



# CORPORATE PRESENTATION



ARCACONTINENTAL



- 01** Company Overview
- 02** Operational Performance
- 03** Financial Performance
- 04** Sustainability

Pioneers in the beverage industry in Mexico

128 YEARS





ARCACONTINENTAL

98 YEARS

RETORNABLE

*Coca-Cola*

cont. net. 500 ml

Solid relation with



# Corporate Structure AC



*The Coca-Cola Company*

Market Value<sup>(1)</sup>:  
**USD \$264 billion**



Market Value<sup>(1)</sup>:  
**USD \$19 billion**



<sup>(1)</sup> Source: Bloomberg, March 29, 2024

# Serving 5 countries across the Americas

- Sales Volume  
**2.5 BUC**
- Revenue  
**MX \$214 billion**
- Production Facilities  
**45**

- Associates  
**+70,000**
- Points of Sales  
**+1.6 million**
- Distribution Centers  
**353**

United States

Mexico

Ecuador

Peru

Argentina

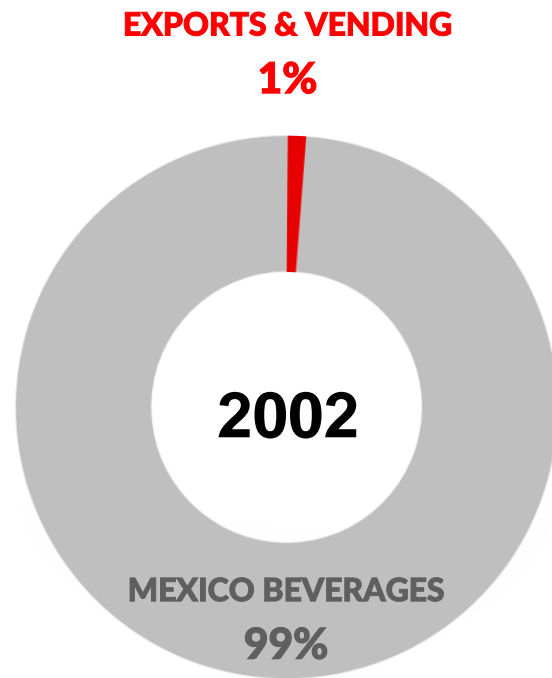
# World-class Corporate Governance



- Majority shareholders are present only at Board of Directors level
- Audit Committee exclusively composed by independent members
- No related party transactions
- Professional management team with meaningful experience in the consumer industry

