

4Q23 Conference Call Guidelines

Miguel Ángel Peirano: Good morning and welcome to Coca-Cola Andina's earnings conference call for the fourth quarter of 2023.

We closed the fourth quarter of 2023 with solid financial results, as we had in the previous three quarters. In local currency terms, adjusted EBITDA increased by 20.6% (in real terms) in Argentina, 19.5% in Brazil, 5.5% in Chile, and 23.1% in Paraguay. Adjusted consolidated EBITDA for the quarter was CLP 159,070 million, a 7.3% increase in Chilean pesos with a margin expansion of 180 basis points, while earnings increased 78.7% year on year to CLP 80,740 million.

It is worth noting that the strong devaluation of the Argentine currency in December 2023 had a negative impact on the Company's consolidated results. Because Argentina is a hyperinflationary economy, IAS 29 requires that the full year (and fourth quarter) results of this operation be translated into Chilean pesos using the period's closing exchange rate. Isolating this effect, the Company's adjusted EBITDA on a currency neutral basis increased by 13.9% during the quarter. Excluding the Argentina operation, the Company's EBITDA increased 12.9% over the same period the previous year.

The Company's consolidated volume decreased by 1.0% in the quarter, owing to an 8.4% volume reduction in Argentina, a country experiencing a difficult macroeconomic situation that has resulted in a significant loss of purchasing power by consumers, and an 8.3% reduction in Chile, where we experienced adverse weather conditions compared to the previous year. Both Brazil and Paraguay experienced volume growth of 10.8% and 5.5%, respectively, but this was insufficient to offset the previously mentioned volume reductions.

The achievements we made in ESG issues in 2023 are equally important to the Company as the financial results. We were included in the Dow Jones Chile Index for the eighth year in a row, as well as the Dow Jones Sustainability Index MILA Pacific Alliance for the seventh year in a row. Our dedication and perseverance to these issues has enabled us to be the best-ranked Chilean company in our industry, as well as one of the top four companies globally in our industry. In terms of water consumption, we ended the year with a ratio of 1.72 liters of water withdrawn for every liter of beverage produced, with notable achievements including the implementation of effluent water treatment and recovery projects in Chile and Brazil, among other initiatives. In Argentina, Brazil, and Paraguay, we are already producing bottles made from recycled PET resin. In Paraguay, we inaugurated Circular Pet, a plant in which we own 33.33 percent, allowing us to recycle PET containers and transform them into recycled food-grade resin to produce new bottles, while in Chile, we are continuing to build the Re-Ciclar plant, which will begin operations in 2024. In terms of soft drink returnability, we closed the year with 41.4% in Argentina, 40.0% in Paraguay, 41.1% in Chile, and 22.2% in Brazil, placing us among the top bottlers in the system globally. Our focus on energy has led to the use of 100% renewable energy in Renca, Antofagasta, Ribeirão Preto, and Duque de Caxias plants, as well as distribution centers in Brazil. Finally, we were named Employer of the Year in Paraguay, and in Chile, we ranked first in the MERCOSUR beverage category and second in the mass consumption category.

Andrés will now comment on 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. The figures of our Argentine operation for both the fourth quarter of 2022 and the fourth quarter of 2023 are presented in local currency as of December 2023.

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 operations in Argentina and Paraguay.

For each of our franchises, the figures we will analyze in each of them will be in nominal local currency, and in the case of Argentina, as mentioned above, they will be in real currency, as of December 2023.

In Argentina, Net Sales fell 8.0% in the quarter, owing primarily to the decrease in volume previously mentioned by Miguel Angel, which was slightly offset by an increase in the average revenue per unit case sold as a result of price increases in line with local inflation implemented this quarter.

Cost of sales decreased by 15.7% in the quarter, owing primarily to lower sales volume, lower concentrate costs, and lower PET resin costs. This was partially offset by higher labor and sugar costs.

