



# Corporate Presentation

Investor Relations  
Third Quarter  
2020



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# CCU OVERVIEW

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Market overview

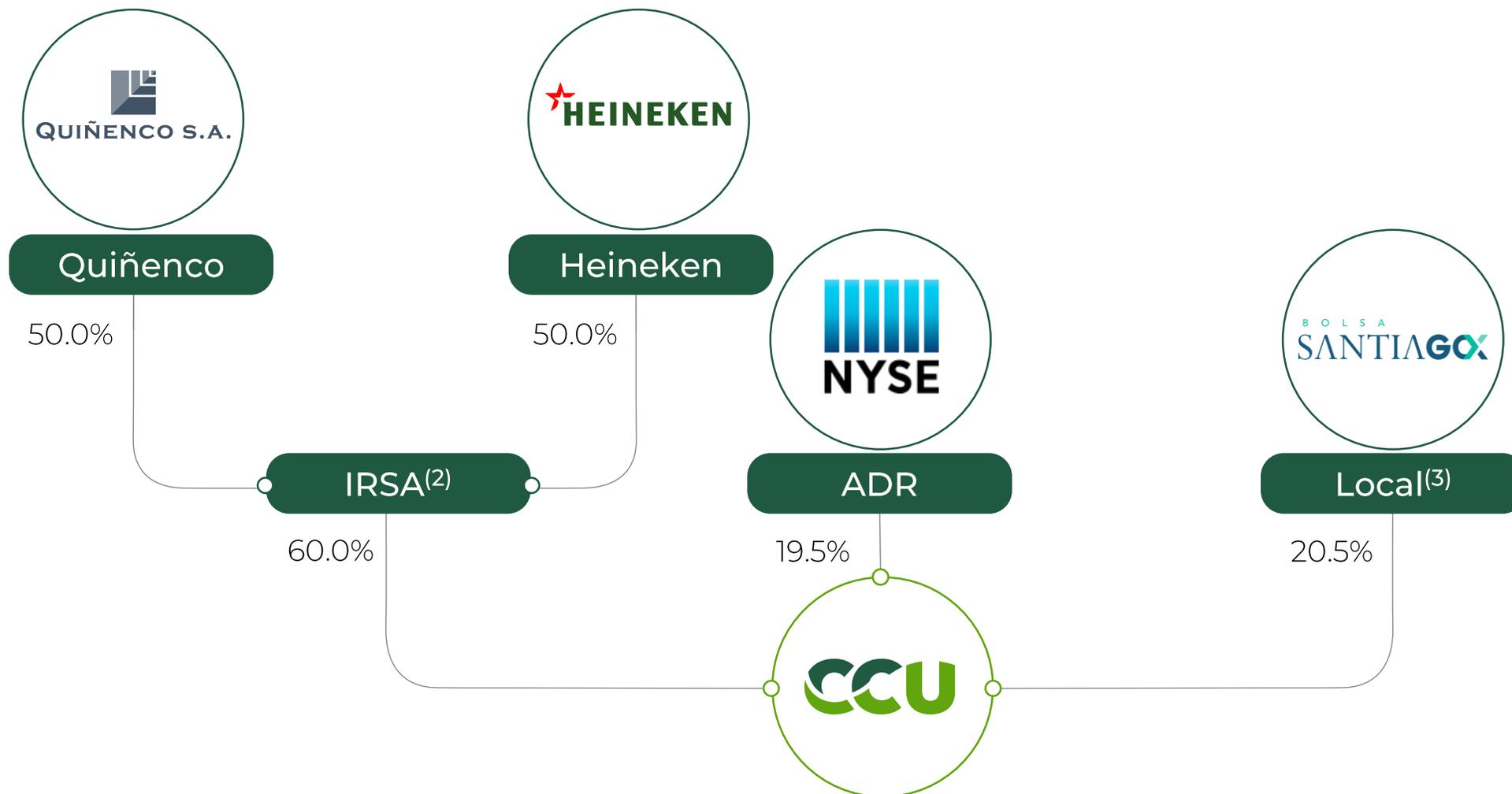
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Performance overview

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# Ownership structure<sup>(1)</sup>

