

EARNINGS RELEASE

EBITDA GREW 7.7% WITH REVENUE UP 3% IN 4Q20

Monterrey, Mexico, February 16, 2021 – 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 fourth quarter and twelve months of 2020 (“4Q20” and “12M20”).

Table 1: Financial Highlights

DATA IN MILLIONS OF MEXICAN PESOS						
	4Q20	4Q19	Variation %	Jan-Dec'20	Jan-Dec'19	Variation %
Total Beverage Volume (MUC)	561.1	560.8	0.1	2,154.8	2,239.7	-3.8
Net Sales	42,665	41,409	3.0	169,314	162,728	4.0
EBITDA	8,633	8,017	7.7	32,147	30,404	5.7
Net Income	2,519	2,337	7.8	10,276	9,588	7.2

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

4Q20 HIGHLIGHTS

- Net Sales reached Ps. 42,665 million, up 3%.
- EBITDA totaled Ps. 8,633 million for a margin of 20.2%, representing an increase of 7.7%.
- Net Income came in at Ps. 2,519 million, representing a margin of 5.9%.

12M20 HIGHLIGHTS

- Net Sales increased 4% to Ps. 169,314 million.
- EBITDA totaled Ps. 32,147 million, 5.7% higher than 2019 for a margin of 19%.
- Net Income reached Ps. 10,276 million for a margin of 6.1%.

COMMENTS FROM THE CHIEF EXECUTIVE OFFICER

“The combination of our scale, product portfolio, commercial platform, innovation and most importantly our great team of associates, allowed us to rise up and face one of the most challenging years in the history of the company. We delivered outstanding results, growing our sales and EBITDA by 4% and 5.7%, respectively, while expanding EBITDA margin by 30 basis points. Furthermore, we protected our profitability and future growth prospects, while strengthening all areas of business, particularly digital platforms, operating capabilities, and sustainability.” said Arturo Gutiérrez, CEO of Arca Continental

“For 2021, we are committed to reinforcing our results, by focusing on our execution at the point of sale, operational discipline, and liquidity, and as always, seeking to exceed customer and consumer expectations.” he added.

CONSOLIDATED RESULTS

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

TABLE 2: CONSOLIDATED DATA

	4Q20	4Q19	Variation %	Jan-Dec'20	Jan-Dec'19	Variation %
Volume by category (MUC)						
Colas	297.7	292.5	1.8	1,142.0	1,144.6	-0.2
Flavors	110.8	115.7	-4.2	396.9	441.8	-10.2
Sparkling Total Volume	408.5	408.2	0.1	1,538.9	1,586.4	-3.0
Water*	55.1	56.8	-2.9	215.4	243.5	-11.6
Still Beverages**	43.8	43.0	1.8	170.1	179.8	-5.4
Volume excluding Jug	507.3	507.9	-0.1	1,924.3	2,009.7	-4.3
Jug	53.8	52.9	1.7	230.4	229.9	0.2
Total Volume	561.1	560.8	0.1	2,154.8	2,239.7	-3.8
Income Statement (MM MXP)						
Net Sales***	42,665	41,409	3.0	169,314	162,728	4.0
EBITDA	8,633	8,017	7.7	32,147	30,404	5.7
EBITDA Margin	20.2%	19.4%	80 bp	19.0%	18.7%	30 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 reached Ps. 42,665 million in 4Q20, up 3% (1.6%, currency neutral). In the twelve months of 2020, sales increased 4% (-0.8% currency neutral) compared to last year to Ps. 169,314 million.
- During 4Q20, total volume remained in line with the previous year, mainly due to strong performance of colas and stills categories, both growing 1.8%. For full year, consolidated volume declined -3.8%, mainly from the drop in flavors of -10.2% and water of -11.6%.
- In 4Q20, cost of sales was up 2.3%, as a result of increase in concentrate, as well as FX rate effect, partially offset by lower PET prices and the mix of product sold.
- Consolidated gross profit reached Ps. 19,655 million, an increase of 3.9%, representing a gross margin of 46.1%, 40 basis points higher than 4Q19, primarily from the continuation of our price-pack initiatives.