Distribution costs and administrative expenses fell 8.4% in the quarter, owing primarily to lower distribution and transportation freight expenses as a result of lower sales volumes. This was partially offset by increased labor expenses.

Finally, Adjusted EBITDA increased 20.6% in the quarter, while Adjusted EBITDA margin expanded 443 basis points to 18.6%. Argentina accounted for 14.9% of the Company's Adjusted EBITDA.

In Brazil, Net Sales increased by 21.3%, which was primarily due to the previously mentioned increase in volume and the increase in average revenue per unit case sold.

Cost of sales increased by 19.1%, which is primarily due to increased sales volume, a shift in the mix toward higher unit cost products, and higher labor costs. This was partially offset by lower raw material costs, particularly for Pet resin.

Distribution Costs and Administrative Expenses increased by 20.6%, owing primarily to higher distribution expenses caused by higher volumes and tariffs, as well as higher labor and marketing expenses.

In the quarter, Brazil's Adjusted EBITDA increased by 19.5%, while Adjusted EBITDA margin fell by 31 basis points to 20.2%. Brazil accounted for 30.3% of the Company's Adjusted EBITDA.

In Chile, Net sales fell 0.1% in the quarter, owing primarily to the previously mentioned decrease in volume, but partially offset by an increase in average revenue per unit case sold due to price increases.

Cost of sales decreased by 3.7%, which was primarily due to lower volume sold and lower raw material costs, particularly pet resin. This was partially offset by a shift in the mix toward higher-unit-cost products and higher sugar prices.

Distribution Costs and Administrative Expenses increased 7.9% in the quarter, owing primarily to higher marketing expenses and higher labor and service costs provided by third parties. This was partially offset by lower distribution and freight expenses due to lower volume.

Adjusted EBITDA increased 5.5% in the quarter, and Adjusted EBITDA margin reached 20.0%, up 106 basis points from the previous year. During the period, the Chilean operation accounted for 40.8% of the Company's Adjusted EBITDA.

In Paraguay, Net Sales increased 13.7% in the quarter, owing primarily to a higher average price and the aforementioned volume increase.

Cost of Sales increased 11.6%, owing primarily to increased volume sold, a higher cost of concentrate due to price increases, a higher cost of sugar and fructose, and a shift in the mix toward higher unit cost products. This was partially offset by a reduction in the cost of Pet resin.

Distribution costs and administrative expenses increased by 3.0%. This is primarily explained by higher distribution expenses as a result of increased volume sold, as well as higher labor and third-party service costs. This was partially offset by increased other operating income, which falls under this category.

Adjusted EBITDA increased 23.1% in the quarter, and Adjusted EBITDA margin reached 32.8%, up 250 basis points from the previous year. Paraguay accounted for 13.9% of the Company's adjusted EBITDA.

By 2024, we expect a Capex of around USD 250 million. An important portion of this Capex will go toward investments in returnable bottles and boxes, as well as refrigeration equipment to be installed at points of sale that require it, thereby supporting our customers in both on-premise and traditional channels. In addition, we will continue with our project to expand and adapt our infrastructure in Brazil for the manufacture and storage of new products, including the acquisition of a state-of-the-art mixed production line, capable of producing beer and alcoholic and non-alcoholic beverages, which will be operational in early 2025. Finally, we will complete our projects to reopen the Mendoza plant in Argentina and the Pet resin recycling plant in Chile. It is important to note that this Capex estimate is constantly evaluated and monitored, and may change depending on the macroeconomic conditions in the countries in which we operate.

This opens the floor for any questions you may have.

Operator: The first question comes from Ulises Argote, with JP Morgan. Go ahead please.