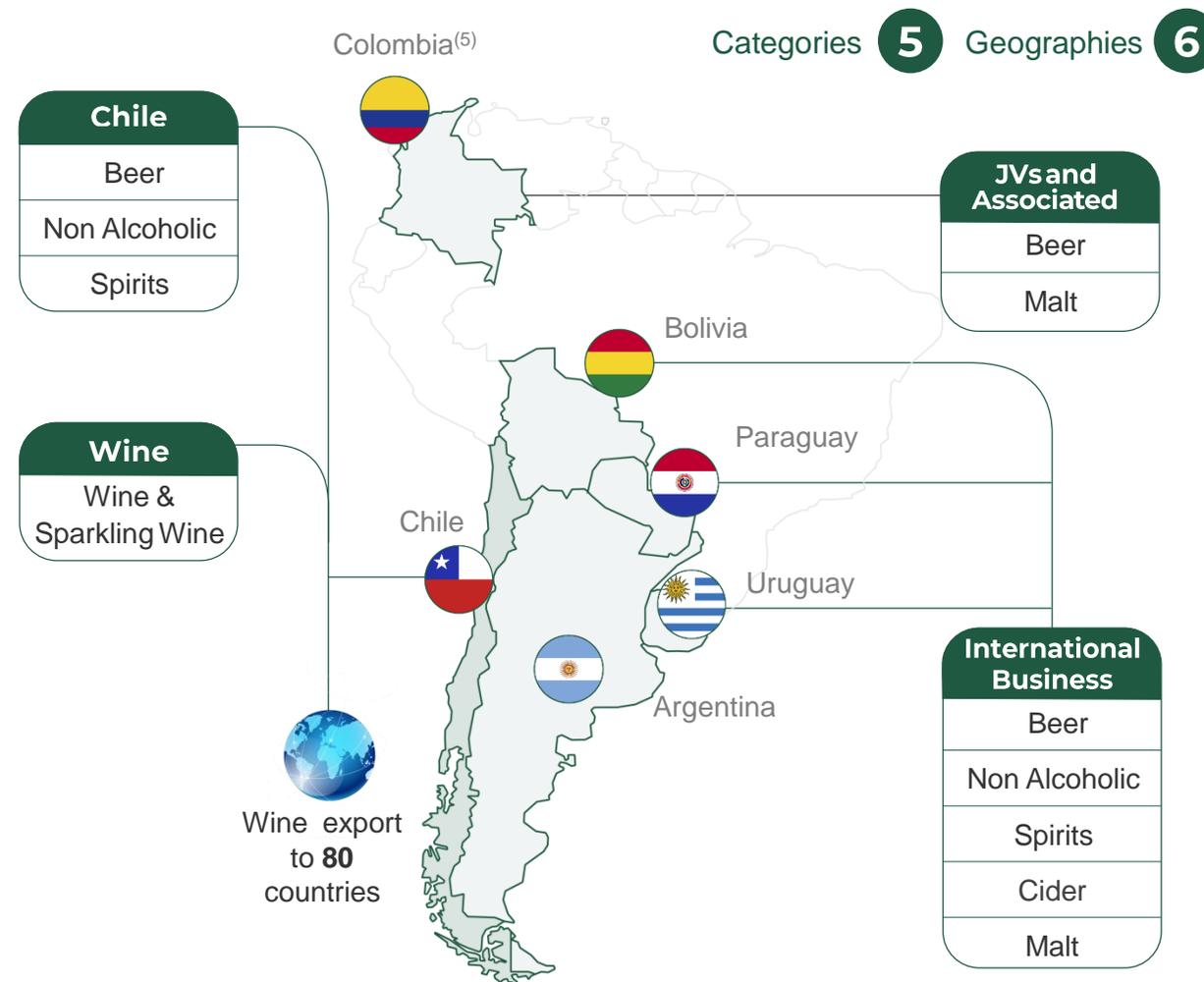


**Market Capitalization<sup>(4)</sup> = B USD 2.4**

(1) Figures as of September 30<sup>th</sup>, 2020. Number of shares 369,502,872; (2) Inversiones y Rentas S.A. (IRSA) owns directly 53.2% of CCU's equity and 6.8% through Inversiones IRSA LTDA, a 99.9% owned vehicle; (3) In Chile CCU's shares are traded on the Santiago Stock Exchange and the Chile Electronic Stock Exchange; (4) Market capitalization of CCU as of September 30<sup>th</sup>, 2020.

# Regional multicategory beverages player

	Contribution by Operating segment (As of December 31 <sup>st</sup> , 2019) <sup>(1)</sup>				
	Total	Chile	International Business	Wine	Other <sup>(2)</sup>
Volume mln HL	30.0	19.8	8.9	1.4	(0.1)
Net Sales USD mln	2,594	1,657	661	302	(26)
EBITDA <sup>(4)</sup> USD mln	478	380	67	55	(24)
EBITDA margin <sup>(4)</sup>	18.4%	22.9%	10.1%	18.0%	-
Employees	8,961	4,701	2,582	1,273	405



(1) Average of period exchange rate for 2019: CLP 702.63/USD (Source: Central Bank of Chile); (2) Considered as Others/Eliminations in CCU's financial releases. Includes Corporate Functions, Centers of Excellence, Shared Services across all Operating segments; (3) Includes Other; (4) EBITDA is equivalent to ORBDA (Adjusted Operating Result Before Depreciation and Amortization) used in the 20-F form; (5) Beer and Malt 50/50 Joint Venture with Postobón in Colombia.