In 12M20, gross profit was Ps. 76,705 million, reaching a gross margin of 45.3%, 40 basis points higher than last year.

- Selling and administrative expenses decreased 3.1% (-4.5% currency neutral) to Ps. 13,064 million, representing 30.6% of net sales, 190 basis points lower than 4Q19, resulting from efficiencies and savings plans throughout our operations. For the full year 2020, selling and administrative expenses rose 4.1% to Ps. 54,447 million (-0.5% currency neutral). At year's end, the cost and optimization efficiency plan established at the start of the pandemic reached Ps. 2,319 million.
- Consolidated operating income for 4Q20 increased 18.5% to reach Ps. 6,007 million, representing an operating margin of 14.1%. Total expenses incurred related to COVID-19 were Ps. 106.4 million, which were recorded as operating expenses. As of December 2020, consolidated operating income rose 6.3% reaching Ps. 21,472 million, which represents an operating margin of 12.7%.
- In 4Q20, EBITDA increased 7.7% (8.1% currency neutral) to Ps. 8,633 million for a margin of 20.2%, 80 basis points. For the full year, EBITDA reached Ps. 32,147 million, up 5.7% (2.5% currency neutral), for an EBITDA margin of 19%, 30 basis points higher than 2019.
- Comprehensive financing result for 4Q20 increased to Ps. 1,534 million as a result of a FX losses from our US dollar cash position and the appreciation of the Mexican peso. In 12M20, this line item declined 3.2% to Ps. 3,476 million.
- Tax provision for 4Q20 presented an effective rate of 30.2%; the lower rate this year stemmed from a rate increase in 2019 due to changes in the tax code in Peru. For full year 2020, effective tax rate was 30.1%, in line with 2019.
- Arca Continental reported net income of Ps. 2,519 million in 4Q20, up 7.8%, reflecting a net margin of 5.9% or 30 basis points above last year. For 12M20 net income was Ps. 10,276 million which represents a net margin of 6.1%, 20 basis points higher than 12M19.

BALANCE SHEET & CASH FLOW STATEMENT

- As of December 31, 2020, the cash balance was Ps. 27,336 million and total debt was Ps. 50,577 million, for a net debt position of Ps. 23,241 million. Net Debt/EBITDA ratio was 0.7x.
- CAPEX for the year totaled Ps. 6,561 million, approximately 42% below 2019 and mainly allocated towards market execution, distribution, and production 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 the beverage and complementary businesses.

TABLE 3: MEXICO DATA

	4Q20	4Q19	Variation %	Jan-Dec'20	Jan-Dec'19	Variation %
Volume by Category (MUC)						
Colas	177.2	176.1	0.6	713.3	715.3	-0.3
Flavors	33.4	35.7	-6.5	132.0	145.2	-9.1
Sparkling Total Volume	210.6	211.8	-0.6	845.3	860.5	-1.8
Water*	25.8	24.6	5.0	104.4	111.0	-6.0
Still Beverages**	16.6	16.5	0.7	66.4	69.5	-4.5
Volume excluding jug	253.0	252.9	0.0	1,016.1	1,041.0	-2.4
Jug	51.6	50.2	3.0	222.4	218.8	1.6
Total Volume	304.7	303.1	0.5	1,238.5	1,259.9	-1.7
Mix (%)						
Returnable	32.7	30.8	1.9	33.3	31.4	1.9
Non Returnable	67.3	69.2	-1.9	66.7	68.6	-1.9
Multi-serve	60.4	55.3	5.1	59.9	54.2	5.7
Single-serve	39.6	44.7	-5.1	40.1	45.8	-5.7
Income Statement (MM MXP)						
Net Sales	17,924	16,889	6.1	70,174	68,036	3.1
EBITDA	4,053	3,753	8.0	16,844	15,678	7.4
EBITDA Margin	22.6%	22.2%	40 bp	24.0%	23.0%	100 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 FOR MEXICO