Ulises Argote: Perfect, thank you very much. I apologize for the technical issue. Hello, Miguel Angel, Andres, Paula, how are you? I have a couple of questions. The first one is a little bit about the volume issue in Chile. And if you could give us a brief overview of the specifics, how you assessed the region's performance and a brief assessment of the outlook for 2024. It would be helpful if you could provide some additional details regarding hedges, particularly with regard to their projected costs through 2024. Lastly, I believe that regarding the CAPEX issue in the release you briefly discussed that a significant portion of the 250 million dollars that will go toward returnable projects in the release. Andrés, I think that in your remarks you were talking about the relevance of that part. In order to comprehend the market that these projects are targeting. What are the targets or objectives for returnables in each of the regions?

Thank you very much.

Miguel Ángel Peirano: Hello Ulises, how are you? Good morning. Regarding Chile's volume, the drop in the fourth quarter is basically due to the temperature issue. In general we had quite cold months compared to the previous year. And we are somehow proving this based on what is happening during the month of January. Temperatures in January are in line with the previous year as were volume levels. As a result, this variable has the greatest impact, given that prices were slightly higher than inflation both in the fourth quarter and in the first month.

Andrés Wainer: Hello Ulises, how are you? This is Andrés. As you know, we are constantly hedging sugar prices. We have hedges for roughly 75% of the sugar volume required for the first half of 2024 and one-third of the second half. The hedge prices in the first semester are higher than the previous year, by about 20%, and the hedge prices in the second semester are very similar to the previous year, at least so far. We don't expect any further increases on that side.

Regarding CAPEX, our program totals 250 million dollars for the year. Apart from the standard investments in returnable containers and cold equipment, we are working on three projects that are very important for the company. One has to do with the entire infrastructure and line for producing beer at our Duque de Caxias plant in Brazil, which should be operational by the beginning of 2025. That is a total investment of more than US\$80 million. Approximately half of that figure was achieved last year, in 2023, with the remaining half expected in 2024. We're also reopening a soft drink plant in Mendoza and installing a state-of-the-art line of returnable beverages. This should be operational by the end of this year or early 2025. It is a total investment of approximately US\$30 million, of which half of that investment has already been made and the other half is scheduled for 2024.

Finally, we are working with Embonor to build a plant in Santiago that will produce recycled resin. It is a total investment of approximately US\$ 35 million; a large portion of that investment has already been made in 2023, with approximately US\$ 10

million remaining to be made in 2024. That plant will also be operational by the end of the year, allowing us to incorporate recycled resin into our one-way bottles for our franchise in Chile.

Ulises Argote: Perfect. Thank you very much. Just a follow-up on what you mentioned about CAPEX for returnability projects and such. In the release, you state roughly how many percentages you currently have in each region. Do you have a target or anything you could tell us about where you see this aspect of returnability by region?

Andrés Wainer: Yes, we have a target, a 2030 goal that we established for ourselves, which is public and included in our integrated report. That document provides a breakdown by operation.

Ulises Argote: Ok, perfect. Thank you very much for the information.

Operator: Ok, thank you. The next question comes from Constanza Gonzalez from Quest Capital. Please continue. Okay, I think Constanza got disconnected.

So, we move on to another question. The next question comes from Alan Alanis with Santander. Go ahead please.

Alan Alanis: Thank you very much. Good morning, Andrés and Miguel Ángel. Congratulations on the results. My question is about Brazil; could you tell me what the volume growth drivers were in the fourth quarter? How are you seeing that level of volume sales for 2024? Please include something in the comments about market share. Thank you very much.

Miguel Ángel Peirano: Hello Alan. How are you? Good morning, this is Miguel Ángel. Well, essentially, the factors driving Brazil's growth are the country's higher temperatures compared to the previous year, which encourage volume growth, and Lula's implementation of specific distribution policies aimed at providing aid to the most vulnerable groups. Volume and sales have increased as a result of this combination, as well as Renato's execution and overall pricing strategy. In terms of market share for the entire year, we finished the year slightly higher in Sparkling and in line with NARTD compared to last year. In comparison to the previous quarter, we saw slight losses in both categories.

Alan Alanis: OK. Very clear. And do you anticipate that volume strength moving forward, or what expectations do you have for Brazil in this regard?