# Leader with strong brands & long term alliances

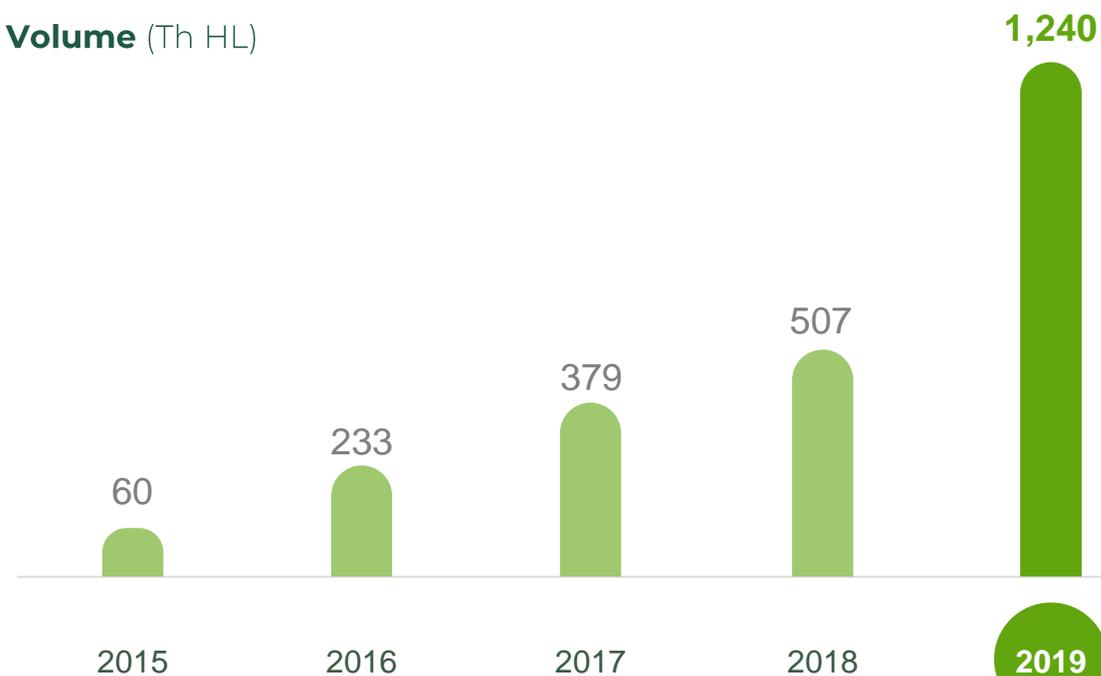
		Core Categories		Synergic Categories	TOTAL 2019	
		Beer	Non Alcoholic	Wine, Spirits and Cider	Market Share <sup>(1)</sup> <b>28.1%</b>	Proprietary Brands <sup>(2)</sup> <b>70.9%</b>
Chile					<b>43.8%<sup>(3)</sup></b>	<b>64.2%</b>
			Carbonated Soft Drinks      Water      Functional & Juices	Pisco      Rum      Other Spirits		
International Business					<b>16.7%<sup>(4)</sup></b>	<b>81.4%</b>
			Carbonated Soft Drinks      Water      Functional & Juices	Ciders		
Wine		<b>Domestic Chile</b>	<b>Domestic Argentina</b>	<b>Export</b>	<b>17.7%<sup>(5)</sup></b>	<b>100%</b>
						

(1) Weighted average volume market share. Source: Nielsen for Chile and Domestic Wine, internal estimates for beer industry data for Argentina, ID Retail for Uruguay, CCR for Paraguay, CiesMori for Bolivia, and Viñas de Chile for Export Wine. Annually updated and weighted by internal market size estimates; market size estimates annually updated. Last update December 2019; (2) Proportion of CCU volumes related to proprietary brands; (3) Excludes Home Office Delivery (HOD) and powder juices; (4) Includes Beer in Argentina; CSD, Beer, Juices, Mineral Water and Flavoured Water in Uruguay; CSD, Beer, Juices, Mineral Water in Paraguay; CSD, Beer, CSD and Malt in Bolivia; (5) Domestic and export wines from Chile. Excludes bulk wine.