# Outstanding growth since 2002...

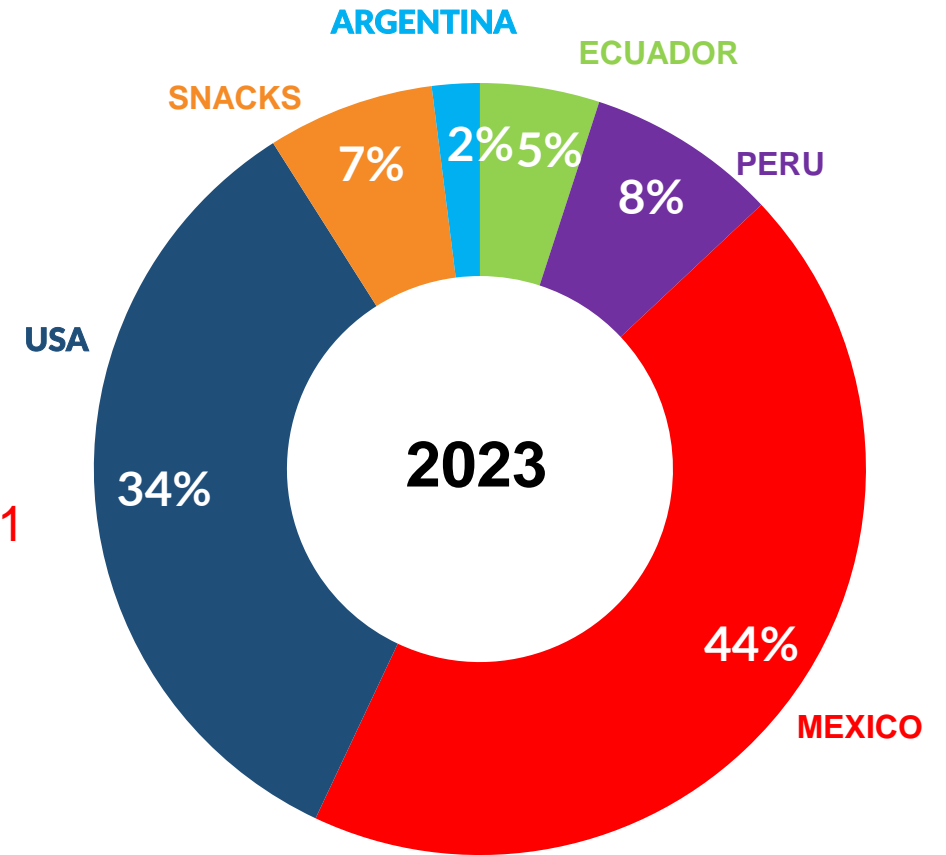
## REVENUES 2002 - 2023



MX \$13 billion

16x

14%  
CAGR<sup>1</sup>

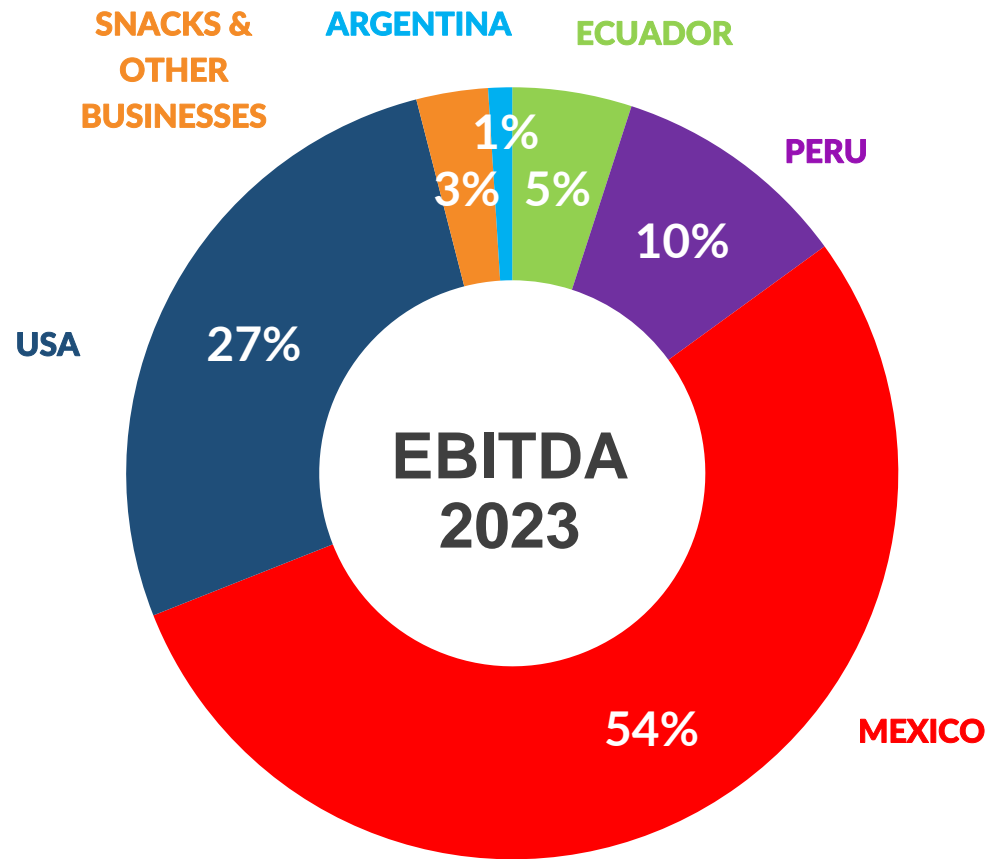


MX \$214 billion

<sup>(1)</sup> CAGR: Compound Annual Growth Rate



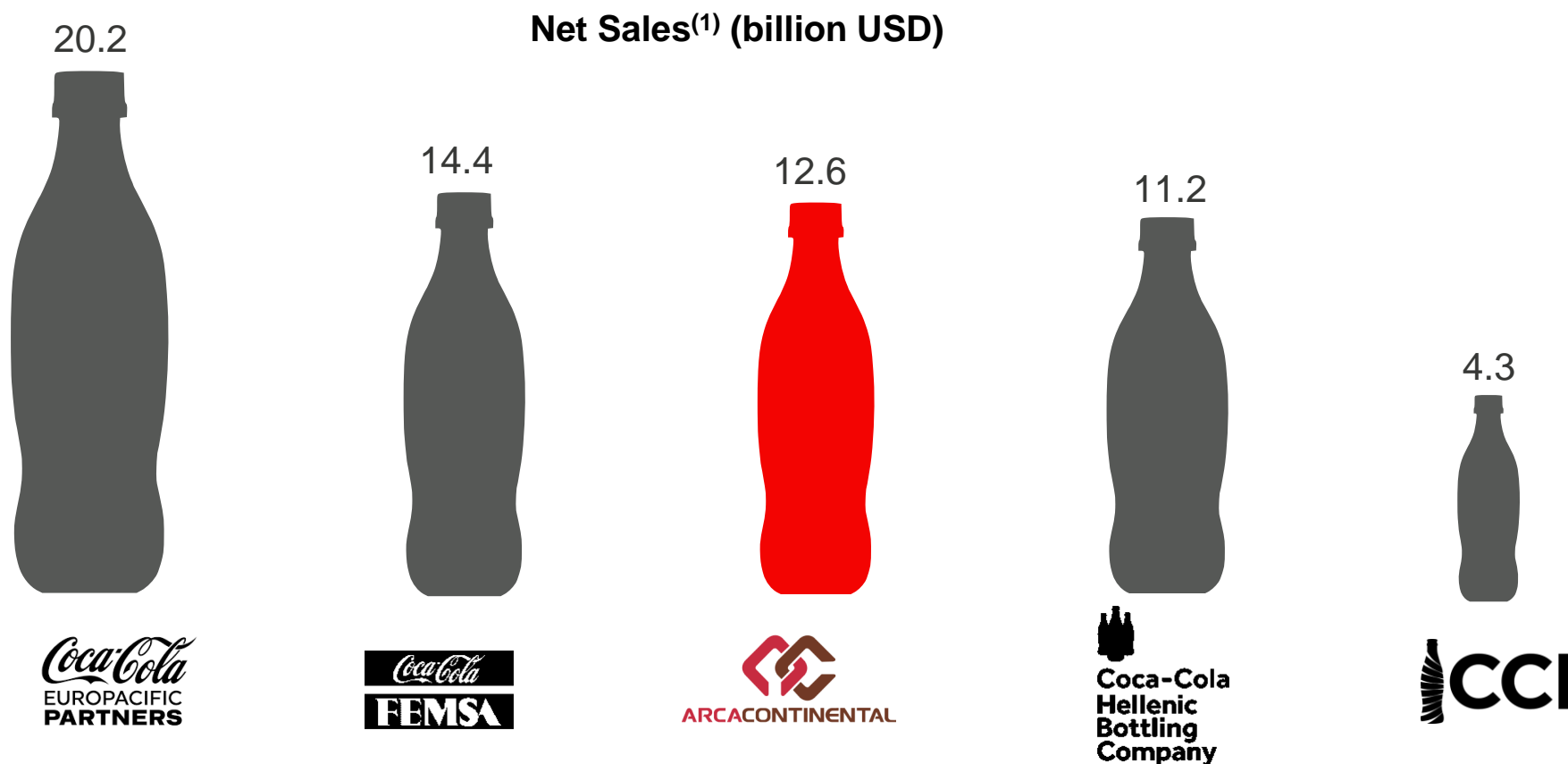
# ...and a balanced portfolio of markets and businesses



**MX \$42 billion**

- Revenue and EBITDA grew 2.8% and 7%, respectively vs 2022
- 39% of revenues and 31% of EBITDA are denominated in USD

# One of the largest bottlers in the Coca-Cola System globally...



Global Ratings	Fitch: BBB+	Fitch: A	<b>Fitch: A</b>	Moody's / S&P: Baa1 / BBB+	Fitch: BBB
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<sup>(1)</sup> Net Sales reported as of December 2023  
16.95 USD/MXN 23.31 USD/TL  
0.91 USD/EUR