Miguel Ángel Peirano: Indeed, Brazil is having a very good year, and we think this will continue. We are very optimistic about Brazil since its economy appears to be in very good shape and there is nothing that would raise red flags or suggest that the current situation will change.

Operator: Ok, thank you. The next question comes from Diego de BTG Pactual. Go ahead please.

Diego Guzmán: Hello, good morning. Miguel Ángel, Andrés. Regarding Argentina, I had a few questions for you. In addition to what you could tell us about how 2024 is starting in very general terms, particularly with regard to volumes, I wanted to see if you could shed some more light on how you were viewing the business's development in December.

And I was wondering if you could further clarify the EBITDA margin expansion that occurred in Argentina, what the drivers were, and what to expect in the future in this regard.

Finally, I was wondering if the operational adjustment of Argentina's results as of September 2023, that is, accumulated as of September, is made in the quarterly or annual numbers that you show in your financial statements? Thank you so much.

Miguel Ángel Peirano: Hello Diego, good morning. As you are well aware, Argentina is currently undergoing a significant economic restructuring. And this is undoubtedly affecting all segments and markets. Regarding this, it was something that was expected and well understood by those in charge of Argentina, because it is not the first macroeconomic adjustment that Argentina has undergone with the team we have, so we have prepared ourselves to face this complex situation in the best possible way. This requires a combination of cost-cutting measures and the ability to respond quickly to volume decreases.

In price management, particularly in a packaging structure focused on returnability, we are able to continue supplying the market with products that are much more affordable to the pockets of the people that are currently being hit hard by the adjustment in Argentina. We believe that this adjustment will benefit Argentina's economy in the future. And, as I previously stated, we believe we are better prepared to deal with this situation by having a very flexible cost and packaging structure, as well as the option of having low-cost products that can be passed on to the price. And in this situation, when the cycle begins to generate again, to be positive in Argentina, I believe we have a great opportunity to capitalize on our preparation. As previously stated, the issue of margin expansion is primarily driven by price and cost issues. We implemented some revenue growth management and have a cost structure that allows us to deal with this situation. This comes from previous investments, such as the sugar issue. We can produce our own sugar from raw sugar, whereas the rest of the bottlers, our

competitors, must purchase refined sugar. This makes a significant difference in long-term costs. Essentially, this is the situation in Argentina. Going forward, we expect an impact on volumes, particularly in the first few months. We therefore strive to maintain fair prices while taking into account people's financial circumstances and making efforts to cut costs in order to maintain as much of a margin as we can.

Andrés Wainer: Hi Diego, how are you? This is Andrés. With respect to your question on the accounting treatment of Argentina, we must use IAS-29 to convert the Argentine operation figure to Chilean pesos because Argentina has a hyperinflationary economy. Accordingly, the closing exchange rate of each quarter is used to translate the Argentine figures for both the accumulated and quarterly reporting period. Therefore, for the year as well as for the fourth quarter, the figures were translated into Chilean pesos at the closing exchange rate for Argentina and Chile. Argentina's exchange rate was 808.4. This implies that adding the four quarters reported during the year will not effectively equal year-end figure reported. But, there's nothing to do there. That is what IAS 29 implies.

Diego Guzmán: Yes, perfect. That is part of the effect that I did not see, but it is clear to me.

Operator: Ok, thank you. The next question comes from Felipe Ucos, with Scotiabank. Go ahead please.

Felipe Ucos: Good morning, Miguel Ángel, Andrés. Thank you for providing space for questions. I believe the majority of the questions I was going to ask, have already been asked, but perhaps I can ask you about salaries in Argentina. Obviously, given the circumstances, sales were expected to be weak, but the margin increase was unexpected, particularly on the expense side. I believe the cost side was quite clear, but the expense side appears to have seen no significant increases. And I'm not sure if you can provide any information about the rate at which those increases are occurring on the Argentina platform. How frequently are you increasing salaries so that we can incorporate that into our models? And maybe a second question about dividends: with net debt at similar levels as last year, are you considering recommending extraordinary dividends to the board? Thank you so much.

