Topo Chico. Smartwater delivered growth of 6.4% and Topo Chico with 225.5%, as a result of broader coverage.
- We continued to focus on enhanced management of promotions while optimizing execution of our most profitable packages supported by our Trade Promotion Optimization tool.
- In 3Q23, we expanded the Refillable Glass Bottle package pilot to San Antonio, Texas as part of our efforts to evolve the Food Service and On-Premise channel to an occasion-based architecture that includes more profitable packages.
- Preliminary results confirmed the willingness of customers and consumers to adopt our refillable glass bottle portfolio. Notably, this new package now represents around 15% of volume mix at participating customers in El Paso and San Antonio.
- Sales through the myCoke digital platform increased 12% in 3Q23 compared to the previous year, due to the greater number of monthly customers that utilize myCoke. At the end of September, 91% of eligible customers in the on-premise and convenience store channels adopted myCoke.
- Wise Snacks in the U.S. posted sequential EBITDA growth, driven by pricing, on-going productivity, and cost optimization initiatives, including SKU rationalization, streamlining our supply chain to optimize freight costs and reduce product waste.

South America

South America includes beverage operations in Peru, Argentina, Ecuador and the Inalecsa snacks business.

TABLE 4: SOUTH AMERICA DATA

	3Q23	3Q22	Variation %	Jan-Sep'23	Jan-Sep'22	Variation %
Volume by Category (MUC)						
Colas	68.2	65.5	4.1	202.1	195.6	3.3
Flavors	46.9	44.1	6.3	146.7	136.8	7.2
Sparkling Total Volume	115.1	109.6	5.0	348.8	332.4	4.9
Water*	22.1	18.0	22.7	68.5	54.1	26.7
Still Beverages**	15.5	13.9	11.9	48.3	42.2	14.3
Volume excluding jug	152.7	141.5	7.9	465.6	428.7	8.6
Jug	2.1	1.7	24.8	6.7	5.6	17.9
Total Volume	154.7	143.1	8.1	472.2	434.4	8.7
Mix (%)						
Returnable	29.7	30.5	-0.8	29.6	30.5	-0.9
Non Returnable	70.3	69.5	0.8	70.4	69.5	0.9
Multi-serve	65.7	68.3	-2.5	67.0	69.1	-2.1
Single-serve	34.3	31.7	2.5	33.0	30.9	2.1
Income Statement (MM MXP)						
Net Sales	9,785	10,273	-4.7	30,185	30,192	0.0
EBITDA	1,657	1,881	-11.9	5,378	5,777	-6.9
EBITDA Margin	16.9%	18.3%	-140 bp	17.8%	19.1%	-130 bp

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, fruit, and alcoholic beverages

OPERATING RESULTS IN SOUTH AMERICA

- The South America division posted a 4.7% decline in net sales to Ps. 9,785 million in 3Q23. This was mainly driven by the depreciation of all the currencies in the region versus the Mexican peso. For the first nine months of 2023, net sales remained flat at Ps. 30,185 million.
- Sales volume in South America in 3Q23 grew 7.9% to 152.7 MUC, excluding jug water, led by the personal water and stills categories, up 22.7% and 11.9%, respectively.
- EBITDA in the South America region declined 11.9% to Ps. 1,657 million in 3Q23, reflecting a margin of 16.9%. In 9M23, EBITDA declined 6.9% to Ps. 5,378 million.



Peru

- In 3Q23, sales volume in Peru increased 12.3%, excluding jug water, due to growth in the personal water and stills categories, up 23.7% and 21.9%, respectively. Year-to-date volume rose 11.7%, excluding jug water.
- Average price in the quarter rose 3.5%, from a 6.1% true rate increase from selective price adjustments and a mix effect of 1.8%, mainly impacted by high volume of water.
- Water category grew sequentially by a remarkable 23.7%, as we continued with our dual commercial strategy featuring the San Luis and Benedictino brands.
- Peru posted solid volumes in the third quarter driven by investments at the point of sale through the placement of over 10,000 coolers and 12,000 displays, as well as providing an affordable portfolio.
- In the sparkling category, colas and flavors grew 9.8% and 8.9%, respectively, boosted by the strategy in returnable packages and driven by brands Coca-Cola and Inca Kola, mainly Coca-Cola Sin Azucar which increased 25%.