# Main joint ventures in new markets



Volume (Th HL)



# Multicategory scale in manufacturing, sales and logistics

	 <b>Number of Plants<sup>(1)</sup></b>	 <b>Distribution centers<sup>(2)</sup></b>	 <b>Points of sale</b>	<b>Sales by channel</b>			 <b>Direct Sales force</b>
				Retail	Supermarket	Indirect	
<b>Chile</b>	 4 Beer <sup>(8)</sup> 7 Non Alcoholic 5 Spirits	29	112,009 <sup>(3)</sup> + 24,200 Households ("La Barra" E-Commerce)	<b>48%</b>	<b>34%</b>	<b>18%</b>	995
<b>International Business</b>	 3 Beer 2 Cider	6	190,826 <sup>(5)</sup>	<b>12%</b>	<b>19%</b>	<b>69%</b>	160
	 1 Non Alcoholic	1	17,940 <sup>(5)</sup>	<b>0%</b>	<b>14%</b>	<b>86%</b>	1
	 1 Beer 1 Non Alcoholic	4	30,683 <sup>(5)</sup>	<b>68%</b>	<b>22%</b>	<b>9%</b>	165
	 1 Beer 1 Non Alcoholic	2	40,522 <sup>(3)</sup>	<b>49%</b>	<b>4%</b>	<b>47%</b>	143
<b>Wine<sup>(4)</sup></b>	 5 Production 2 Storage	29 <sup>(6)</sup>	33,732 <sup>(4)</sup>	<b>33%</b>	<b>39%</b>	<b>28%<sup>(4)</sup></b>	74 <sup>(4)</sup>
<b>Colombia</b>	 1 Beer/Malt	70 <sup>(7)</sup>	356,178 <sup>(7)</sup>	<b>76%</b>	<b>17%</b>	<b>7%</b>	2,075 <sup>(7)</sup>
<b>Total<sup>(9)</sup></b>	<b>32 Plants</b>	<b>112</b>	<b>748,158<sup>(10)</sup></b>	<b>40%</b>	<b>29%</b>	<b>31%</b>	<b>3,613</b>

(1) Main production facilities; (2) Owned plus long-term rent; (3) Points of sale related to direct sales only. For Chile, including Comercial Patagona, excluding Manantial; (4) Related to the domestic wine business only; (5) Related to both direct and indirect sales; (6) Through the Chile Operating segment network; (7) Joint distribution through the Postobón network. Includes Central Cervecería de Colombia sales force and Postobón shared sales force; (8) Mixed plant in Temuco included in Beer and Non Alcoholic; (9) Considers the Total Consolidated CCU plus Joint Venture in Colombia; (10) Points of sale of Wines are contained in Chile and does not consider online sales through our e-commerce platform.

# Business model combines focus and synergies



(1) Includes Commercial, Industrial and Planning & Logistics. The Centers of excellence aim to implement the best practices and seek for efficiencies across the Company's main functions.

# Focus on profitable and sustainable growth



**Economic**  
CAGR '02 - '19<sup>(1)</sup>

+ **6.5%**  
Volume

+ **10.3%**  
Net Sales

+ **8.8%**  
EBITDA<sup>(2)</sup>

+ **11.0%**  
Net Income



**Social**

## Covid-19 Initiatives



## Responsible consumption



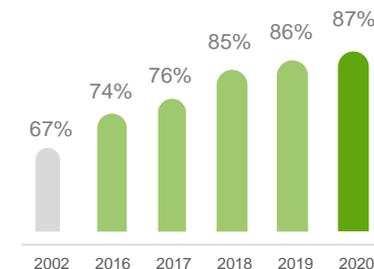
## Environmental education



## Culture and Sports



## Organizational climate



### Plan 2020<sup>(4)</sup>

### Plan 2030<sup>(5)</sup>



**Environmental Vision**



**CO<sub>2</sub> (KG/ HL)**

2010

**2019**

Target 2020

8.81

**6.16**

7.05



**Water Consumption (H2O/ HL Prod)**

5.19

**2.82**

3.48



**Industrial Waste (% Valorization)**

91.7

**98.8**

100



**CO<sub>2</sub> (KG/HL)**

**-50%**

①

**Water Consumption (H2O/ HL Prod)**

**-60%**

②

**Industrial Waste (% Valorization)**

**100%**

③

④

Use **75%** of renewable energy

⑤

Use a **100%** reusable, recyclable or compostable packaging

⑥

Aim for our packaging to be made on average of **50%** recycled material

(1) Heineken joined CCU in 2003; (2) EBITDA is equivalent to ORBDA (Adjusted Operating Result Before Depreciation and Amortization) used in the 20-F form; (3) Starting 2018, CCU began applying a new methodology to measure Organizational climate. Excluding the effect from this new methodology, Organizational climate improved by 1%; (4) Includes operations in Chile and Argentina, including domestic wine; Baseline targets are 2010 figures; (5) Includes all our operations. Baseline targets are 2010 figures.

