2Q21 Conference Call Guidelines

Miguel Ángel Peirano: *Good morning and welcome to the conference call of Coca-Cola Andina's earnings for the second quarter of 2021.*

***We closed this quarter with very good operating results**. Compared to last year, consolidated adjusted EBITDA grew 61.8%, while when compared to 2019, growth was 11%. Results per operation were also very positive, both in the local currencies of each of the countries in which we operate, and in the reporting currency. In Argentina, Brazil and Paraguay, we showed adjusted EBITDA growth in local currency of 1,250.8%, 15.2% and 39.0%, respectively. In addition, our operation in Chile showed an Adjusted EBITDA increase of 105.1%. This is explained, among others, by the double-digit growth in sales volume, as a result of the growth of all categories and the incorporation of AB InBev's portfolio, good price management and effective cost and expense control.*
***In mid-July we launched the Tiger beer brand in Brazil**. This is a Heineken brand that is a segment leader in Asia. We believe that together with the other brands and activities that we have proposed to carry out, this launch will contribute to recovering the sales volume that we will stop distributing by virtue of the implementation of the new agreement, **which we estimate will be operating by September of this year**.*
***Regarding the Sustainability of the Business**, and as in the previous quarter, I want to share with you some topics **that are relevant according to our Materiality Matrix**: This quarter I will tell you about the pillars of **Beverage Benefit and Community** pillars.*
*Regarding the **Beverage Benefit** pillar, we care about developing and managing a portfolio that allows us to connect with all consumers at different times of the day. Changes in consumer preferences in our industry are a constant challenge to which we are responding in an agile and flexible way, with a portfolio that has the strategic focus of growing in the low calorie segment, among others. We have strengthened the Light, Zero or Sugar-Free versions of our brands, also expanding the packaging portfolio in which they are available. In addition, through reformulations, we have reduced the amount of sugar in different brands of soft drinks and juices. These efforts are reflected in a drastic decrease in calories per liter sold in the last 5 years: in Argentina we reported a reduction in this indicator of 15%; in Brazil, 16%; in Chile, 21%; and in Paraguay 10%.*
*Regarding the **Community** pillar, we want to contribute to the continued development of the communities in which we operate. We seek to contribute to their progress through initiatives that boost local economies and improve people's quality of life. On the other hand, many of the initiatives that are generated in each of the sustainability pillars presented, have an impact on the communities in which we operate. For example, **in Argentina we developed the "Reciclo" program**, a public-private partnership to promote PET recovery programs. So far in 2021, we have reached agreements with 16 municipalities, allowing a recovery of 186 tons of PET.*
***In Brazil**, together with the Coca-Cola system, **we launched the "Do it" program**, creating a strategy to fight COVID-19, through the pillars of awareness, food safety and prevention. Under the umbrella of this program, the "Estamos Nessa Juntos" fund was created to support communities in the midst of this health crisis, benefiting nearly 300,000 people from our franchise territories so far this year. **In Chile, we exceeded by 30% the quota required to hire people with disabilities**, relying on programs we carry out with the Tacal Foundation, such as "Intégrate Andina". **In addition**, we have provided opportunities for reintegration into the labor market to more than 150 people, who have been deprived of their freedom, in order to reduce recidivism, being part of the "Labor Reinsertion Program" implemented by the Ministry of Justice and Gendarmerie of Chile. **In Paraguay, we continue to make progress in the electronic collection project to enable financial inclusion in customers**, through an agreement with Bancard. This year we have benefited more than 20,000 customers and thus we also contribute to the formalization of the economy, generating a more expeditious payment cycle. **On the other hand, after managing to meet 100% the goal of improving 300 hectares of land in the Mbaracayú reserve in 2020**, closing a*

successful water conservation plan, which impacted more than 300 farmers, this year ***2021 we are incorporating an additional 60 hectares to the project. Finally,*** ***<u>for the donation of beverages, we strengthened the ties we maintain with food banks in each of the countries in which we operate</u>****, which form networks to reach those who need it most in a structured way. Last year <u>we multiplied almost by 4 the donation of soft drinks, compared to 5 years ago, delivering more than 2 million liters of soft drinks in donations</u>. In this first half of 2021, we have donated a little more than half a million liters of soft drinks.*

In the coming quarters we will continue to present you with the Sustainability Pillars of the business, and please send us any comments you may have so that we can continue adding value to your analysis of the Company.