...with an extensive brand portfolio to satisfy every consumption occasion



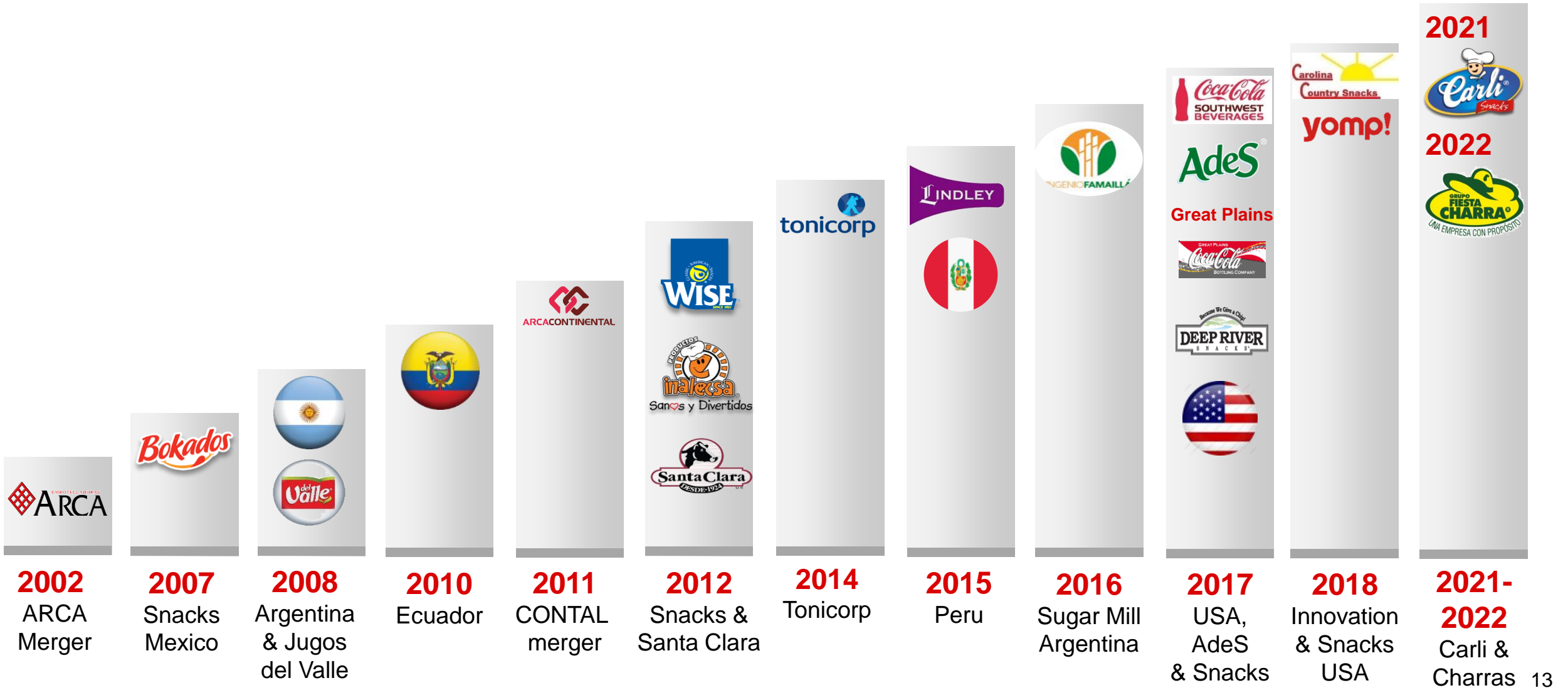
2006

28 Brands  
128 SKUs

2023

+160 Brands  
+1,700 SKUs

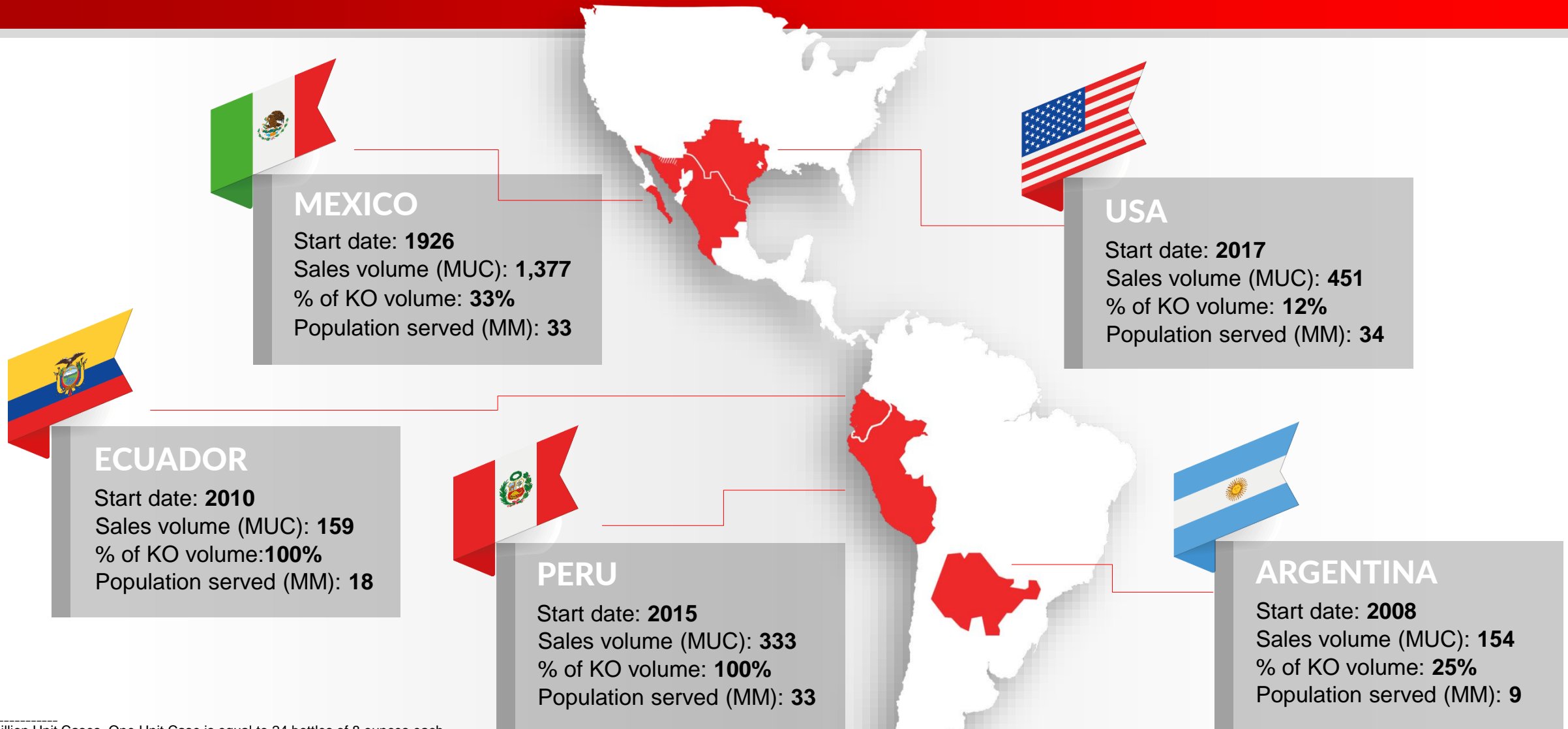
# Pursuing value creation via consistent organic growth and an excellent M&A track record