- Net sales for Mexico reached Ps. 17,924 million in 4Q20, for an increase of 6.1%. Sales volume totaled 253 MUC (excluding jug water), in line with 4Q19. Average sales price per unit case, excluding jug water, increased 5.8% to Ps. 66.63 in the quarter, resulting from pricing initiatives during the year. For 12M20, net sales increased 3.1% to Ps. 70,174 million while volume reached 1,016.1 MUC, 2.4% below 12M19, due to the mobility restrictions imposed in the territories in which we operate.



- In 4Q20, EBITDA for Mexico increased 8% to Ps. 4,053 million, representing a margin of 22.6%, 40 basis points above 4Q19. For 12M20 EBITDA reached Ps. 16,844 million, representing a margin of 24%, with expansion of 100 basis points versus 2019.
- Non-returnable presentations recovered share of mix when compared to 3Q20, primarily due to the reopening of channels with a high penetration of these formats. Returnable presentations increased in mix by 1.9 percentage points during 4Q20 and full year 2020, when compared to 2019, resulting from market conditions during the pandemic, as well as the continuous expansion of the universal bottle, while also supported by the launching of the 235ml glass returnable format and the awareness campaigns under “a world without waste”.
- In 2020, our total portfolio grew in value share by 1.2 p.p. driven by the water and stills categories, mainly sport drinks and juices.
- During 4Q20, multi-serve presentations continued growing within the mix, as a result of affordability and commercial initiatives, such as promotions and an increase in coverage.
- During the quarter, we continued with the expansion of Topo Chico Hard Seltzer, focusing on the traditional channel, supermarkets, and convenience stores in Monterrey and Guadalajara, generating Ps. 3.1 million in sales during 4Q20.
- In continuing our expansion of low or no-calorie products, and the Topo Chico brand, we launched Topo Chico Twist in two flavors, lime, and grapefruit.
- At the channel level, the traditional trade maintained its positive trend in 4Q20 and 12M20 with 8.9% and 5.4% growth, driven by the sparkling and stills categories, respectively. These results were achieved thanks to programs such as “Open Store Safe Store” and “Plan SOS”, which incentivize the reopening of stores and capturing of new customers. In addition, we doubled down on the AC Digital project, adding over 23 thousand customers by year end, with over 70% of registered customers making purchases through this service model.
- During 4Q20, we continued supporting our on-premise channel customers to mitigate the effects of the pandemic and the restrictions in place through various programs, helping in reopening of more than 90% of the customer base and capturing an additional 6 thousand customers.
- In the Direct-to-Home channel, we closed the year with more than 90 thousand new customers, 26% more than 2019. In 4Q20 alone, we activated around 16 thousand customers and the number of orders increased 13% compared to 4Q19.
- We continued supporting our advanced analytics initiatives such as “Suggested Order”, which helped us to detect changes in consumption and capture new volume opportunities among Mexico’s 200,000+ traditional channel customers. We deployed a promotion optimization model which is allowing us to be more efficient in the application of these resources.
- Yomp!, our sales platform for the traditional channel had over 8,000 customers at the close of 2020 and has grown the number of transactions and product scans by a high-single digit average over 3Q20. Yomp! has continuously grown and scaled its business.
- Bokados in Mexico registered double-digit sales growth and EBITDA margin expansion driven by a focus on our portfolio execution in the traditional channel. In 4Q20 we continued to innovate our portfolio with the launch of new presentations in the tortilla category.