# Focus on profitable and sustainable growth (Covid-19 Initiatives)

## During the pandemic we have focused on three priorities:

- 1 The health & safety of our people and the community we interact with
- 2 Operation continuity
- 3 Financial health



**Disinfectant alcohol**  
from the distillation  
process of pisco



**Hand sanitizer** from the  
dealcoholization process of  
non-alcoholic beers



**"Almacén seguro"**  
Self protection equipment



**VSPT PCR**  
equipment



**CCU Product Donation**  
of food baskets



**Face shields** made  
using PET pre-form



Support to health staff  
**with our products**



**Supporting**  
Bars and Restaurants



**Safe reopening** of  
Bars and Restaurants



**Multiple donations**  
in different countries



**Humanitarian flight**  
to repatriate Chilean  
and Colombian  
citizens



Viña San Pedro  
Tarapacá contribution  
to **street sanitation**



Safety measures at  
**workplaces**



Digital collaborative  
tools/**Teleworks**



Local bonds for  
**CLP 186,527 million**,  
with an average real  
interest  
**rate of 0.88%**

# Proven track record for inorganic growth and alliances

- Over the last 25 years successfully executing strategic M&A transactions<sup>(1)</sup>
- Diversification from a Beer based company into a multi-category branded beverage company



## Investment criteria for inorganic growth

- Projects with high potential profitability in the medium run, with a possible limited dilutive short term effect;
- Projects that enable us to buy or potentially build relevant and large scale operations;
- Projects that enable us to keep developing multi-category;
- Projects with proprietary brands and/or long term license agreements with strategic partners;
- Projects that provide us competitive balance.

(1) Some transactions occurred during more than one year, but they are presented as if they were executed in the first year.

# Strategic plan 2019 - 2021 focused on our six strategic objectives (SO)



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# Presence in highly attractive and growing categories

							
RTD Liters per capita in 2019 <sup>(1)</sup>	Chile	Argentina	Bolivia	Colombia	Paraguay	Uruguay	USA
Beer	46	45	31	49	46	31	69
Carbonated Soft Drinks	116	91	93	56	82	101	124
Juices and Nectar	22	6	13	10	11	10	37
Water <sup>(2)</sup>	40	99	20	26	51	144	166
Functional Drinks <sup>(3)</sup>	5	2	1	4	1	2	50
Spirits <sup>(4)</sup>	4	4	2	3	1	3	6
Cider	0	2	0	0	1	1	1
Wine <sup>(5)</sup>	13	20	1	2	8	18	11
Milk <sup>(6)</sup>	33	54	44	53	49	60	59
<b>TOTAL</b>	<b>279</b>	<b>323</b>	<b>205</b>	<b>203</b>	<b>250</b>	<b>370</b>	<b>523</b>
Population <sup>(7)</sup> (Millions)	18.7	44.9	11.4	50.4	7.2	3.5	331.9
CAGR 2009-19:							
RTD Liters per Capita Growth <sup>(1)</sup>	1.4%	(1.8)%	1.7%	1.6%	2.5%	3.7%	0.4%
Population Growth <sup>(7)</sup>	1.0%	1.1%	1.5%	1.1%	1.5%	0.4%	0.8%
GDP Growth <sup>(8)</sup>	3.5%	1.2%	4.8%	3.7%	4.5%	3.1%	2.3%

(1) Source: Global Data Quarterly Beverage Forecast and internal estimates. Annually updated. Figures have been rounded; (2) Includes Packaged Water, HOD, Flavored Water and Enhanced Water; (3) Includes Iced Tea, Iced Coffee, Sport Drinks and Energy Drinks; (4) Includes all Spirits as Global Data definition; (5) Includes sparkling wine; (6) Includes only white and flavored liquid milk ; (7) Source: Global Data Quarterly Beverage Forecast; (8) GDP growth at constant prices. Source: FMI as of March 2020.