Miguel Ángel Peirano: Hello, Felipe. The wage issue in Argentina is a source of great tension because it directly affects our people. There are two large groups to consider: unionized and non-unionized. The unionized group is agreed upon with the unions in the bargaining agreements, and they are made redundant to the extent that the unions request the bargaining agreements based on inflationary trends and adjustments. In the case of non-unionized workers, we make adjustments every two months to avoid delays and a significant impact on their pockets due to inflation. Looking forward, inflation is expected to gradually decrease, and this will undoubtedly relieve pressure on salaries.

Andrés Wainer: Hello Felipe, how are you? Regarding your question about whether there will be extraordinary dividends this year, that is up to the Board of Directors. It is something we cannot define. Yes, we have a net financial debt that is considered quite low and slightly lower than our long-term target of 1.5 to 1.8. So there is some room, but it must eventually be decided by the board of directors, and then by the company's shareholders' meeting.

Felipe Ucos: Ok, perfect. It is very clear to me. Thank you very much for providing the space.

Operator: Ok, thank you. The next question comes from Carlos Laboy with HSBC. Please go ahead.

Carlos Laboy: Yes, good morning. Miguel Ángel, could you tell us about the sales of beer, wine, and alcohol in Chile? Has there been any change, and how do you see 2024 in terms of the opportunity to sell alcoholic beverages other than beer in Brazil?

Miguel Ángel Peirano: Hello Carlos, how are you? Good morning. In general, sales of alcoholic beverages in Chile have been increasing, particularly in the last quarter, the last half of the year, and the last quarter in particular, so we are very optimistic about how all of these categories are performing. Certainly, there is still work to be done, and there is room for growth, but the direction and speed with which we are moving has accelerated, so we are quite satisfied.

Regarding the other question, adding another type of alcoholic beverage in Brazil, we are always looking into options. We are currently focused on beer, particularly in Brazil, and hope to complete construction by the end of this year so that we can begin producing our own beer in the first quarter of next year, as well as beers for other bottlers and companies. So that we can begin to capitalize on this segment, about which we are very excited and believe there are numerous opportunities in Brazil.

Carlos Laboy: Thank you.

Miguel Ángel Peirano: Thank you Carlos.

Operator: Ok, The next question comes from Ewald Stark, with BICE Inversiones. Go ahead please.

Ewald Stark: Hello and thank you very much. Thank you so much for the presentation. I'd like to ask you about Argentina. When we saw that volumes fell almost 10%, or approximately 8%, what can we expect in 2024, given all of the reforms that are taking place in Argentina? What scenarios are you dealing with, how far can they fall, and when can we expect an eventual recovery, if it is in your scenarios?

Miguel Ángel Peirano: Hello, how are you, this is Miguel Ángel. Well, predicting volumes in Argentina is really difficult, isn't it? I believe you must be a bit of a magician, but the reality is that we are seeing a first quarter with volumes falling sharply, and then, going forward, volumes will normalize, but this will obviously depend on a variety of factors. One of them is how and how many of the measures proposed by the government will be implemented, and what effect these measures will ultimately have on the people and the industry. However, in a tendential way, a difficult first quarter followed by improvement.

Ewald Stark: Ok, thank you.

Miguel Ángel Peirano: Thank you.

Operator: Thank you. We have a text question from José Andres Navarro from Arrayan Asset Management. Hi, how sustainable are the volume growths in Brazil, how much growth should be expected in the medium term?

Miguel Ángel Peirano: Well, José, we're very optimistic about Brazil's volume growth this year. I can't tell you whether or not this growth will continue, but it will undoubtedly be a good year.

Operator: Thank you. We have another text question from Benjamin Guevara Sinclair with FYNSA. What can we expect going forward in terms of margins for the Argentina segment? It is reasonable to expect that the inflationary effect will have an impact on volumes and cost-wage adjustment.