**Operational  
Performance**

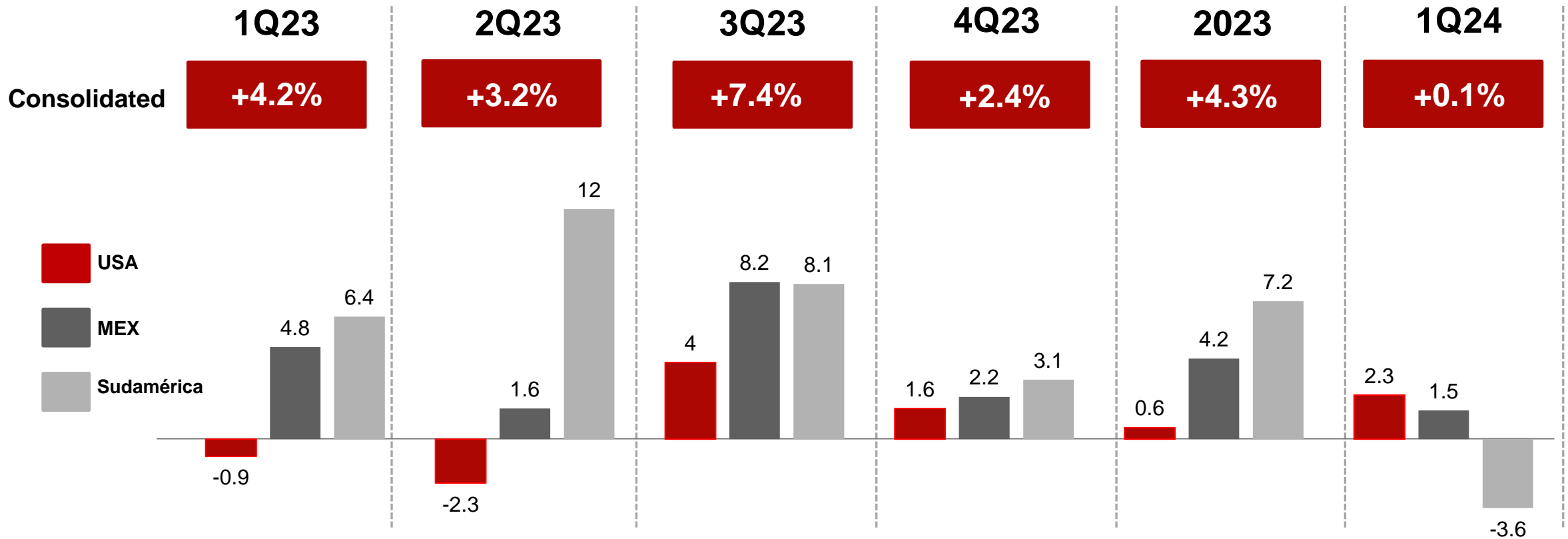
# Strong presence in attractive markets...



MUC: Million Unit Cases. One Unit Case is equal to 24 bottles of 8 ounces each.  
MM: Millions  
Data by the end of 2023.

# ...with positive operating performance

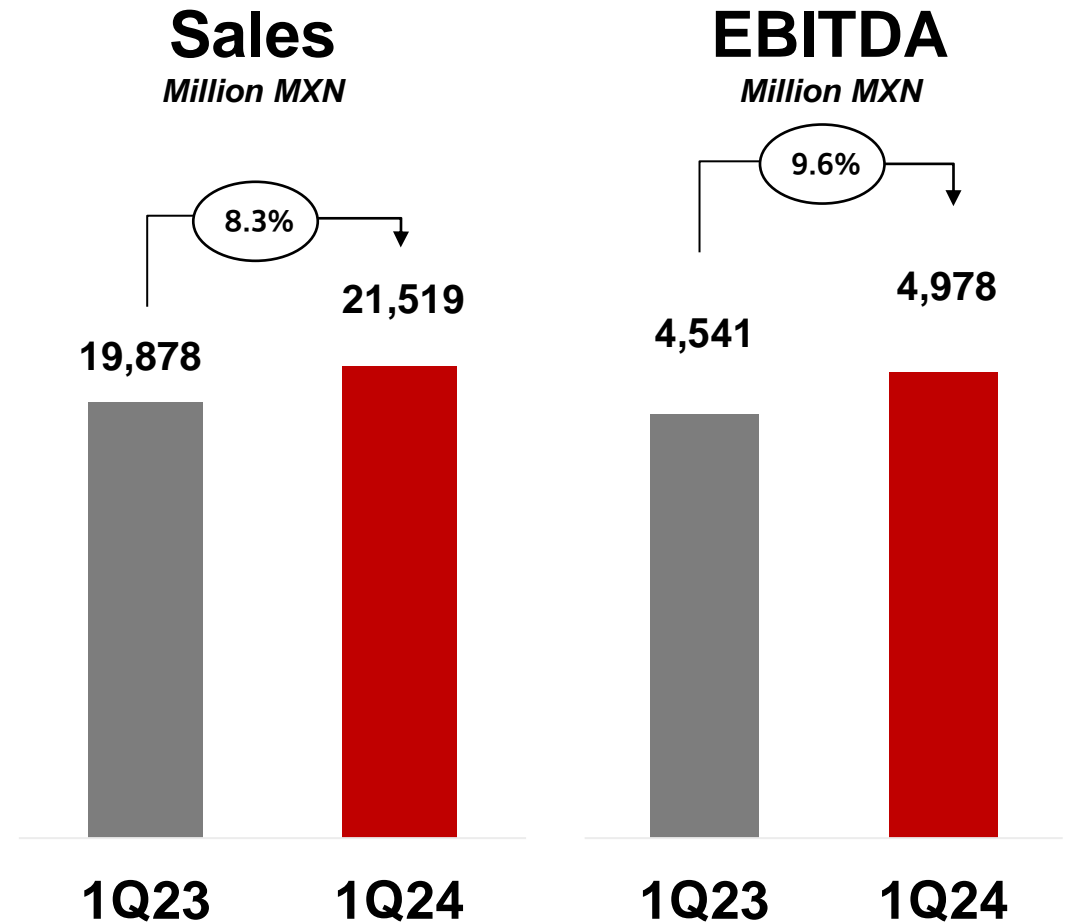
## Variation in volume %\*



# The beverage business continues displaying strength in Mexico...



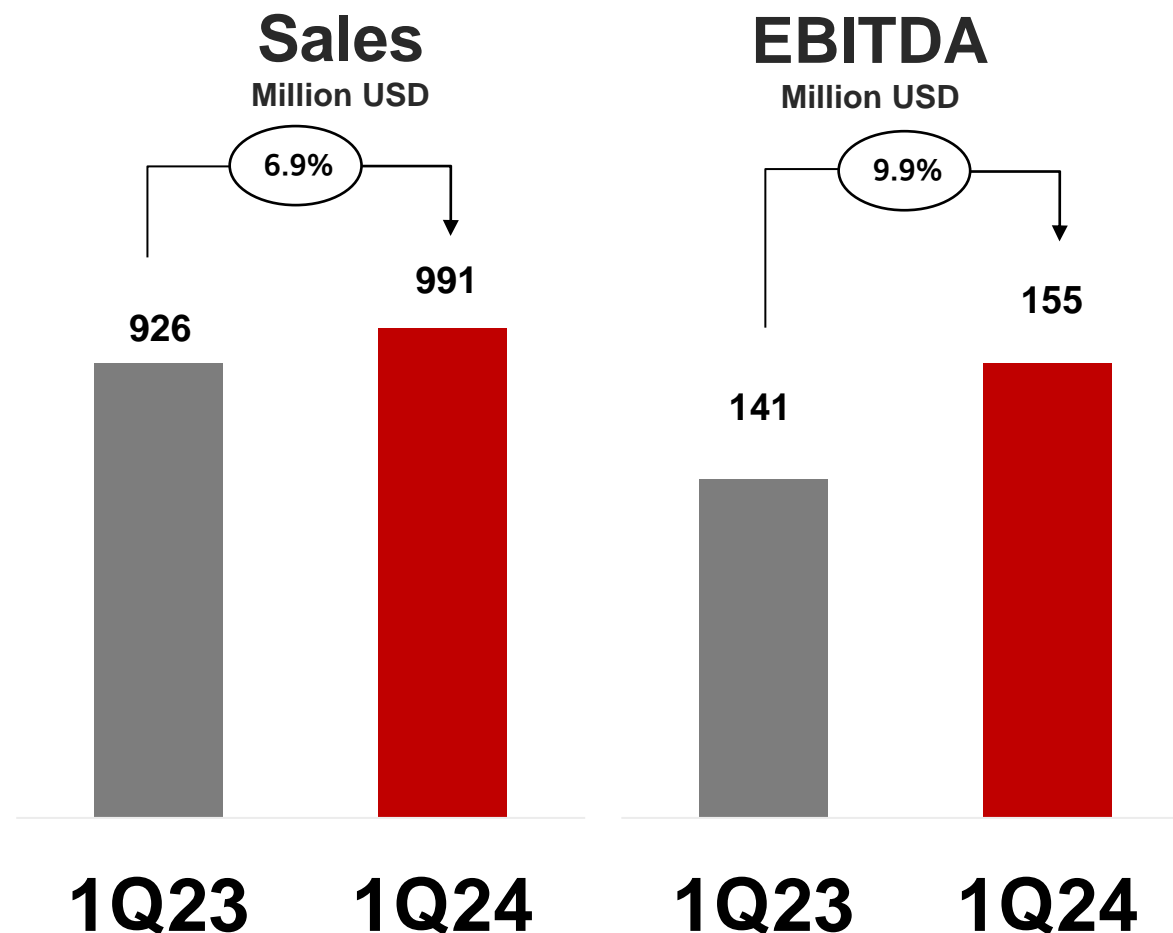
- Increase in average price per unit case (excluding jug) of 5.2% by the end of 1Q24
- Beverage sales in Mexico increased by 8.3%, as a result of selective price adjustments and positive volume performance
- EBITDA margin was 23.1% with a 30-basis point expansion, resulting from a solid top-line and more stable raw materials