# Strong market position in fast growing segments

	Categories	Industry per capita CAGR 09-19 <sup>(1)</sup>	CCU's Market Position (#1/#2/#3) <sup>(2)</sup>
 <b>Chile</b>	Beer	2.3%	#1
	Carbonated Softdrinks	(0.4)%	#2
	Juices / Nectar	3.3%	#1
	Water <sup>(3)</sup>	6.3%	#1
	Functional Drinks	17.4%	#1
	Spirits <sup>(4)</sup>	(0.6)%	#1
	Wine <sup>(5)</sup>	(0.9)%	#2
	Powder Juices	(2.9)%	#2
 <b>Argentina</b>	Beer	0.2%	#2
	Cider	(2.2)%	#1
	Wine <sup>(5)</sup>	(3.0)%	
 <b>Uruguay</b>	Beer	1.4%	#2
	Carbonated Softdrinks	0.1%	#3
	Juices / Nectar	5.9%	
	Water <sup>(3)</sup>	9.0%	#2
 <b>Paraguay</b>	Beer	0.6%	
	Carbonated Softdrinks	0.7%	
	Juices / Nectar	9.4%	#1
	Water <sup>(3)</sup>	7.2%	
 <b>Bolivia</b>	Beer	(2.2)%	#2
	Carbonated Softdrinks	1.8%	#3
	Water <sup>(3)</sup>	10.7%	
 <b>Colombia</b>	Beer	1.3%	#2

(1) Source: Global Data Beverage Forecast and internal estimates; Annually updated. Figures have been rounded; (2) Volume market share; (3) Includes HOD, Flavored Water, Enhanced Water and Packaged water  
 (4) Includes all Spirits; (5) Includes sparkling wine.

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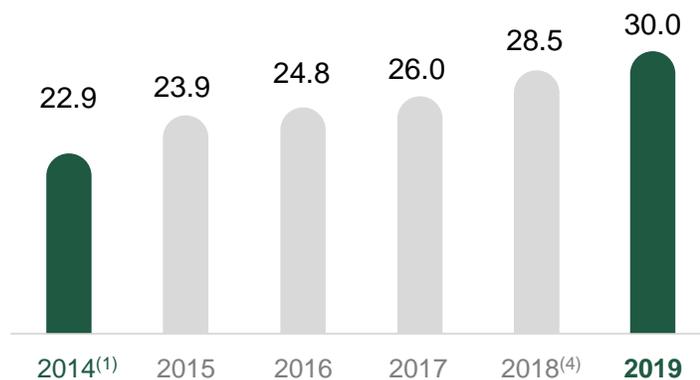
# Long-term performance: proven track record

Consolidated <sup>(1)</sup>	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	CAGR <sup>(2)</sup> 02-19
<b>Volume</b> (mln HL)	10.2	11.1	11.4	12.3	13.4	14.2	15.7	16.3	17.3	18.4	19.9	21.9	22.9	23.9	24.8	26.0	28.5	30.0	<b>6.5%</b>
<b>Net Sales</b>	346	384	421	492	546	628	710	777	838	970	1,076	1,197	1,298	1,498	1,559	1,698	1,783	1,823	<b>10.3%</b>
<b>EBITDA<sup>(3)</sup></b>	80	86	99	108	122	147	164	182	207	241	236	253	249	287	284	327	353	336	<b>8.8%</b>
<b>Net Income<sup>(4)</sup></b>	22	54	45	48	56	79	90	128	111	123	114	123	120	121	118	130	149	130	<b>11.0%</b>
<b>EBITDA Margin</b>	23.2%	22.5%	23.4%	21.9%	22.3%	23.4%	23.1%	23.4%	24.7%	24.8%	21.9%	21.1%	19.1%	19.1%	18.2%	19.3%	19.8%	18.4%	
<b>Total Market Share<sup>(5)</sup></b>	21.5%	22.2%	22.1%	22.2%	22.4%	22.5%	23.3%	23.6%	23.7%	24.1%	24.2%	25.8%	26.8%	27.6%	28.1%	28.1%	27.2%	28.1%	
<b>EPS<sup>(6)</sup></b>	69.3	169.8	142.5	151.3	175.2	248.7	283.8	401.9	347.6	385.6	359.2	370.7	323.6	326.9	320.6	350.8	830.6	352.2	