Ecuador

- In Ecuador, sales volume increased 9.2% in 3Q23, driven by growth across all categories, mainly stills and flavors, up 12.5% and 11.4%, respectively. Year-to-date volume grew 9.4%.
- In 3Q23, the still beverage category growth was driven mainly by tea, energy drinks and isotonic with double-digit growth in the traditional and modern channels.
- The mix of single-serve packages increased 0.5 percentage points in 3Q23. Growth stemmed from all categories, mainly stills, as a result of the reopening of the on-premise channel and the increased mobility in this channel.
- Traditional trade grew 6.8% in 3Q23 compared to 3Q22 as a result of the introduction of bottles and cooler equipment, the reopening of points of sale, as well as securing an affordable portfolio with returnable packages.
- Revenue management and product reformulation initiatives, coupled with our focus on cost discipline and optimization, enabled us to protect profitability amid the challenging consumer environment in Ecuador.
- In 3Q23, Inalecsa, our snacks business in Ecuador, posted flat sales and double-digit EBITDA increases this quarter, as we continued to reshape our portfolio to further increase our focus on product innovation and targeting new consumption occasions, supported with an attractive price-value proposition.
- Tonicorp posted mid-single digit EBITDA growth this quarter. Growth was driven by the white milk, oatmeal, and ice cream categories, as we sustained market share in our core portfolio.

Argentina

- During 3Q23, sales volume in Argentina declined 1.2%, cycling strong 9.7% growth in the same quarter of last year. Year-to-date volume grew 1.7%.
- The water category posted double-digit growth driven by multi-serve packages and increased coverage, while Benedictino brand continues to grow and capitalize on opportunities.
- The mix of single-serve increased 4.7%, driven by water and stills.

ESG

- As part of our on-going commitment to stop global warming and strengthen our Sustainable Business Model, we announced our set targets aimed at reducing absolute carbon emissions.
- We received the validation of our targets goals to reduce greenhouse gas (GHG) emissions from the Science Based Target Initiative (SBTi). We have pledged to attain a reduction of 33.9% in absolute scope 1 and 2 GHG emissions, in addition to a 15% decrease in absolute scope 3 GHG emissions from our value chain by 2030.
- As part of our efforts to promote fuel efficiency, we launched the first 100% electric distribution truck in Mexico, which will save 9,400 liters of gasoline and reduce CO₂ emissions by 16 tons per year.
- In Mexico, we launched the *Transforma Mi Tienda* (or Transform My Store) program, which represents the next level of development for customers in the traditional channel and offers training, commercial advisory, opportunities for additional credit, increases in cold-drink equipment, installation of solar panels, medical assistance and other benefits to strengthen their commercial capabilities, achieve savings and promote sustainability in their businesses.



RECENT EVENTS

- Our board approved an extraordinary dividend of \$2.22 pesos per share to be paid on November 22nd, reaching a total dividend of \$5.72 pesos per share for the year with a dividend yield close to 3.7% and a payout ratio of 63% of retained earnings.

CONFERENCE CALL INFORMATION

Arca Continental will host a conference call to discuss these results on October 26, 2023 at 9:00 am Mexico/Monterrey time, 11:00 am New York time. A live webcast of this event will be available at www.arcacontal.com or via telephone using the following numbers:

To participate, please dial:
+1-800-225-9448 (U.S. participants)
+1-203-518-9765 (International participants)
Passcode: 36151