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

	4Q20	4Q19	Variation %	Jan-Dec'20	Jan-Dec'19	Variation %
Volume by Category (MUC)						
Colas	51.9	52.8	-1.6	202.2	200.7	0.8
Flavors	27.8	28.9	-3.8	108.9	111.7	-2.6
Sparkling Total Volume	79.7	81.7	-2.4	311.1	312.4	-0.4
Water*	11.6	12.4	-6.0	53.5	57.0	-6.2
Still Beverages**	15.1	15.9	-5.1	66.8	71.7	-6.8
Total Volume	106.4	110.0	-3.2	431.4	441.1	-2.2
Mix (%)						
Multi-serve	68.9	64.7	4.2	67.4	62.3	5.1
Single-serve	31.1	35.3	-4.2	32.6	37.7	-5.1
Income Statement (MM MXP)						
Net Sales***	15,831	14,856	6.6	66,380	59,038	12.4
EBITDA	2,269	2,040	11.2	8,846	7,355	20.3
EBITDA Margin	14.3%	13.7%	60 bp	13.3%	12.5%	80 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 FOR THE U.S.

- Net sales for the U.S. reached Ps. 15,831 million in 4Q20, 6.6% higher than 4Q19. Sales volume was 106.4 MUC, down 3.2%, as a result of declines in water and stills of 6.0% and 5.1%, respectively. Net sales for 12M20 increased 12.4% to Ps. 66,380 million.
- EBITDA for the U.S. reached Ps. 2,269 million in 4Q20, for a margin of 14.3% which represents an increase of 60 basis points when compared to 4Q19. EBITDA for 12M20 came in at Ps. 8,846 million, up 20.3% versus 2019 for an expansion of 80 basis points.
- Net price for 4Q20 increased 2.5% with a true rate increase of 2.7% above inflation and a negative mix effect of 0.2%, mainly due to the lower mix of sparkling, due to closures in the food service/on premise channel (FSOP) and the loss of traffic in convenience stores, partially offset by a positive effect in mix from transactions of sparkling, Body Armor and energy drinks.
- At the channel level, supermarkets posted 4% volume growth, as consumers continue facing mobility restrictions and remain mostly at home.
- Topo Chico continued its positive performance in the U.S. with 7.1% growth in the quarter, mainly derived from the modern trade, where supermarkets reported double-digit growth, thanks to the efforts to capture higher volume through displays and additional points of contact.
- In 4Q20, we surpassed our 3-year synergy target. We recorded US\$90.4 million in synergies, one quarter ahead of schedule and despite the challenging business climate. Breakdown in savings is 20%



from revenues, 50% in operating cost & expense efficiencies, and 30% from strategic initiatives, which include the benefits from the Northpoint facility.

- At CCSWB we deployed the next best SKU service model for convenience stores to expand our portfolio by 8% with a repurchase rate of 60%. We also deployed a visit prioritizing model in FSOP aimed at reactivating this channel. We advanced in the development of a promotion optimization model which will help improve our investment in discounts and bonuses throughout the market.
- Our e-commerce strategy for 2020 was based on three pillars: myCoke.com, e-retailers and e-commerce capabilities. In 2020, we aimed to strengthen associations and serve new customers. The e-retailer channel posted 86% revenue growth versus 2019. To improve our e-commerce capabilities, we launched various functions in myCoke.com such as myWallet and the mobile app, which gave users an improved experience. Approximately 3,000 myCoke.com customers downloaded the app.
- Wise registered high-single digit sales decline in the quarter, despite strong growth within the supermarket channel. The greatest impact on sales came from mobility restrictions in the “Up and Down the Street” and food service channels, which affected small bags volume, mainly in the New York and New Jersey markets.