Moving on to the operations*, overall the performance of the markets was very positive. In a quarter when we saw increases in mobility restrictions that have been implemented by the governments of the countries in which we operate, we grow again, and significantly so.* ***We more than recovered the volumes of 2019 in Chile and Brazil, while in Argentina and Paraguay we are reaching the pre-pandemic level****. We expect to close a good 2021 in terms of volume, if mobility restrictions do not significantly increase.*

In Argentina *during this quarter sales volume increased by 21.6%, explained by a volume increase in all categories. Our market share for soft drinks reached 59.5 points in the quarter. It should be noted that as a result of COVID-19 related restrictions, beginning April 2020, the company conducting the survey had to change the methodology and sample, that during some months were performed with a greater degree of in-person/telephone measurement than in other months. This makes figures not being completely comparable to those of previous periods, affecting measurements in Argentina, Chile and Paraguay.*

In Brazil*, sales volume increased by 16.5% this quarter compared to the previous year, explained by a volume increase in all categories. Our market share for soft drinks reached 62.1 points in the quarter, 22 basis points higher than the same quarter of the previous year.*

In Chile*, sales volume increased by 60.1% compared to the same quarter of the previous year, explained by the volume increase in all categories, and by the incorporation into our distribution platform of ABI products. Excluding beer, volume would have increased by 42.1%. Our market share for soft drinks reached 64.9 points in the quarter, these figures are as of May, since June figures are not yet available.*

In Paraguay*, our sales volume increased by 9.6%, mainly explained by the volume increase in all categories. Our market share for soft drinks reached 76.1 points in the quarter.*

Now Andrés will discuss the company's financial results:

Andrés Wainer: Good morning*,*

To begin, I would like to remind you that the figures analyzed incorporate the application of IAS 29 as a result of Argentina being categorized as a hyperinflationary economy more than two years ago. Therefore, Argentina's figures for the second quarter of 2020 were consolidated using the June 2020 closing exchange rate, which was $11.7 Chilean pesos per Argentine peso, and those for the second quarter of 2021 were consolidated using the June 2021 closing exchange rate, which reached $7.6 Chilean pesos per Argentine peso. The figures for our Argentine operation in both the second quarter of 2020 and the second quarter of 2021 are presented in local currency of June 2021.

Regarding the exchange rates of the other countries where we have operations and their effect on the consolidation of figures, this quarter we had a negative impact when consolidating the figures from our operation in Brazil, since we used an exchange rate of $135.2 Chilean pesos per Brazilian real in the consolidation of figures, which is compared to an exchange rate of $152.6 Chilean pesos per Brazilian real in 2Q20. We also had a negative impact when consolidating figures from Paraguay, with an exchange rate of $0.11 Chilean pesos per Guarani, compared to an exchange rate of $0.12 Chilean pesos per Guarani in 2Q20.

For each of the franchises where the company has operations, and for a better understanding, the figures that we will analyze in each of them will be in nominal local currency, and in the case of Argentina, as we have already mentioned, it will be in real currency of June 2021.

In Argentina*, Net Sales increased by 32.7% in the quarter, which was mainly explained by the increase in volume already mentioned by Miguel Ángel, and to a lesser extent by a higher average price.*
Cost of sales increased by 27.4% in the quarter, which was mainly explained by the growth in volume sold, by the negative effect of the devaluation of the Argentine peso on our dollarized costs and by a higher cost of sugar and PET resin.
For its part, Distribution costs and administrative expenses increased by 7.8% in the quarter, which is mainly explained by higher marketing expenses, that have returned to pre-pandemic levels, greater labor expenses, and greater distribution expenses because of increased volume.
Finally, Adjusted EBITDA increased by 1,250.8% in the quarter, and Adjusted EBITDA margin expanded by 973 basis points reaching 10.8%. Argentina accounted for 11.9% of Adjusted EBITDA generated by the company.