About Arca Continental

Arca Continental produces, distributes, and markets beverages under The Coca-Cola Company brand, as well as snacks under the Bokados brand in Mexico, Inalecsa in Ecuador, and Wise and Deep River in the United States. With an outstanding history spanning more than 97 years, Arca Continental is the second-largest Coca-Cola bottler in Latin America, and one of the largest in the world. Through its Coca-Cola franchise, the company serves more than 128 million people in the Northern and Western regions in Mexico, as well as in Ecuador, Peru, in the Northern region of Argentina, and in the Southwestern United States. Arca Continental is listed on the Mexican Stock Exchange under the ticker "AC". For more information about Arca Continental, please visit www.arcacontal.com

This material may contain forward-looking statements regarding Arca Continental and its subsidiaries based on management's expectations. This information as well as statements regarding future events and expectations is subject to risks and uncertainties, as well as factors that could cause the results, performance and achievements of the Company to differ at any time. Such factors include changes in the general economic, political, governmental and commercial conditions both domestically and globally, as well as variations in interest rates, inflation rates, exchange rate volatility, tax rates, the demand for and the price of carbonated beverages, water, and the price of sugar and other raw materials used in the production of sparkling beverages, weather conditions and various others. As a result of these risks and factors, actual results could be materially different from the estimates provided; therefore, Arca Continental does not accept responsibility for any variations or for the information provided by official sources.



Arca Continental, S.A.B. de C.V. and Subsidiaries
Consolidated Income Statement
(millions of Mexican pesos)

	3Q23		3Q22		Variation		Jan-Sep'23		Jan-Sep'22		Variation	
	MM MXP	%	MM MXP	%	MM MXP	%	MM MXP	%	MM MXP	%	MM MXP	%
Net Sales	56,911		55,723		1,189	2.1	163,646		155,151		8,495	5.5
Cost of Sales	30,717		30,628		89	0.3	88,598		85,785		2,813	3.3
Gross Profit	26,195		25,095		1,100	4.4	75,048		69,366		5,682	8.2
	46.0%		45.0%				45.9%		44.7%			
Selling Expenses	14,630		14,543		87	0.6	42,491		40,238		2,254	5.6
Administrative Expenses	2,545		2,420		125	5.2	7,375		6,934		441	6.4
Total Costs	17,175		16,963		212	1.3	49,866		47,172		2,695	5.7
	30.2%		30.4%				30.5%		30.4%			
Non Recurring Expenses	73		26		47	182.6	132		95		37	38.4
Operating Income before other income	8,947		8,106		841	10.4	25,050		22,099		2,951	13.4
Other Income (Expenses) ^{1,2}	372		305		67	22.1	813		730		83	11.4
Operating Income	9,319		8,411		908	10.8	25,863		22,829		3,034	13.3
	16.4%		15.1%				15.8%		14.7%			
Interest Expense Net	-456		-511		55	10.7	-1,373		-1,804		431	23.9
Exchange Gain (Loss)	-293		-55		-238	-434.1	-686		-115		-571	-495.7
Monetary position result	-330		-309		-21	-6.8	-841		-751		-90	-12.0
Comprehensive Financial Results	-1,078		-874		-204	-23.3	-2,901		-2,670		-230	-8.6
Share of net income of associates ³	100		47		53	112.5	181		305		-124	-40.5
Earnings Before Taxes	8,341		7,584		757	10.0	23,143		20,463		2,681	13.1
Profit Taxes	-2,781		-2,511		-269	-10.7	-7,362		-6,389		-973	-15.2
Non-controlling interest	-1,023		-842		-181	-21.5	-2,821		-2,528		-293	-11.6
Net Profit	4,537		4,230		307	7.3	12,961		11,547		1,414	12.2
	8.0%		7.6%				7.9%		7.4%			
Depreciation and amortization	2,118		2,239		-121	-5.4	6,379		6,715		-335	-5.0
EBITDA	11,509		10,675		834	7.8	32,374		29,639		2,736	9.2
EBITDA / Net Sales	20.2%		19.2%				19.8%		19.1%			

EBITDA = Operating Income + Depreciation and Amortization + Non Recurring Expenses

¹Includes equity method from our participation in operational companies like Jugos del Valle, IEQSA and Bebidas Refrescantes de Nogales