South America

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

TABLE 4: SOUTH AMERICA DATA

	4Q20	4Q19	Variation %	Jan-Dec'20	Jan-Dec'19	Variation %
Volume by Category (MUC)						
Colas	68.6	63.7	7.8	226.4	228.6	-1.0
Flavors	49.6	51.0	-2.9	156.0	184.9	-15.6
Sparkling Total Volume	118.2	114.7	3.0	382.5	413.5	-7.5
Water*	17.6	19.8	-10.8	57.5	75.5	-23.9
Still Beverages**	12.1	10.6	14.0	36.9	38.7	-4.5
Volume excluding jug	147.9	145.1	1.9	476.8	527.7	-9.6
Jug	2.1	2.7	-22.5	8.0	11.1	-27.8
Total Volume	150.0	147.8	1.5	484.9	538.8	-10.0
Mix (%)						
Returnable	30.8	30.1	0.7	32.6	30.2	2.4
Non Returnable	69.2	69.9	-0.7	67.4	69.8	-2.4
Multi-serve	74.5	68.7	5.9	74.9	66.9	8.0
Single-serve	25.5	31.3	-5.9	25.1	33.1	-8.0
Income Statement (MM MXP)						
Net Sales	8,910	9,665	-7.8	32,760	35,653	-8.1
EBITDA	2,311	2,224	3.9	6,458	7,370	-12.4
EBITDA Margin	25.9%	23.0%	290 bp	19.7%	20.7%	-100 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 FOR SOUTH AMERICA

- Net sales for the South American division reached Ps. 8,910 million in 4Q20, representing a decline of 7.8%. For 2020 revenues reached Ps. 32,760 million, down 8.1% when compared to 2019.
- In 4Q20, total sales volume (excluding jug water) for South America increased 1.9% to 147.9 MUC, due to a 14.0% increase in stills and 7.8% growth in colas, partially offset by a 10.8% decline in water. In 12M20, total volume for the region decreased 10.0%.
- EBITDA for South America rose 3.9% to Ps. 2,311 million in 4Q20, reflecting a margin of 25.9% for an expansion of close to 300 basis points versus 4Q19. In 12M20, EBITDA reached Ps. 6,458 million and a margin of 19.7%, 100 basis points below 2019.



Peru

- In the 4Q20, sales volume (excluding jug water) increased 0.3%, mainly due to the recovery of the cola category, which grew 11.7% and stills up 9.1%, partially offset by a 14.7% decrease in water.
- We developed the digital platform mibodegaabierta.pe, or “My Open Store”, for the traditional channel, a free website where thousands of customers can find tools to operate their business in a safe way. Through this platform they can download material such as signage, space dividers and ways to build promotions. In addition, we installed more than 5,000 protective shields so that customers can reopen their stores safely. Through these initiatives, we supported the reopening of over 21,000 customers.
- In 4Q20, we launched Coca-Cola without sugar in 3-liter presentations to strengthen the multi-serve non-returnable segment while protecting affordability for consumers, which drove incremental volume in this category and coverage in the traditional channel of 70%.
- Furthermore, to reinforce the competitiveness of Inca Kola at the point of sale and to take advantage of the universal bottle resources, we launched 1-liter glass returnable and 2-liter PET non-returnable presentations at competitive prices in the Lima territory.
- During 4Q20, we entered the hard seltzer category with the launching of Topo Chico Hard Seltzer as we had done in Mexico.

Ecuador

- Sales volume declined 0.7% in 4Q20, as a result of the negative performance of the water category, down 10.1%, partially offset by a favorable performance of colas which grew 1.1%. For 12M20, volume decreased by 10.8%.
- During the fourth quarter, we continued developing our portfolio with a focus on returnability, as well as the strengthening of emerging beverages such as tea, the launching of new flavors of the Jugos del Valle Nectar brand and the launch of the new flavor Monster Ultra.
- Inalecsa posted mid-single digit volume and sales declines in 4Q20, but notably registered an increase in market share. During the quarter we carried out different launches within the pork rind category; Also, a new product of our iconic brand Inacake helped increase coverage and market share in these categories.
- In Tonicorp, our commercial efforts in 4Q20 focused to deploy service models to improve customer interaction through the specialization of delivery routes and segmentation. Given the current situation, we implemented a strategy based on four pillars to recover volume for the operation: recover consumption occasions within the home, generate consumption of affordable nutrition, expand premium brands in the modern trade and grow the ice cream category.