In Brazil*, Net Sales increased by 29.0%, which was mainly explained by the increase in sales volume already pointed out by Miguel Ángel, as well as by an increased average price.*
Cost of sales increased by 36.6% mainly explained by:

- *(i) greater sales volume,*
- *(ii) a shift in the mix towards products with a higher unit cost, particularly beer,*
- *(iii) a greater cost of sugar, and*
- *(iv) a greater usage and cost of resin.*

For its part, Distribution Costs and Administrative Expenses increased by 8.5%, which is mainly explained by greater distribution expenses because of higher sales volume, greater marketing expenses, that have returned to pre-pandemic levels, and greater labor expenses.
Brazil's Adjusted EBITDA increased by 15.2% in the quarter and Adjusted EBITDA margin was 15.0%, a contraction of 179 basis points. Brazil accounted for 27.2% of Adjusted EBITDA generated by the company.

In Chile*, Net Sales increased 86.0% in the quarter, mainly explained by the volume increase already mentioned by Miguel Ángel, and to a lesser extent by an increased average price.*
Cost of sales increased by 93.1%, which was mainly explained by the sales increase in the category for beer and spirits, explained by the commercialization of AB InBev beers, which have a high cost per unit case, and by an increased sales volume of the other categories.
Distribution Costs and Administrative Expenses increased by 33.2% in the quarter, mainly explained by:

- *(i) greater distribution and hauling expenses, as a result of higher volume sold,*
- *(ii) greater labor costs, and*
- *(iii) greater advertising expenses, which return to pre-pandemic levels.*

Adjusted EBITDA increased 105.1% in the quarter and Adjusted EBITDA margin reached 16.5%, expanding 153 basis points compared to the previous year. Excluding the effect of incorporating beer into our portfolio, EBITDA margin for the quarter reaches 19.8%, an increase of 489 points over the same period of the previous year. In the period, Chile's operation accounted for 47.1% of Adjusted EBITDA generated by the company.

In Paraguay*, Net Sales grew 20.1% in the quarter, which was mainly explained by the volume increase already mentioned by Miguel Angel, as well as by a higher average price.*
Cost of sales increased by 9.5%, which was mainly explained by higher sales volume.

Distribution Costs and Administrative Expenses increased by 18.0%. This is mainly explained by greater marketing expenses, which return to pre-pandemic levels, greater labor costs, and by higher distribution expenses, because of greater volume sold.
Adjusted EBITDA increased by 39.0% in the quarter and Adjusted EBITDA margin reached 29.7%, expanding 403 basis points from the previous year. Paraguay accounted for 13.7% of Adjusted EBITDA generated by the company.

Regarding debt maintained by the Company, *at the beginning of July* ***Fitch Ratings upgraded our local credit risk rating to AA+ from AA*** and ratified our international credit rating at BBB+. They base their report on our excellent performance and the resilience of our results in the context of the COVID-19 pandemic, the social outbreak in Chile and the strong economic recession in Argentina. ***Even in this difficult scenario, we have maintained a stable and solid financial position, which undoubtedly determined this improvement.***

Lastly, we reiterate that our investment plan for 2021 will return to precrisis levels, i.e. between approximately USD$ 170 – USD 180 million. It is important to note that our investment plans are constantly monitored, and we cannot assure that we will completely fulfill it if there is a stronger flare-up of this health situation in the countries where we operate or for other unforeseen circumstance.

With this, we are now available to answer any questions you may have.