# ...a positive evolution of Sales and pricing execution in the United States

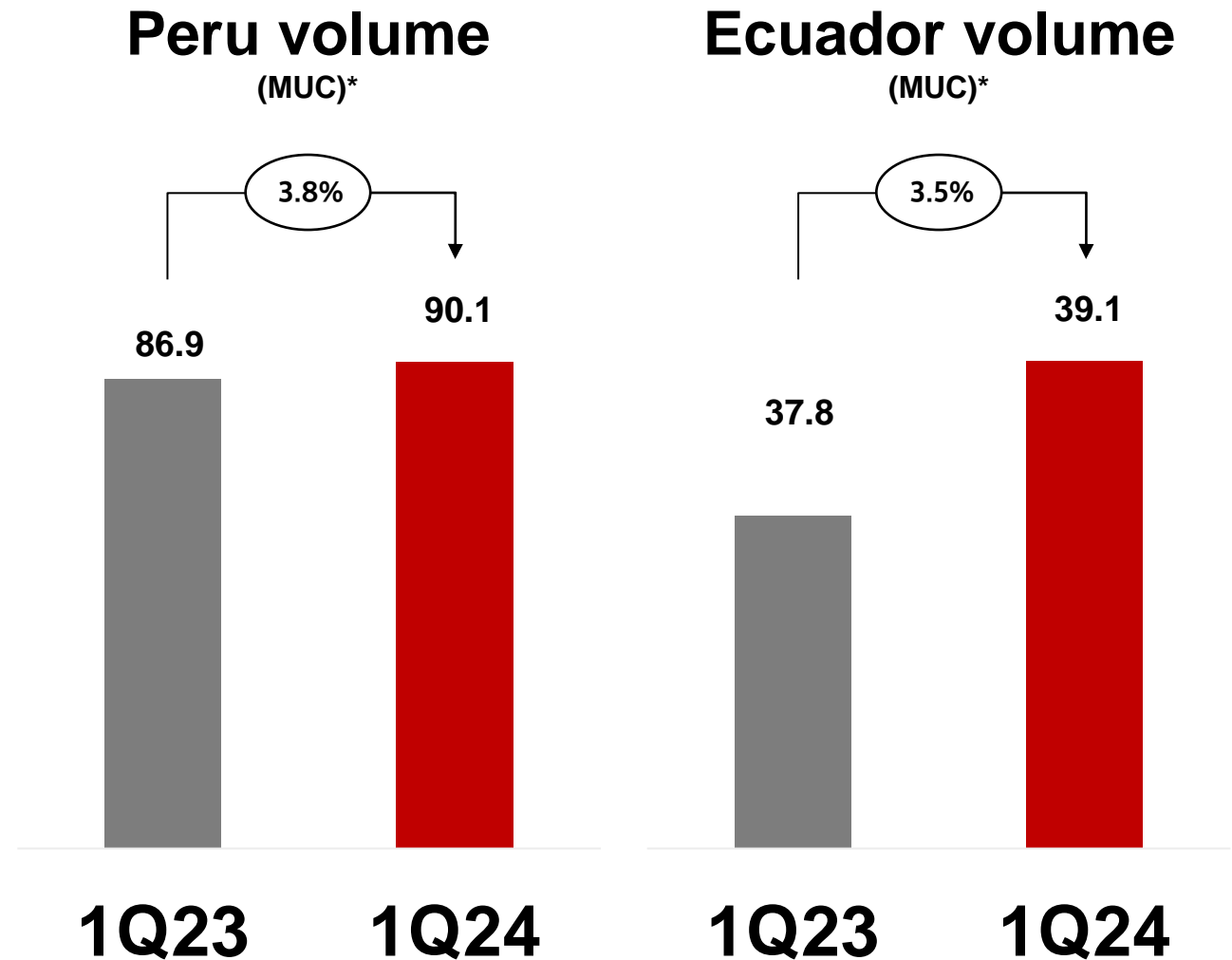
- In 1Q24, our EBITDA grew 9.9%, reaching US\$155.1 million
- EBITDA margin expanded 50 bp to 15.7%, marking the most profitable first quarter since we started operations in the U.S.
- Increase in average price per unit case of 4.6% by the end of 1Q24, as we remain focused on the optimal execution of packages with higher profitability



# Solid performance across our markets in South America



- Sustained volume growth in Peru and Ecuador
- Strengthening our commercial service models and operational efficiencies, in order to protect our profitability
- Increased coverage of AC Digital, allowing clients to directly place their orders through our mobile platform

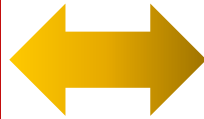


\*Excluding Jug Water  
MUC: Million Unit Cases

# New Cooperation Framework with TCCC

## Alignment for Growth

- Execution
- Scaling
- Investment and profitability levels that are mutually beneficial



## Economic Model

- Certainty
- Stability
- Equality

## Beer and spirits distribution

- Pilots in process
- Region by region approach

## Multicategory

- Generate new revenue streams and grow our core business
- Increase loyalty in the traditional trade by becoming a more relevant partner

## Digital Alliance/ Yomp!

- Leverage the power of the KO system's footprint
- Build an integrated ecosystem of platforms
- Capitalize on all the learnings and capabilities that AC has developed in Yomp!