Argentina

- In 4Q20, sales volume increased 8.4% stemming from a greater recovery in the stills and colas categories, which grew 46.5% and 11.1%, respectively. For 2020, volume increased 1.4% as a result of the strategies implemented during the year to protect the affordability of products through returnability.
- At the channel level, we implemented a strategy in the traditional and supermarkets to increase coverage and promote the performance of brands such as Aquarius, Cepita, Powerade, Monster and Ades, among others, where the customer can incentives through the purchase of suggested products that contribute to the development of these categories.
- In 4Q20 we launched Monster Sunrise to continue expanding the energy drink category through innovation. In addition, we launched a 2-liter presentation under the Aybal brand to complete the affordability strategy in in the water category.

ESG

- Arca Continental was ratified for the second consecutive year as a part of the Dow Jones Sustainability Index for Latin America, reporting relevant progress in environmental and social indicators. The DJSI, in conjunction with S&P, specializes in evaluating the performance and environmental, social, and corporate governance management of companies, as pioneers in this area and the greatest reference point in the world to evaluate sustainable corporate practices.
- In Argentina, we were recognized by the United Nations WOMEN for our work in promoting gender equality through internal initiatives and within the communities in which we operate. The award was given for our fulfillment of the Gender Equity Action Plan, for aligning company initiatives to the “Win-Win: Gender Equity is Good Business” program, implementing the 2020 “Drive Your Business” program to prevent gender violence and the realization of an organizational mapping to identify the percentage of women in the organization.
- The Mexican Stock Exchange announced that AC will continue to be part of the S&P/BMV Total Mexico ESG Index by complying with the best international practices in matters of social and environmental responsibility and corporate governance.



RECENT EVENTS

- On December 23, 2020, Arca Continental paid an extraordinary cash dividend of Ps. 1.00 per share, in one single payment, equivalent to a total amount of Ps. 1,764 million. Including this extraordinary dividend, the payout ratio for 2020 was approximately 94%.

CONFERENCE CALL INFORMATION

Arca Continental will host a conference call on February 16, 2021 to discuss these results at 10:00 am Mexico/Monterrey time / 11:00 am New York time. A live webcast of this event will be available at www.arcacontal.com or connect via telephone.

To participate, please dial:

+1-877-712-5080 (U.S. participants)

+1-334-245-3009 (International participants)

0-1-800-062-2650 (Mexico 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 95 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 123 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)

	4Q20	4Q19	Variation		Jan-Dec'20	Jan-Dec'19	Variation	
			MM MXP	%			MM MXP	%
Net Sales	42,665	41,409	1,256	3.0	169,314	162,728	6,586	4.0
Cost of Sales	23,010	22,486	524	2.3	92,609	89,655	2,954	3.3
Gross Profit	19,655	18,923	732	3.9	76,705	73,073	3,631	5.0
	46.1%	45.7%			45.3%	44.9%		
Selling Expenses	11,130	11,304	-175	-1.5	45,807	43,919	1,887	4.3
Administrative Expenses	1,935	2,173	-238	-10.9	8,641	8,364	277	3.3
Total Costs	13,064	13,477	-413	-3.1	54,447	52,284	2,164	4.1
	30.6%	32.5%			32.2%	32.1%		
Non Recurring Expenses	382	607	-225	-37.0	1,051	1,266	-215	-17.0
Operating Income before other income	6,209	4,839	1,369	28.3	21,206	19,523	1,683	8.6
Other Income (Expenses) ^{1,2}	-202	228	-430	-188.5	266	677	-410	-60.6
Operating Income	6,007	5,067	939	18.5	21,472	20,200	1,272	6.3
	14.1%	12.2%			12.7%	12.4%		
Interest Expense Net	-536	-653	117	-17.9	-3,218	-3,348	129	-3.9
Exchange Gain (Loss)	-959	-234	-726	310.6	-186	-278	92	-33.2
Monetary position result	-38	-80	42		-72	34	-106	
Comprehensive Financial Results	-1,534	-967	-567	58.6	-3,476	-3,592	116	-3.2
Share of net income of associates ³	27	141	-114		4	167	-163	-97.5
Earnings Before Taxes	4,500	4,241	258	6.1	18,001	16,776	1,225	7.3
Profit Taxes	-1,358	-1,408	50	-3.6	-5,427	-5,031	-396	7.9
Non-controlling interest	-623	-497	-126	25.4	-2,297	-2,156	-141	6.6
Net Profit	2,519	2,337	183	7.8	10,276	9,588	688	7.2
	5.9%	5.6%			6.1%	5.9%		
Depreciation and amortization	2,244	2,343	-98	-4.2	9,624	8,937	686	7.7
EBITDA	8,633	8,017	616	7.7	32,147	30,404	1,744	5.7
EBITDA / Net Sales	20.2%	19.4%			19.0%	18.7%		