Andrés Wainer: Yes, hello Benjamin, how are you? This is Andres. I believe that Argentina, as Miguel Angel stated, is a country that is currently difficult to project. The important thing here is that we, as a company, have a great team and a lot of flexibility and agility to change our strategy and adapt to all of the changes that are occurring. Having said all this, our internal goal is to try to have a result very similar to the previous year, to 2023, in real terms in local Argentine currency. Most likely volumes will be lower than the previous year, particularly in the first half of the year, and as Miguel Angel explained, recovering during the second half of the year. In terms of margins, we finished last year with a historical margin in Argentina, which was our highest margin in the franchise, at nearly 19%. We expect some margin contraction this year, but we do not believe it will be significant.

Operator: We have one last text question, from Jeronimo de Guzman, with Inca Investments. You mentioned a rise in the price of sugar in 2024. How do you see the remaining inputs and the overall increase in inputs? Do you expect to be able to protect margins through pricing?

Andrés Wainer: Hello Jerónimo. As I had mentioned, it is true that sugar prices are rising and that this year will see a significant increase, particularly in the first half of the year. The second half of the year will likely see much less impact, if any at all. PET resin is relatively low-priced, and the other inputs are quite controlled. PET resin prices are anticipated to be somewhat lower in the first half of this year compared to the previous year, and to be very similar in the second half. And in order to keep our margins, we do plan to raise prices. As a result, overall this year's margins should resemble those of last year; we do not see relevant changes.

Operator: Ok, thank you. We have a question from Constanza Gonzalez with Quest Capital. Let's see, go ahead please, if you can.

Constanza González: Hello, good morning Miguel, Andrés. Thank you for the call and I apologize for the earlier inconvenience. Regarding the distribution contracts, I wanted to know if you were considering signing a new agreement with any other partner, given that I know AB InBev's contract will be renewed next year. Beyond the knowledge that these contracts are typically renewed, the emphasis would be on being able to, say, increase the product mix and not just in Chile but also in the other regions where you operate.

Miguel Ángel Peirano: Hello Constanza, how are you? Basically, we are very calm, satisfied and enthusiastic with the partnerships we have in the other segments and our goal is to keep moving forward with this evolution. In the case of Chile, we are actually already in all segments; we may even have already become a Total Beverage Company and the goal for the other countries is to keep searching for opportunities that may arise to add new segments, especially in soft drinks. Due to markets and circumstances, opportunities come and go, sometimes we have to wait for them, and sometimes they are already taken and there are none. Since every country has its unique identity, we will definitely keep looking for and promoting the addition of beverage segments that enhance our portfolio, sell more Coca-Cola products, and are complementary to each other.

Constanza González: Yes, thank you.

Miguel Ángel Peirano: Thank you Constanza.

Operator: Okay, we have another text question from Patricio de la Torre with Sagil Capital, Could you provide a more detailed analysis of the increase in the bottom line broken down by exchange difference and indexation unit? The devaluation of the Argentine peso had a negative effect on the one hand, and adjustments to inflation and Chilean debt had a positive impact on the other, correct?

Andrés Wainer: Hello Patricio. Results by indexation unit has two positive effects in this quarter. One is due to the lower inflation in Chile, compared to last year, since a significant part of the debt in Chile is denominated in UF, so the lower the inflation, the lower the loss per indexation unit. On the other hand, the higher inflation in Argentina also helped us, it produces a positive effect, and this is because in Argentina our non-monetary assets are higher than our non-monetary liabilities. Regarding exchange difference, the loss occurs mainly because in Argentina we have debts in dollars with foreign suppliers, which we have not been able to pay due to importer payment restrictions. Since these debts are in dollars and the currency is devalued, there is an exchange difference loss.

Operator: Okay, thank you. Well, if there are no further questions, then, Mr. Peirano, do you have any final comments?

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