Operator: And the first question comes from Fernando Olvera with Bank of America. Go ahead please.
Fernando Olvera: Hello, how are you? Good morning. Thank you for taking my call. I have two questions, the first one is regarding Chile. Eliminating the effect of beer, the truth is that volume growth was very strong, 40%. Can you tell us what triggered that growth, with which you returned to or even exceeded pre-pandemic levels?, and what was the performance by channel and how do you expect volumes to behave during the rest of the year?.
And the second question is on Brazil, can you tell us how much the demand for water influenced the volume growth? What was the growth of the other categories? Also, can you tell us whether the drinking water problem in Rio de Janeiro has already been resolved, or is it an effect that we will continue to see going forward? Thanks a lot.
Miguel Ángel Peirano: Hello, Fernando, how are you? This is Miguel Ángel. Well, with regard to the issue in Chile, volume growth comes hand in hand with several variables. One of them, clearly, to the extent that the pandemic process is finishing and vaccination in Chile that perhaps has been an example in terms of the extent and depth with which it has been carried out, makes the possibility of people's mobility to increase. Added also to a certain tiredness of people being locked up and looking for some kind of personal compensation for all this time they were locked up, going out to consume.
The fact of having a complete portfolio, certainly helps our execution, it helps the level of service we give and provides a complete solution to our customers, where execution has undoubtedly improved in terms of service levels. And this has been growing in all channels. Clearly the lagging channel is still the on-premise channel, but even so, it is also already growing. And as markets are increasingly opening up and people with the two vaccines are able to have fewer restrictions, we understand that this should continue to grow.
And finally the other element that also helps this volume growth is the government aid and the release of part of AFP funds, which generates greater liquidity in the pockets of the inhabitants that in this period where there begins to be greater freedom, makes them turn to external consumption, basically consumption of food, beverages, outside with people. We understand that if there is no resurgence in terms of contagions and restrictions, at least this year this process should remain.
As far as Brazil is concerned, there has also been growth in all channels, also particularly in the on-premise channel, the most lagging channel. And on the water subject in Rio de Janeiro, it is a persisting problem; our Duque de Caxias plant is exempt from that. We do not depend on the water that competes in some way with the populations because it is company water, because in Duque de Caxias we have our own water springs. That means that, from our point of view, we have no problem, but water is it is still an issue to consider in Rio de Janeiro.
Fernando Olvera: Perfect. And how much did the demand for water influence volumes? I mean if you see the breakdown or if you try to eliminate that effect?

Miguel Ángel Peirano: Well, we're actually comparing ourselves, if you remember last year there were also a lot of problems with water in Rio de Janeiro, especially with the turbidity issue that caused the volume of water to grow strongly, and somehow to the detriment of other categories. Still the water issue has an impact, but less and less and that makes the other categories recover their position.
Fernando Olvera: Okay, perfect. Thank you so much.
Andrés Wainer: Fernando, there is still a robust growth in water in Brazil, but all categories are growing, SSD, juices, beers. They all grow, water is another one that also grows. But there is growth in all categories.
Fernando Olvera: Okay, perfect. Thank you so much.

Operator: The next question comes from Marcella Recchia's line with Credit Suisse. Go ahead, please.
Marcella Recchia: Hi, thanks for taking my question. My question is regarding dividends received from Argentina, could we expect an increase in distribution to shareholders, dividends or buybacks? Thank you.
Andrés Wainer: Hello Marcella. Good morning, this is Andrés. Yes, we received dividends from Argentina. In June we repatriated approximately $15 million dollars in dividends, at a blue exchange rate equivalent to $2,500 million Argentine pesos that were brought in. With regard to the company's dividends to its shareholders, you should not expect significant changes. Most likely, we will remain at values similar to those we have been distributing. Perhaps we could have an increase towards the end of the year, but it is something that has not yet been decided. That's on the side of the dividend issue.
Marcella Recchia: Perfect. Thank you very much.

Operator: The next question comes from Felipe Ucros with Scotiabank. Go ahead, please.
Felipe Ucros: Thank you. Good morning, Miguel, Andrés. Well, congratulations again on the results, very good results. I don't know if I can start maybe with the topic of hedging, I wanted to see if you can tell us how the hedging positions are for the remainder of the year and more specifically for 2022, given such a strong commodity cost-raising environment. Thank you.
Andrés Wainer: Hello, Felipe. This is Andrés. Well, as you know we hedge both sugar and exchange rate in tiers. In the case of exchange rate we have coverage for the second half of the year of approximately 50% of the dollar needs we need to buy raw materials. And in the case of sugar, it depends on the country, it changes a lot, but we have practically hedged the whole second half of the year in the four countries, some is missing in Brazil, but it is practically all already hedged. And for next year, in the case of sugar, we have hedged approximately 20% of next year, except in Paraguay where we have everything with a price set in Guaraní.
Felipe Ucros: That makes it very clear. And in FX, are there hedges for next year?
Andrés Wainer: Yes, but very little. Only for part of Q1. So still very little, they are very low values.
Felipe Ucros: Okay, perfect. That makes it very clear to me. And the other question had to do with the deployment that you've given to the coverage of the AB InBev distribution contract, let's say, how much of your distribution chain has already received AB InBev's products, how far are we from reaching 100% deployment?
Andrés Wainer: We are already since November of last year we have been 100% with AB InBev in Chile. At first, during the first two, three, or four months we had some problems in the sense that AB InBev wasn't able to deliver all the product we needed with the demand we were having. There were quite significant increases in beer consumption in Chile. But from March approximately it has been complete normalized, and we are working in all channels delivering all the product that our customers demand. So that's going very well.
Felipe Ucros: Perfect, fantastic. And maybe the last one I wanted to ask, had to do with Tiger and with Heineken in Brazil. The first, well, if you can tell us anecdotally how you have been doing with the launch. And secondly, I don't know if at this point you can give us some numerical detail, of what impact you expect from the exit of some of Heineken's products from the portfolio versus the entry of others. I don't know if you have any idea what the net effect of that might be. Thank you.
Miguel Ángel Peirano: Hello, Felipe. This is Miguel Ángel. Well, Tiger is a Heineken brand that is a leader in Asia, and we have launched it in Brazil. It is still very recent so we still don't have relevant information to understand what it’s performance will be. But given the type of product, we hope that it will certainly be quite successful because it is very agreeable to the Brazilian palate.
Felipe Ucros: Excellent. And in terms of the impact of the exit of some of the beers in Heineken's portfolio and with the entry of some others, do you have any idea how we should think about that in terms of results?