²Includes net effect from Revenues outside the territory (OT) in USA

³Includes equity method from our participation in non-operational companies like PIASA, PetStar, Beta San Miguel, among others

Arca Continental, S.A.B. de C.V. and Subsidiaries

Consolidated Balance Sheet

(millions of Mexican pesos)

	September 30	December 31	Variation	
	23	22	MM MXP	%
ASSETS				
Cash and cash equivalents	27,286	27,761	-476	-1.7
Accounts receivable; Net	19,539	17,984	1,555	8.6
Inventories	11,902	11,643	259	2.2
Prepayments	1,052	950	102	10.7
Total Current Assets	59,779	58,338	1,441	2.5
Investments in shares and other investments	9,487	9,188	299	3.3
Property, plant and other equipment	66,214	68,317	-2,103	-3.1
Assets right of use	929	1,202	-272	-22.7
Other non current assets	111,570	119,255	-7,685	-6.4
Total Assets	247,979	256,300	-8,321	-3.2
LIABILITIES				
Short term bank loans	11,847	6,195	5,651	91.2
Suppliers	12,935	14,078	-1,143	-8.1
Short term lease	525	546	-21	-3.8
Accounts payable and taxes	22,931	21,848	1,083	5.0
Total Current Liabilities	48,238	42,667	5,570	13.1
Bank Loans and long term liabilities	34,460	40,722	-6,261	-15.4
Long term lease	446	715	-269	-37.7
Deferred income tax and others	23,332	24,342	-1,010	-4.1
Total Liabilities	106,476	108,446	-1,971	-1.8
SHAREHOLDER'S EQUITY				
Non controlled participation	30,133	30,229	-96	-0.3
Capital Stock	958	971	-13	-1.3
Retained Earnings	97,451	101,151	-3,700	-3.7
Net Profit	12,961	15,503	-2,542	-16.4
Total Shareholders' Equity	141,503	147,854	-6,351	-4.3
Total Liabilities and Shareholders' Equity	247,979	256,300	-8,322	-3.2

Arca Continental, S.A.B. de C.V. and Subsidiaries

Cash Flow Statement

(millions of Mexican pesos)

	as of September 30	
	23	22
Earnings Before Taxes	23,143	20,463
Depreciation and amortization	6,379	6,715
Foreign exchange / Monetary position result	1,529	866
Accrued interests	1,373	1,804
Gain on sale and fixed assets impairment	255	78
Operating cash flow before taxes	32,679	29,926
Cashflow generated/used in the operation	-9,488	-5,983
Operating cashflow after working capital	23,191	23,943
Investment Activities:		
Capital Expenditures and Investments (Net)	-5,668	-6,417
Financing Activities:		
Dividends paid	-6,994	-6,492
Share repurchase program	-4,879	-2,959
Debt financing (amortization)	1,187	-1,555
Paid interests	-3,551	-3,012
Other	-495	-474
Net cash flow from financing activities	-14,732	-14,492
Net increase of cash and equivalents	2,791	3,034
Change in Cash	-3,266	-805
Initial cash and equivalents balance	27,761	32,117
Final cash and equivalents balance	27,286	34,346