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

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

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

³ Includes 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)

	December 31		Variation	
	2020	2019	MM MXP	%
ASSETS				
Cash and cash equivalents	27,336	22,051	5,284	24.0
Accounts receivable; Net	11,062	10,796	266	2.5
Inventories	8,251	7,948	302	3.8
Prepayments	451	561	-110	-19.6
Total Current Assets	47,099	41,357	5,742	13.9
Investments in shares and other investments	8,308	8,168	140	1.7
Property, plant and other equipment	69,659	71,937	-2,278	-3.2
Assets right of use	1,190	1,177	13	
Other non current assets	119,717	115,808	3,910	3.4
Total Assets	245,974	238,447	7,527	3.2
LIABILITIES				
Short term bank loans	7,132	6,761	371	5.5
Suppliers	8,044	7,545	499	6.6
Short term lease	358	248		
Accounts payable and taxes	15,245	13,197	2,048	15.5
Total Current Liabilities	30,779	27,751	3,028	10.9
Bank Loans and long term liabilities	43,445	46,500	-3,055	-6.6
Long term lease	853	935	-82	
Deferred income tax and others	23,476	21,874	1,602	7.3
Total Liabilities	98,553	97,060	1,493	1.5
SHAREHOLDER'S EQUITY				
Non controlled participation	30,566	28,491	2,076	7.3
Capital Stock	982	982	0	0.0
Retained Earnings	105,596	102,326	3,270	3.2
Net Profit	10,276	9,588	688	7.2
Total Shareholders' Equity	147,420	141,387	6,034	4.3
Total Liabilities and Shareholders' Equity	245,974	238,447	7,527	3.2



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

Cash Flow Statement

(millions of Mexican pesos)

	as of December 31	
	2020	2019
Earnings Before Taxes	18,001	16,776
Depreciation and amortization	9,624	8,937
Gain on sale and fixed assets impairment	1,379	1,699
Foreign exchange	258	244
Accrued interests	3,218	3,149
Operating cash flow before taxes	32,479	30,805
Cashflow generated/used in the operation	-3,818	-3,146
Operating cashflow after working capital	28,661	27,659
Investment Activities:		
Capital Expenditures and Investments (Net)	-5,462	-10,398
Financing Activities:		
Dividends paid	-9,502	-4,058
Share repurchase program	-108	-85
Debt amortization	-3,770	-1,405
Paid interests	-4,317	-3,983
Other	-616	-1,329
Net cash flow	-18,313	-10,859
Net increase of cash and equivalents	4,886	6,402
Change in Cash	399	-292
Initial cash and equivalents balance	22,051	15,941
Final cash and equivalents balance	27,336	22,051