Andrés Wainer: Well, we're losing about 70% of the volume that we have from Heineken as of September. Now, we are optimistic that, with the new brands, that we are adding now, more towards the future, we will add other third-party brands to our trucks, you must remember that we are no longer exclusive to Heineken. And eventually own brands that we can also have. We believe that, in a period of approximately four, five years, we are going to reach volumes quite similar to those we have today, already with the full Heineken portfolio, with the Heineken brand, Own-brand, etc.
Felipe Ucros: Perfect. That makes it very clear. Thank you very much, Miguel Ángel and Andrés. Congratulations again on the results.
Miguel Ángel Peirano: Thank you, Felipe.
Andrés Wainer: Thank you very much.

Operator: The next question comes from Ulises Argote with JP Morgan. Go ahead, please.
Ulises Argote: Hello, Miguel Ángel, Andrés, Paula. Thank you very much for the time for questions. I think that the ones I had practically all of them were answered, so I just wanted to ask you again on the subject of capital allocation. See a little bit how you evaluate the share buyback part there given the levels where the stock currently is. What do you think about M&A? if there's anything out there on your radar? Anything worth commenting on? Thank you.
Andrés Wainer: Well, on the subject of share buybacks, it's something that's been discussed at some point within the company, but it's not something that makes too much sense for us to do at the moment. So, I don't see at least in the short term that the company is going to have a share buyback program. We must remember that in Chile there are some limitations to that. No more than 5% of shares can be bought, and after a certain period of time they must be resold or decreased from capital. But there are several limitations that don't make it as obvious as in other countries. But it is something that we are always analyzing, it is an option that we do not rule out.
Ulises Argote: Perfect, thank you very much. And in terms of M&A, is there anything there that you can tell us, or more or less if this was something that was in your plans, what kind of projects are you looking for? More or less in terms of multiples, in terms of returns and so on?
Miguel Ángel Peirano: Well, Ulises, in terms of M&A as always we are seeing what possibilities there are, what alternatives there are, in which regions and based on that, understand what our participation is or not in that business. Clearly, we are always alert, we look for options that add value for the company. Right now there's nothing, we are just coming out of the pandemic, the market and the bottlers are repositioning, so there's nothing in the short term, but we're always on the lookout for possibilities that may arise.
Ulises Argote: Perfect, gentlemen. Thank you very much, and congratulations again on the excellent results.
Miguel Ángel Peirano: Thank you very much.

Operator: At this point we will take the questions from the webcast. Now I'll pass the call to Kenia Vargas.

Kenia Vargas: We have the first question from Diego Lanis with Credicorp Capital. And it says, "Good morning. Congratulations on the results. My question relates to Brazil. Could you give more detail about the context of this business? In particular, I would like to understand in greater depth how to explain the magnitude of the gross margin contraction over sales in this segment, considering that the rise in commodity prices is more or less cross-sectional in all segments, and that the depreciation of the Real on average was significantly less than last quarter, but we saw a larger contraction. Going forward, how do you plan to defend the margin considering the continued rise in commodities, and the depreciation of the Real?"
Andrés Wainer: Well, in Brazil we have been increasing prices more or less in line with inflation. In general trying to protect our margins and trying to keep them constant. Now, it's impossible to be exact quarter by quarter, but that was the overall strategy, as there's inflation on commodities, as we're seeing now, we're going to increase prices a little bit more. Probably what one can expect for the next few months.
Now, the question on depreciation. The truth is that when comparing the Real to the previous year, there is an appreciation. It's at lower levels than it was a year ago. There is no depreciation, so that's helping us. And in general that tends to happen, we're in a business that when the currencies of our countries are revalued, it's because there was an inflation on commodities, which is what's happening now. Then there tends to be like a natural hedge. So that tends to protect us, and generally our cost inflation isn't much different from local inflation. Sometimes during some periods there may be some lag, but when you