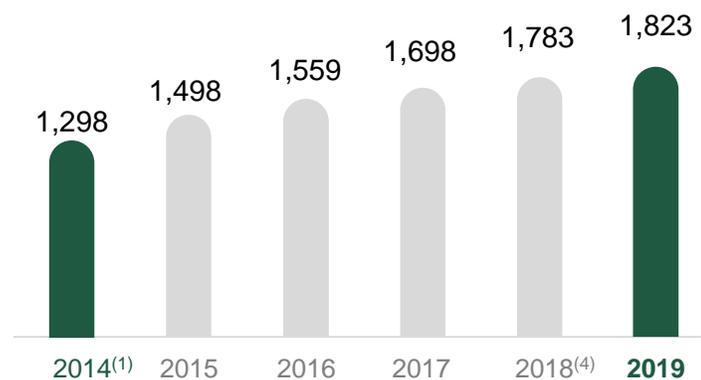
(1) Figures of 2002- 2008 under Chilean GAAP. In CLP Billions as of December of each year. Figures of 2009-2019 under IFRS, figures in nominal CLP billions; (2) Average inflation for the period based on UF variation: 3.2% (www.bcentral.cl); (3) EBITDA is equivalent to ORBDA (Adjusted Operating Result Before Depreciation & Amortization) used in the Form 20-F; (4) Net Income attributable to Equity holders of the parent; (5) Please refer to page 6 notes. Figure of 2018 includes our operation in Bolivia (29.4% when excluded); (6) In CLP; (7) 2018 Net Sales, EBITDA, EBITDA Margin and Net Income exclude the gain from the CCU-ABI transaction.

# Mid-term performance: shows growing results and margin expansion, despite negative external effects

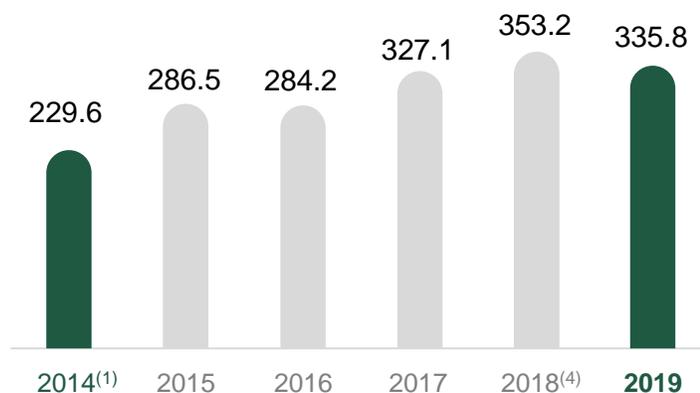
Volume (mln HL)  
CAGR 5.6%



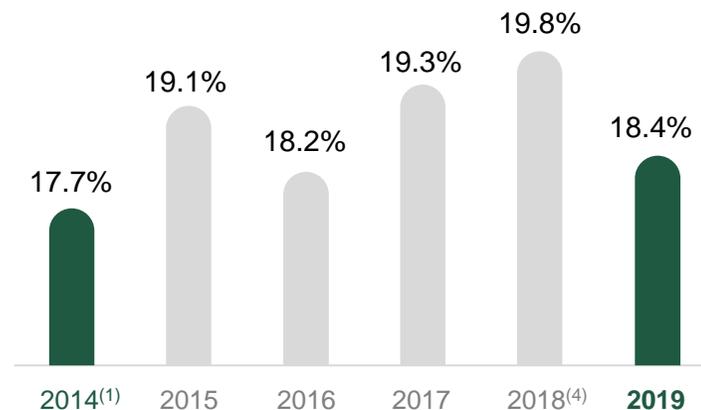
Revenues (bln CLP)  
CAGR 7.0%



EBITDA (bln CLP)<sup>(3)</sup>  
CAGR 7.9%



EBITDA Margin<sup>(3)</sup>



2014-2019	mln CLP
<b>EBITDA 2014<sup>(1)</sup></b>	<b>229,646</b>
External Effects <sup>(2)</sup>	(116,265)
Business Growth (volume, price and efficiencies – ExCCelencia CCU)	222,448
<b>EBITDA 2019</b>	<b>335,829</b>

(1) Excludes the one-time effect compensation of CLP 18,882 million at EBITDA level received by our Argentine subsidiary CICSA during 2Q14 for the termination of the contract which allowed us to import and distribute on an exclusive basis Corona and Negra Modelo beers in Argentina and to produce and distribute Budweiser beer in Uruguay; (2) Includes estimated exchange rate and raw material cost effect; (3) EBITDA is equivalent to ORBDA (Adjusted Operating Result Before Depreciation & Amortization) used in the Form 20-F; (4) Excludes the gain from the CCU-ABI transaction.