# Implementing the AC Digital ecosystem as the evolution of RTM throughout Latin America



## ARCA CONTINENTAL DIGITAL ECOSYSTEM

Our strategic priority is to continue evolving and scaling our **Digital Ecosystem**, focusing on three key objectives

- Protect and enhance the core business
- Create new monetization opportunities
- Maintain our position as the most important partner for our customers



# Omnichannel B2B Experience



**DIGITAL**

**+850K**

CUSTOMERS ON ACD

**+13%**

ADDITIONAL SKU'S

**+90%**

TRADITIONAL TRADE COVERAGE

**+7%**

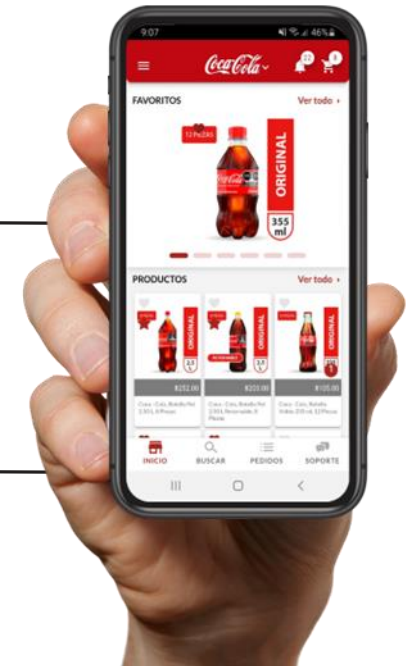
ORDER FREQUENCY

**+60%**

VOLUME MIX

**+6%**

DROP SIZE



ACD: AC Digital  
 \*As of 1Q24  
 \*\*vs. Similar non-digitized customers across LATAM

# New avenues of growth Alcoholic Beverages



## Alcoholic Beverages Categories

- Capture new consumption occasions
- Position ourselves with new brands and innovations within the category



## Liquor Distribution

- In 2023, we started a distribution pilot in Mexico
- 16 SKUs of Diageo's main brands



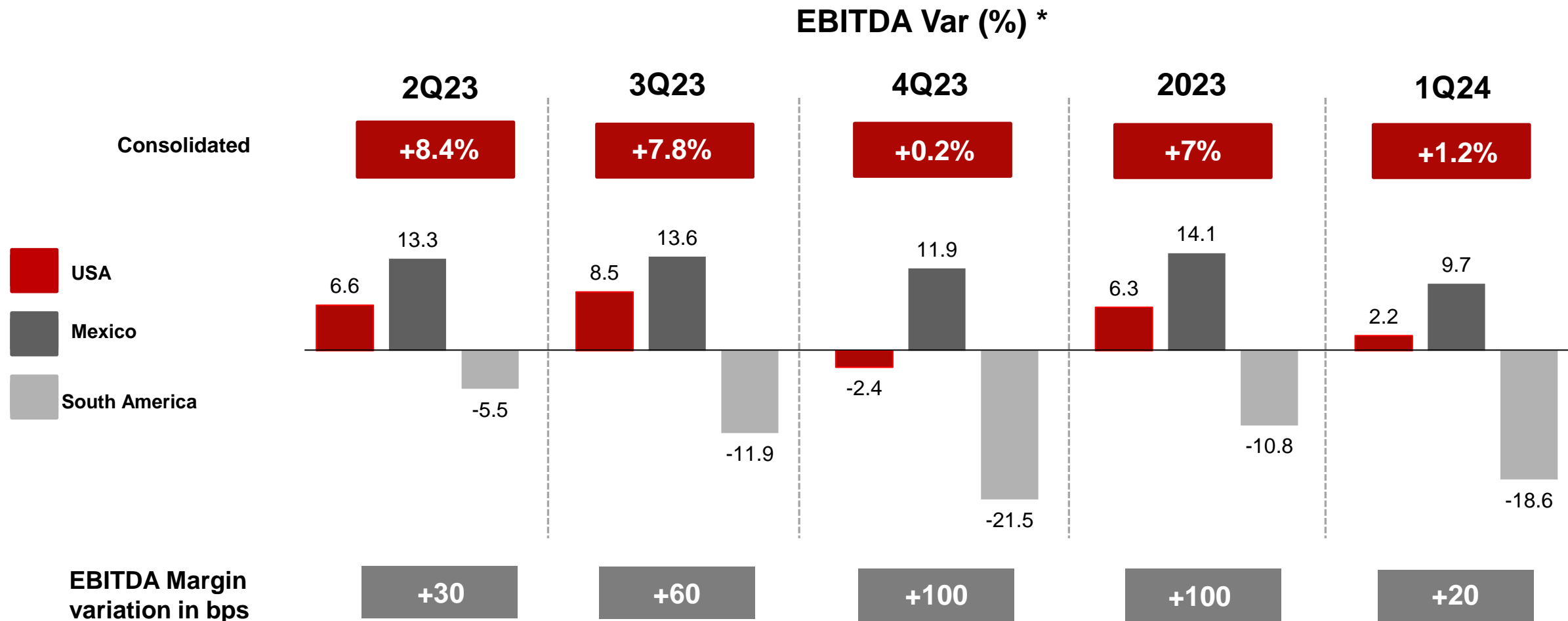
## Beer Distribution

- Synergies with our portfolio
- Positive pilots in Ecuador and Peru, growing and increasing coverage, as well as helping to strengthen core business