look at the long-term behavior it tends to be quite similar. In some quarters, as I said in particular, it can be different, we also have mix issues. For example, in this particular quarter beer grew quite a bit, which has lower gross margins, so it's also affecting. But that is how it is. In the long term, one should expect prices to rise very much in line with inflation, and our costs also go in line with inflation.

Kenia Vargas: We have a couple of questions from Martin Zetzsche with Fundamenta Capital. He says, "On costs for the next 12 months, what percentage of your main raw materials, PET, sugar, aluminum, are hedged, and at what levels regarding what we had been seeing? Thank you."
And the second question from this same contact says, "In terms of recovery of the on-premise channel, at what levels do you see it today in all four countries compared to 2019? Because while volume has already exceeded pre-pandemic levels, I understand that what you have been talking about, that much of it was off premise, but the on-premise channel is still below 100%. Thank you."
Andrés Wainer: Well, as I said, in the case of sugar, practically everything is already with a price set for the second half of the year, prices are slightly higher than what we had the previous year, but it's not that much of a difference, but it's somewhat higher. Regarding resin, there is no market to perform hedges so much into the future, but we can make advance purchases to go setting a price, and we have been doing that. And for the next two, three months usually the price is already fixed, and prices are very competitive.
Now after that, I would say that by Q4, at the end of Q3, we're probably going to have higher prices than the previous year, at least measured in dollars, because resin has gone up quite a bit, it must be between 10% and 20% more expensive than a year ago, at least in dollars. Then, how much that's going to be in Chilean pesos is going to depend on what happens with the exchange rate, but as I told you in general, at least in the mid and long term, there is a natural hedge. When commodities rise, exchange rates appreciate, and the effect on local currency is mitigated quite a bit.
Miguel Ángel Peirano: About the on-premise channel issue, it is clearly the channel that is lagging behind in its recovery. Although at the consolidated level, adding up all channels, we are already above 2019, as you say, the on-premise channel is still low, and its opening comes hand in hand with the loosening of restrictions in each of the countries. So we hope that as that continues the channel will grow. Those customers who managed to survive the COVID-19 storm are growing strongly. Those who unfortunately closed, at this moment there are new businesses that are opening in those places and are taking advantage of the resumption that immediate consumption is having, the on-premise consumption. Understanding what we are learning from countries that are already ahead on this COVID-19 curve in both Asia and Europe, that there's a certain revenge effect of the consumer who was deprived of being able to enjoy, go to a restaurant, a bar, enjoy spending time with their friends, or their family. There is a certain retaliation, a certain additional growth so we hope that in the short term, if openings continue in the on-premise channel, we can also reach the levels of 2019.

Kenia Vargas: The next question comes from Gonzalo Sandoval with Security AGF. "Regarding the distribution of beer in Brazil, could you tell us more about the portfolio of the new distribution agreement, and what impact do you estimate in the medium term? Thank you."
Miguel Ángel Peirano: Basically, of the brands belonging to Heineken and that continue in our portfolio after this agreement, are the Sol brand, the Kaiser brand, Bavaria, Eisenbahn, and Tiger, recently launched. There we clearly have many growth opportunities, especially the Eisenbahn and Tiger brands that are very good brands, in particular Eisenbahn, that are very well positioned in Brazil, where the distribution was not so extensive, so there we do have a very good opportunity. And Tiger being the prestigious brand it is in Asia, the bet is that it will also continue to grow.
At the same time, it should be remembered that, unlike the previous agreement with Heineken, here in the previous agreement we had exclusivity for the sale of their brands, in this case we have up to a certain percentage of the volume, to be able to launch both third and own brands, we are seeing, negotiating in order to be able to increase the portfolio to perhaps within four to six years be able to recover the volumes that we had prior to the new agreement.

