



Solid performance and business innovation drove FIFCO's profit growth in 2023

- Operating profit grew 8% to 134 billion colones.
- In a context of multiple global and local challenges, the operation also achieved unprecedented results in generating dividends for shareholders.

San José, Costa Rica. March 19, 2024. In a year marked by important local and global challenges for the industry, the commitment to innovation and business recalibration allowed FIFCO to achieve record results in profits during 2023.

During its annual report to shareholders, FIFCO reported an operating income before other expenses that grew by 8% over the previous year, reaching 134 billion colones. Meanwhile, net income attributable to shareholders increased by 2% to 78 billion colones. Dividends per share reached an all-time high, with a 7% yield and a record payment of 40 billion colones to shareholders.

The positive results go hand in hand with an increase in beverage sales in Central America, especially in beer, refreshments and flavored alcoholic beverages. Overall, the beverage segment was the operation's most robust segment, growing 10% in 2023.

Flavored alcoholic beverages stand out in this market, which continue to lead consumer preference in Costa Rica, while playing a strategic role in the regionalization of FIFCO's portfolio in geographies such as Mexico, Central America and, more recently, the Caribbean.

During the period, there was also an increase in sales in Musi convenience stores and in the Musmanni franchisee network, as well as higher hotel occupancy levels and rates in the Hospitality division.

The presentation of the 2023 Integrated Report was led by Rolando Carvajal Bravo, who assumed FIFCO's general management in January of this year. The company's representative stated that, during the period, FIFCO resolutely resumed the growth path through a strategy focused on business recalibration, transformation for growth and holistic leadership.

Financial results

- Net income attributable to shareholders for the period: ₡77,619 million
- 8% growth in operating income before other expenses
- 4% growth in EBITDA (operating income before other expenses, interest, taxes, depreciation and amortization)
- 2% growth in shareholders' equity attributable to shareholders
- 4% growth in total beverage volume
- 3% growth in total food volume



"The entrepreneurial essence that characterizes us will be enhanced in the coming years to maintain the growth path. We will actively seek new business opportunities, drive creative solutions, and passionately differentiate ourselves through both our products and our consumer focus," the CEO stated.

He added, "Our triple bottom line agenda, which has made us a benchmark, will continue to be our compass. Commitment to expansive sustainability, economic, social and environmental value are the pillars on which we will continue to build and strengthen our company."

Circularity environmental goal achieved

As part of its accountability, FIFCO reported that during 2023 it achieved one of the environmental goals of its 2027 Sustainability Strategy, FIFCO Transcends, which incorporates environmental, social and governance (ESG) purposes as pillars for integrated business management.

The strategy consists of nine goals, one of which is to reach 60% in the Circularity Index of the beverage business in Costa Rica. During 2023, measurements recorded a circularity level of 61%, which more than meets the expectation ahead of schedule.

FIFCO at a glance

- Operations in Costa Rica, Guatemala, Honduras, El Salvador, Mexico, Dominican Republic, United States
- 6,323 employees
- 2,212 shareholders
- 5 production plants
- 13 distribution centers
- 3,471 local and international suppliers
- +2,000 products

Circularity is a cyclical production model, in which resources, materials and products are kept within the value chain for as long as possible. Its purpose is to reduce pressure on ecosystems and generate economic opportunities by improving efficiency in resource management, through innovation and competitiveness.

FIFCO evaluates the circularity of its beverage business with the ICM indicator, developed by the Ellen MacArthur Foundation and Granta Design. This indicator evaluates the circularity of material and product flows, considering the origin of the elements, their durability, destination and efficiency of their transformation. When the methodology was adopted in 2021, the ICM was 45%, which rose to 55% in 2022 and increased to 61% in the last year. The challenge for the coming years is to maintain consistency in the implementation of good practices in order to continue increasing the indicator.

The Annual Report updates progress on the other ESG goals. Another one that is close to being achieved is to have at least 40% female participation in leadership positions, since by 2023 the figure was 37%.

In line with its goals on responsible consumption, during the reporting period FIFCO expanded its ZERO ALCOHOL portfolio, with the launch of Heineken 0.0. It also reduced the sugar concentration in its beverages, decreasing from 10.45 grams per beverage in 2022 to 10.34 grams on average in 2023.



In addition, as part of the *Plástico 360°* (Plastic 360°) agenda, a significant improvement in plastic recovery levels was achieved, reaching 120% by 2023. Likewise, recognizing climate change as one of the most pressing challenges facing humanity, the Climate Action Strategy was strengthened with the development of two adaptation initiatives in the areas of sustainable agriculture and climate impact crisis supply, adherence to the [Science-Based Targets Initiative \(SBTi\)](#) and the replacement of a bunker boiler with an electric boiler for the brewery operation.

About FIFCO

FIFCO is a beverage and food company with 115 years of history, and operations in Costa Rica, Guatemala, Mexico, El Salvador, Honduras and the United States, 5 manufacturing plants and 15 distribution centers.