# Financial Performance

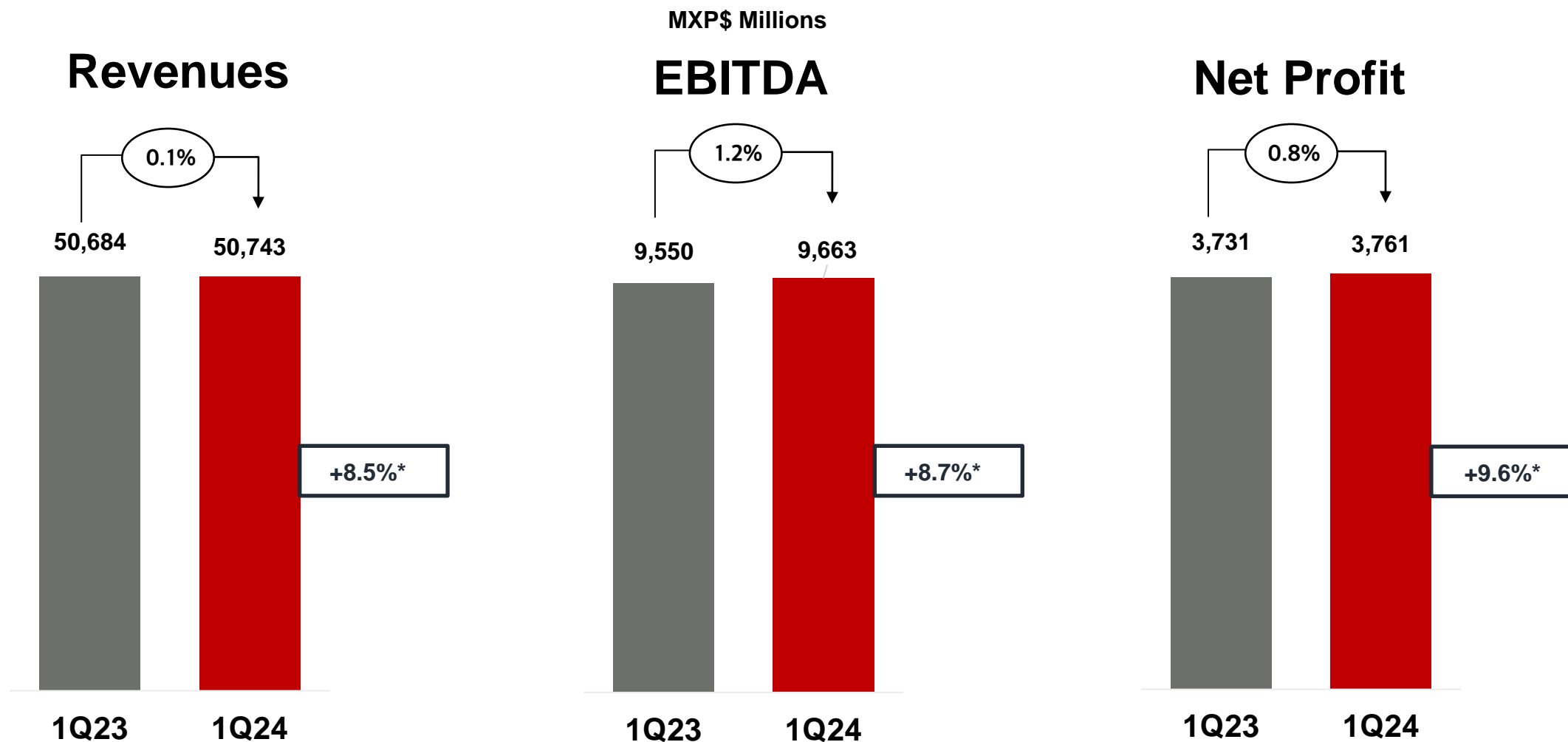
# Solid EBITDA generation and profitability



\*Variation vs same period last year



# Moving forward with a positive financial performance

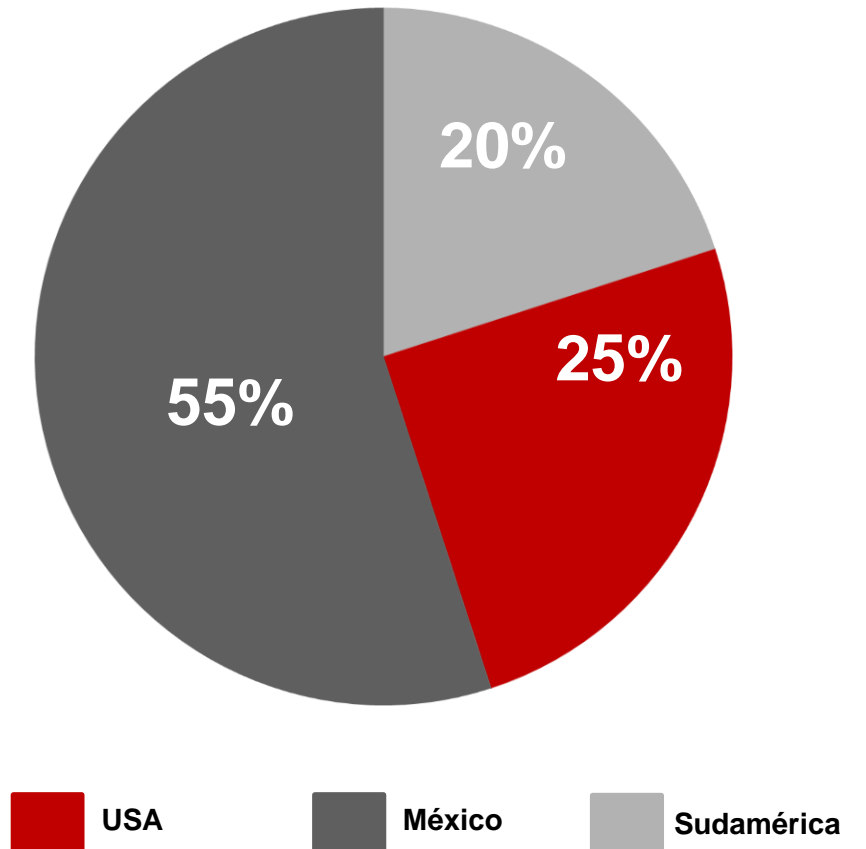


\*Currency neutral

# Investments focused on projects and initiatives that add value to our company

## CAPEX 2024 ~7% of Revenues

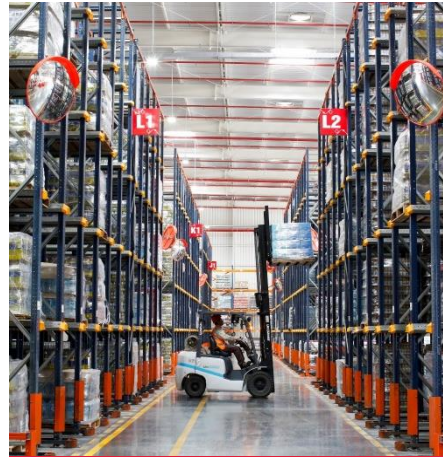
- Production lines
- Coolers
- Returnable bottles
- Machinery and Equipment
- Information Technology
- Delivery fleet