Kenia Vargas: And the last question comes from Isabel Luna with Megeve, and she says, "Good day. I wanted to know the evolution of the online channel. How did it perform and what do you expect going forward with the return to greater mobility?"

Miguel Ángel Peirano: The online channel has undoubtedly been one of the most impacted by COVID-19 in terms of accelerating its implementation. People are increasingly losing their fear when buying online, by placing their credit card on a site, and this makes that loss of fear plus the comfort of being able to buy online, this channel has been growing, particularly in Chile. Added to the fact that on our website we make direct home deliveries, direct to the consumer, at micocacola.cl, that channel is doubly benefited by the growth that the channel itself is having, by the fact of the loss of fear of people who are having to buy online.
And on the other hand the advantage of being able to buy on this site, almost any beverage product you want. This is another added advantage in having a complete portfolio of beverages as we are generating in Chile, where in one place you can access the best brands with the comfort of home delivery. At the same time we are also growing in implementations in online sales both for the consumer in other countries and for attention to our customers, to Mom & Pops in the four operations where we are.

Kenia Vargas: At the moment I have no more questions via webcast.

Operator: We have one more question and it comes from the line of Alan Alanis with Santander. Go ahead with your question, please.
Alan Alanis: Yes, thank you very much for taking my question and congratulations on the results, excellent results. A couple of questions. One, regarding Heineken. The likelihood that the agreement will be extended again beyond September, how likely do you see it? Do you see a very low probability? And I will tell you where the question comes from. In other words, Heineken is ready to take its own distribution in places like Rio de Janeiro, where they did not have very strong distribution. That would be the first question.
Miguel Ángel Peirano: Hello, how are you Alan?, This is Miguel Ángel. Well, everything would indicate that in September, the agreement would be implemented as planned. We do not see any further delay, although all this is dynamic, but initially there would be no delay in September.
Alan Alanis: Okay. And the second question is a little bit in relation to The Coca-Cola Company. Yesterday Coca-Cola Femsa announced a new collaboration agreement with The Coca-Cola Company, which is very similar to what Andina has already been executing, it seems to me in Chile, read from the outside. So the question has to do with, how is that relationship with The Coca-Cola company going? Correct me, Miguel, Andres, historically the agreements were by country, not by bottler, and there was an agreement on the cost of concentrate. Then it changed in Chile where there was a change of a different profit split, and now it seems that we are seeing a change.
So the specific question is, is the agreement that Coca-Cola Femsa announced yesterday with The Cola-Cola Company a different agreement or very different from what you're seeing in your relationship with Coca-Cola? Does it affect you at all? Or it has no impact on you?
Miguel Ángel Peirano: Well, the bottler's relationship with Coca-Cola is particular to every bottler. While there are standards at the country level they are generally replicated symmetrically. What Femsa has done, the agreement it has reached with Coca-Cola, is an agreement between Femsa and Coca-Cola, so from our point of view it is transparent. We have our territories, we have our agreements with Coca-Cola where our goals have been perfectly defined and aligned, which I think is the most important thing. Beyond the agreements, the way of working in the day to day, the relationship, the ability to have the trust and support to do everything we have done, clearly what has been done in Chile in terms of portfolio expansion, in terms of innovation, in terms of agreements with third companies, starting with Diageo, then continuing with Capel, the agreement with AB InBev, clearly proves the excellent relationship we have with the company, and how aligned we are with them. So we are working perfectly well and the agreements that are made with the bottlers, is an issue of the bottlers, we are not affected, and our relationship is spectacular.
Alan Alanis: OK. The answer is very clear, and it confirms, I mean, it would seem that Femsa is just coming to an agreement that you've been executing in Chile for a long time now, right? Then again congratulations on the results and thank you for taking my question.
Miguel Ángel Peirano: No, thank you very much, Alan. Best regards.
Alan Alanis: Best regards to you too.

Operator: We have no further questions at the moment. I now give the floor Mr. Miguel Ángel Peirano for his closing remarks.

Miguel Ángel Peirano: *I just want to thank you for the time, your participation in this call and your interest in the results of Coca-Cola Andina. As always, our investor relations team and management are and will be at your disposal to meet with you and answer any questions you may have. We remain at your disposal. Have a nice day.*