Additional Financial Information

Information by Segments 3Q23

	Beverage Segments					Other		Total
	Mexico	USA	Peru	Argentina	Ecuador	Business*	Eliminations	
Volume by Segment	389.2	120.9	77.7	37.1	40.0			664.9
Sales by Segment	26,459	18,070	4,029	2,469	2,834	3,637	-587	56,911
<i>Intersegment Sales</i>	-340	0	-43	0	-1	-203	587	0
Net Sales from intersegments	26,119	18,070	3,986	2,469	2,833	3,434	0	56,911
<i>Operating Income</i>	5,886	2,349	665	-58	243	233	0	9,319
EBITDA	6,722	2,783	920	175	470	440	0	11,509
EBITDA / Net Sales	25.7%	15.4%	23.1%	7.1%	16.6%	12.8%	0.0%	20.2%
<i>Non Recurring Expenses</i>	5	-0	-0	61	5	2	0	73
<i>Depreciation and amortization</i>	832	434	255	171	222	204	0	2,118
<i>Financial Income and Expenses</i>	-986	81	-63	-54	-29	-27	0	-1,078
<i>Share of net income of associates</i>	100	0	0	0	0	0	0	100
<i>Earnings Before Taxes</i>	5,001	2,430	601	-112	214	207	0	8,341
Total Assets	83,896	96,862	34,810	11,040	19,819	12,725	-11,172	247,979
<i>Investment in associates companies</i>	8,430	625	0	432	0	0	0	9,487
<i>Total Liabilities</i>	67,013	33,284	9,770	1,695	5,232	5,285	-15,803	106,476
CAPEX	4,235	1,065	647	511	523	581	0	7,561

*Others includes Food & Snacks Division, Vending and other subsidiaries not related to Beverage segments

Information by Segments Jan-Sep'23

	Beverage Segments					Other		Total
	Mexico	USA	Peru	Argentina	Ecuador	Business*	Eliminations	
Volume by Segment	1,056.1	336.9	245.4	109.7	117.2			1,865.2
Sales by Segment	71,735	53,799	12,785	7,163	8,790	10,957	-1,584	163,646
<i>Intersegment Sales</i>	-909	0	-87	0	-6	-581	1,584	0
Net Sales from intersegments	70,826	53,799	12,698	7,163	8,784	10,376	0	163,646
<i>Operating Income</i>	15,140	7,105	2,155	159	733	571	0	25,863
EBITDA	17,607	8,463	2,917	751	1,436	1,200	0	32,374
EBITDA / Net Sales	24.9%	15.7%	23.0%	10.5%	16.3%	11.6%	0.0%	19.8%
<i>Non Recurring Expenses</i>	7	-0	4	96	9	16	0	132
<i>Depreciation and amortization</i>	2,461	1,357	758	497	694	613	0	6,379
<i>Financial Income and Expenses</i>	-2,754	130	-22	-73	-98	-85	0	-2,901
<i>Share of net income of associates</i>	181	0	0	0	0	0	0	181
<i>Earnings Before Taxes</i>	12,567	7,236	2,133	86	636	485	0	23,143
Total Assets	83,896	96,862	34,810	11,040	19,819	12,725	-11,172	247,979
<i>Investment in associates companies</i>	8,430	625	0	432	0	0	0	9,487
<i>Total Liabilities</i>	67,013	33,284	9,770	1,695	5,232	5,285	-15,803	106,476
CAPEX	4,235	1,065	647	511	523	581	0	7,561

*Others includes Food & Snacks Division, Vending and other subsidiaries not related to Beverage segments



Total Debt AC

	2023	2024	2025	2026	2027	2028	2029	2030	Total
Debt Maturity Profile	11,847	510	4,107	5,308	6,325	2,997	8,181	7,032	46,307
% of Total	25.6%	1.1%	8.9%	11.5%	13.7%	6.5%	17.7%	15.2%	100.0%

Credit Rating	Local	Global	Outlook
Fitch	AAA(mex)	A	Stable
Moody's	Aaa.mx	A3	Stable
S&P	mxAAA	-	Stable

Average exchange rate

	3Q23	3Q22	YoY		Jan-Sep'23	Jan-Sep'22	YoY
MXN	16.94	20.23	-16.3%	MXN	17.69	20.23	-12.6%
PEN	4.62	5.20	-11.2%	PEN	4.75	5.29	-10.3%
ARS	0.06	0.15	-62.7%	ARS	0.07	0.17	-55.9%

End of period exchange rate

	3Q23	2Q23	3Q22
MXN	17.62	17.12	20.19
PEN	4.65	4.72	5.07
ARS	0.05	0.07	0.14

Note: The information in these tables is available for download in MS Excel format at the following link:

<http://www.arcacontal.com/investors/financial-reports.aspx>