Additional Financial Information

Information by Segments 4Q20

	Beverage Segments					Other		Total
	Mexico	USA	Peru	Argentina	Ecuador	Business*	Eliminations	
Volume by Segment	304.7	106.4	75.4	37.4	37.1			561.1
Sales by Segment	17,104	14,724	4,265	1,268	3,075	2,597	-367	42,665
Intersegment Sales	-236	0	-30	0	-2	-100	367	0
Net Sales from intersegments	16,868	14,724	4,235	1,268	3,073	2,497	0	42,665
Operating Income	2,984	1,582	882	200	458	-99	0	6,007
EBITDA	4,012	2,248	1,239	288	729	117	0	8,633
EBITDA / Net Sales	23.8%	15.3%	29.2%	22.7%	23.7%	4.7%	0.0%	20.2%
Non Recurring Expenses	281	50	27	8	13	3	0	382
Depreciation and amortization	747	616	330	80	259	213	0	2,244
Financial Income	506	6	288	1	20	17	0	838
Financial Expenses	1,622	191	396	26	105	32	0	2,372
Share of net income of associates	12	15	0	0	0	0	0	27
Earnings Before Taxes	1,881	1,412	774	175	373	-115	0	4,500
Total Assets	69,758	101,271	40,771	8,133	22,294	12,110	-8,363	245,974
Investment in associates companies	7,381	588	0	340	0	0	0	8,308
Total Liabilities	43,493	35,804	14,005	1,336	5,612	2,932	-4,628	98,553
CAPEX	3,428	1,999	313	243	434	306	0	6,723

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

Information by Segments Jan-Dec'20

	Beverage Segments					Other		Total
	Mexico	USA	Peru	Argentina	Ecuador	Business*	Eliminations	
Volume by Segment	1,238.5	431.4	241.7	115.9	127.3			2,154.8
Sales by Segment	67,162	61,499	14,486	5,647	11,422	10,582	-1,485	169,314
Intersegment Sales	-934	0	-144	0	-6	-400	1,485	0
Net Sales from intersegments	66,228	61,499	14,341	5,647	11,416	10,182	0	169,314
Operating Income	13,423	5,485	1,723	291	911	-361	0	21,472
EBITDA	16,657	8,677	3,337	813	2,099	564	0	32,147
EBITDA / Net Sales	25.2%	14.1%	23.3%	14.4%	18.4%	5.5%		19.0%
Non Recurring Expenses	281	431	171	13	101	54	0	1,051
Depreciation and amortization	2,953	2,760	1,442	509	1,087	872	0	9,624
Financial Income	4,871	33	1,443	42	48	65	0	6,501
Financial Expenses	6,533	731	2,259	116	231	106	0	9,977
Share of net income of associates	-11	15	0	0	0	0	0	4
Earnings Before Taxes	11,750	4,802	907	217	727	-403	0	18,001
Total Assets	69,758	101,271	40,771	8,133	22,294	12,110	-8,363	245,974
Investment in associates companies	7,381	588	0	340	0	0	0	8,308
Total Liabilities	43,493	35,804	14,005	1,336	5,612	2,932	-4,628	98,553
CAPEX	3,428	1,999	313	243	434	306	0	6,723

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



Total Debt AC

	2021	2022	2023	2024	2025	2026	2027	...	2029	...	2032	Total
Debt Maturity Profile	7,088	8,064	5,870	3,463	1,546	2,257	6,333		7,978		7,978	50,577
% of Total	14.0%	15.9%	11.6%	6.8%	3.1%	4.5%	12.5%		15.8%		15.8%	100.0%

Credit Rating	Local	Global	Outlook
Fitch	AAA(mex)	A	Stable
Moody's	Aaa.mx	A2	Negative
S&P	mxAAA	-	Stable

Average exchange rate

	4Q20	4Q19	YoY
MXN	20.87	19.35	7.8%
PEN	5.78	5.75	0.5%
ARS	0.26	0.33	-19.7%

	Jan-Dec'20	Jan-Dec'19	YoY
MXN	21.59	19.33	11.7%
PEN	6.18	5.79	6.7%
ARS	0.31	0.41	-25.0%

End of period exchange rate

	4Q20	3Q20	4Q19
MXN	19.94	22.36	18.87
PEN	5.51	6.22	5.70
ARS	0.24	0.29	0.32

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>