# Disciplined and consistent capital allocation decisions



**CAPEX  
focused on  
growth and  
productivity**



**Improvement of  
the cash  
conversion  
cycle  
throughout  
upgraded  
negotiations**



**Dividend of  
minimum 30%  
of the Net Profit  
and Share  
Repurchase  
Program**

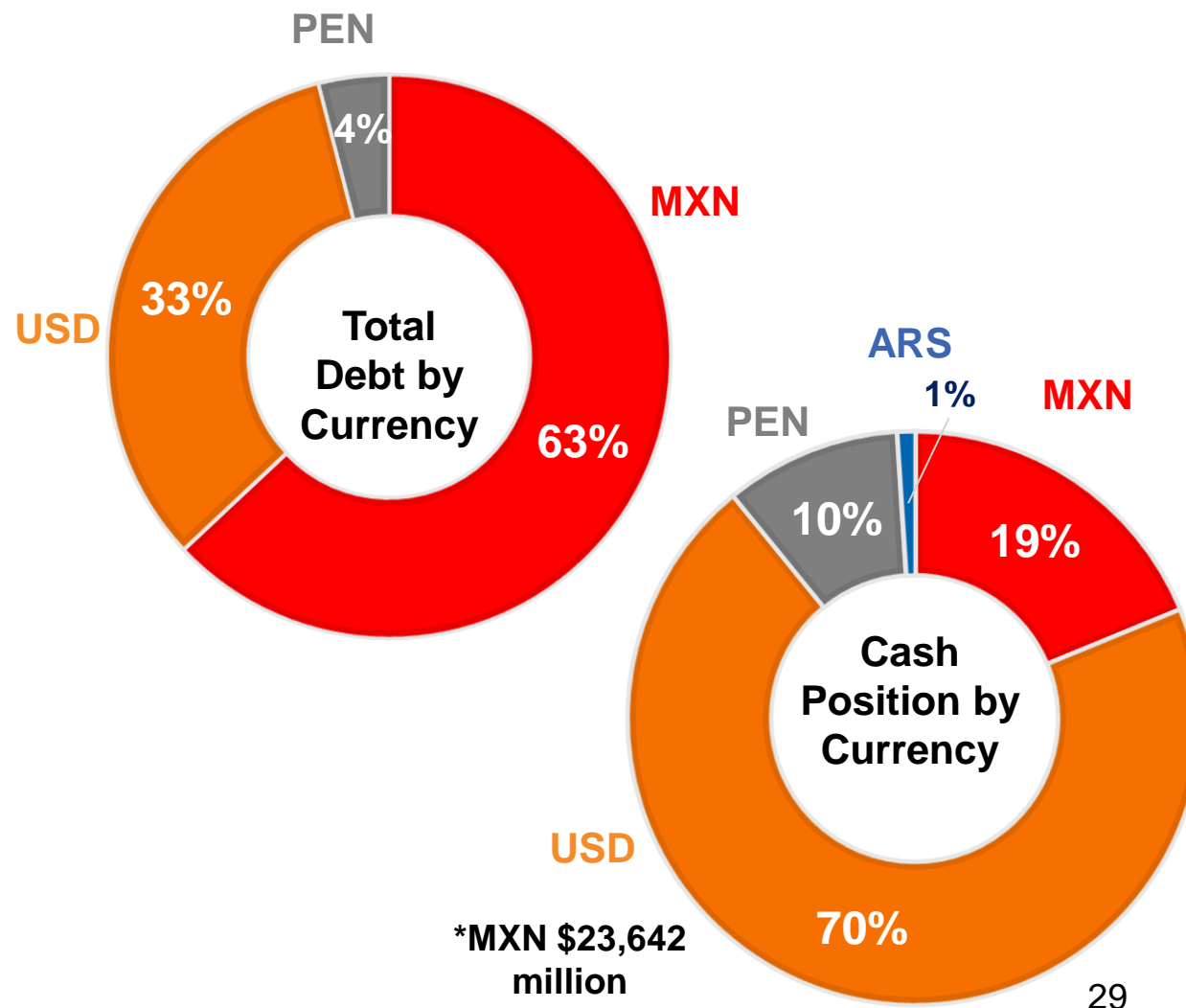
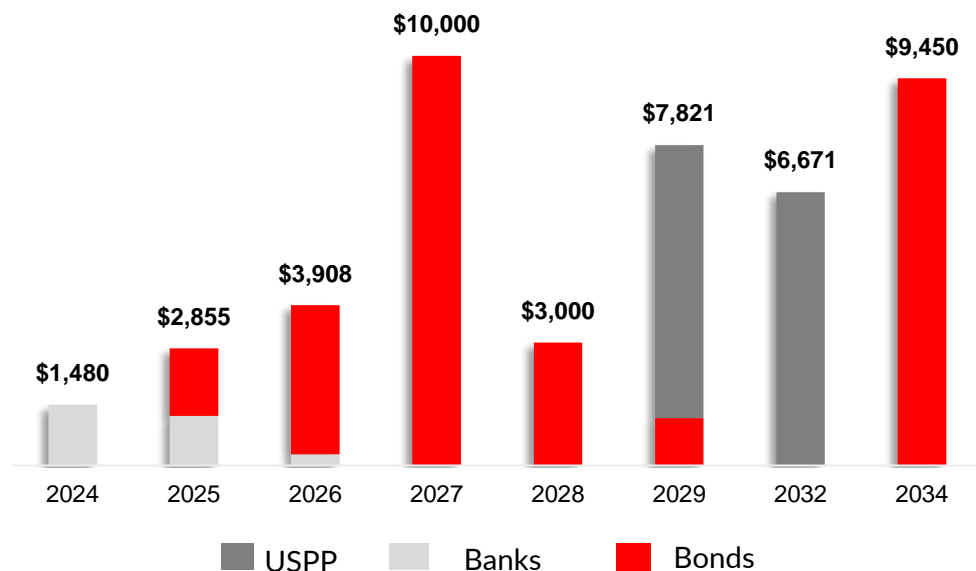


**Mergers and  
acquisitions  
with high  
potential of  
creating value**

# Conservative debt profile & diversified maturity

## Schedule - AC

Total Debt: **MXN \$45,186 million**



- 100% of debt is in local currency
- Healthy debt span of an average 5.7 years

# High rated credit profile by main credit rating agencies

## Global Scale

MOODY'S  
"A3"

FitchRatings  
"A"

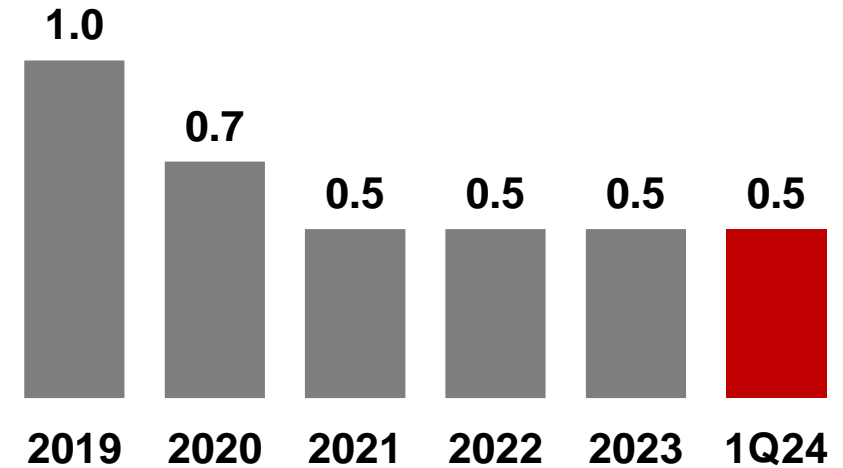
## National Scale

S&P Global  
Ratings  
"mxAAA"

FitchRatings  
"AAA(mex)"

Global rating superior to Mexico's sovereign rating

## Net Debt / EBITDA



Financial flexibility and low leverage ratio



# Sustainability

# Sustainability is central strategy to our business

Institutional commitment in order to reach the highest standards and built a culture based in social responsibility

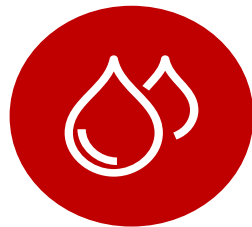
Human Capital and  
Sustainability Committee



Operative Committees



Portfolio



Water



Packaging



Wellness



Value Chain



Operations

# Committed with the “World Without Waste” initiative from The Coca-Cola Company



- Collect and recycle the equivalent to every bottle we sell
- Design our packages to be 100% recyclable
- Include in our packages at least 50% of recyclable content
- Petstar is the largest food-grade PET recycling plant in the world, with a recycling capacity of 4,000 million bottles per year





Thank you!

