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Coca-Cola Andina announces agreement to commercialize and distribute ABInBev Chile products

Embotelladora Andina signed a distribution agreement with Cervecería Chile S.A. (ABInBev Chile), to commercialize and distribute ABInBev Chile main brands. The Agreement will have a duration of 5 years from November 1, 2020, the date on which the provision of services must have begun. Said term will be renewable under the terms and conditions set forth in the Agreement.

"This agreement is part of our growth and product diversification strategy, in order to offer a broader beverage portfolio to our clients and consumers. This agreement is in line with complementing our non-alcoholic product portfolio, with the commercialization and distribution of alcoholic beverages that we are already performing in Chile through agreements with Diageo and Capel", explained Miguel Ángel Peirano, Chief Executive Officer of Coca-Cola Andina.

Among the brands of products of Cervecería Chile S.A. to be distributed by Andina in the Metropolitan, Coquimbo, Aysén and Magallanes regions, as well as in the provinces of Cachapoal and San Antonio, are *Corona, Stella Artois, Budweiser, Becker, Báltica, Cusqueña, Kilometro 24.7 and Quilmes*, among others.

The volume of these products in the last 12 months reached approximately 28.3 million unit cases in the territories where they will be commercialized by Andina, which represents an estimated market share of 29.5% in the beer market. The commercialization and distribution of these products is expected to generate an EBITDA margin on the revenue from this operation of approximately 5% for Coca-Cola Andina. The Company will not have to make significant additional investments to implement the commercialization and distribution of ABInBev Chile products.



Coca-Cola Andina is among the three largest Coca-Cola bottlers in Latin America, servicing franchised territories with almost 54.0 million people, delivering 746.4 million unit cases or 4,238 million liters of soft drinks, juices, and bottled water during 2019. Coca-Cola Andina has the franchise to produce and commercialize Coca-Cola products in certain territories in Argentina (through Embotelladora del Atlántico), in Brazil (through Rio de Janeiro Refrescos), in Chile, (through Embotelladora Andina) and in all of Paraguay (through Paraguay Refrescos). The Chadwick Claro, Garcés Silva, Hurtado Berger, Said Handal and Said Samavia families control Coca-Cola Andina in equal parts. The Company's proposal to generate value is being a leader in the non-alcoholic beverages market, developing a relationship of excellence with consumers of its products, as well as with its employees, customers, suppliers and with its strategic partner Coca-Cola. For more Company information visit www.koandina.com.

This document may contain projections reflecting Coca-Cola Andina's good faith expectation and are based on currently available information. However, the results that are finally obtained are subject to diverse variables, many of which are beyond the Company's control and which could materially impact the current performance. Among the factors that could change the performance are: the political and economic conditions on mass consumption, pricing pressures resulting from competitive discounts of other bottlers, weather conditions in the Southern Cone and other risk factors that would be applicable from time to time and which are periodically informed in reports filed before the appropriate regulatory authorities, and which are available on our website.