# Short-term performance: Consolidated quarterly results

Consolidated (mIn CLP)	3Q20	3Q19	Δ%	YTD 2020	YTD 2019	Δ%
Volume (Th HL)	6,734	6,857	(1.8)%	20,545	20,855	(1.5)%
Net Sales	428,355	390,249	9.8%	1,257,964	1,244,469	1.1%
EBIT <sup>(1)</sup>	32,254	37,895	(14.9)%	87,235	138,520	(37.0)%
EBITDA <sup>(2)</sup>	59,487	63,757	(6.7)%	169,870	216,064	(21.4)%
EBITDA margin <sup>(2)</sup>	13.9%	16.3%	(245) bps	13.5%	17.4%	(386) bps
Net Income	12,131	8,626	40.6%	41,109	75,183	(45.3)%

# Short-term performance: Quarterly results per operating segment

	Operating segments (mln CLP)	3Q20	3Q19	Δ%	YTD 2020	YTD 2019	Δ%
Chile	Volume (Th HL)	4,384	4,442	(1.3)%	13,772	13,793	(0.2)%
	Net Sales	277,721	265,336	4.7%	824,208	814,916	1.1%
	EBIT <sup>(1)</sup>	27,762	37,574	(26.1)%	92,404	130,228	(29.0)%
	EBITDA <sup>(2)</sup>	44,996	54,936	(18.1)%	143,381	179,409	(20.1)%
	EBITDA margin <sup>(2)</sup>	16.2%	20.7%	(450) bps	17.4%	22.0%	(462) bps
International Business	Volume (Th HL)	1,926	2,039	(5.5)%	5,700	6,051	(5.8)%
	Net Sales	89,637	72,144	24.2%	274,817	285,901	(3.9)%
	EBIT <sup>(1)</sup>	(3,842)	(5,149)	(25.4)%	(20,474)	(804)	2,447.3%
	EBITDA <sup>(2)</sup>	2,483	2	121,569.1%	566	18,043	(96.9)%
	EBITDA margin <sup>(2)</sup>	2.8%	0.0%	277 bps	0.2%	6.3%	(611) bps
Wine	Volume (Th HL)	469	395	18.7%	1,156	1,051	10.0%
	Net Sales	68,904	57,554	19.7%	176,781	156,426	13.0%
	EBIT <sup>(1)</sup>	11,629	9,491	22.5%	25,985	17,740	46.5%
	EBITDA <sup>(2)</sup>	14,604	12,074	21.0%	34,627	24,939	38.8%
	EBITDA margin <sup>(2)</sup>	21.2%	21.0%	22 bps	19.6%	15.9%	364 bps

(1) EBIT, also referred to as Adjusted Operating Result, is defined as Net Income before other gains (losses), net financial expense, equity and income of joint ventures, foreign currency exchange differences, result as per adjustment units and income taxes; (2) EBITDA is equivalent to ORBDA (Adjusted Operating Result Before Depreciation & Amortization) used in the Form 20-F.

# Balance sheet: Strong figures and healthy financial ratios

Assets (mln CLP)	As of Sep 30 <sup>th</sup> , 2020	As of Dec 31 <sup>st</sup> , 2019	Liabilities and Equity (mln CLP)	As of Sep 30 <sup>th</sup> , 2020	As of Dec 31 <sup>st</sup> , 2019
Cash and cash equivalents	276,772	196,369	Financial debt	523,949	330,155
Other current assets	579,511	592,913	Other liabilities	515,819	580,608
<b>Total current assets</b>	<b>856,283</b>	<b>789,282</b>	<b>Total liabilities</b>	<b>1,039,768</b>	<b>910,763</b>
Property, plant and equipment	1,099,573	1,071,730	Long term financial debt	1,302,126	1,328,054
Other non current assets	497,792	492,679	Other liabilities	111,755	114,873
<b>Total non current assets</b>	<b>1,597,365</b>	<b>1,564,409</b>	<b>Total non current liabilities</b>	<b>1,413,880</b>	<b>1,442,927</b>
<b>Total assets</b>	<b>2,453,648</b>	<b>2,353,691</b>	<b>Total liabilities</b>	<b>2,453,648</b>	<b>2,353,691</b>
Financial ratios	As of Sep 30 <sup>th</sup> , 2020	As of Dec 31 <sup>st</sup> , 2019	Credit ratings	Fitch	ICR
Interest coverage (>3.0) <sup>(1)</sup>	<b>9.92</b>	12.11	Shares	Level 1	Level 1
Debt to equity ratio (<1.5) <sup>(2)</sup>	<b>0.74</b>	0.63	Bonds	AA+	AA+
Net financial debt / EBITDA <sup>(3)</sup>	<b>0.85</b>	0.40	Solvency	AA+	AA+
Financial debt / capitalization <sup>(4)</sup>	<b>0.27</b>	0.19	Outlook	Stable	Stable

(1) Financial covenant as EBITDA / Financial Cost (trailing 12 months); (2) Financial covenant as Total liabilities/ Total Equity; (3) EBITDA is equivalent to ORBDA (Adjusted Operating Result Before Depreciation and Amortization) used in the 20-F form; (4) Capitalization refers to financial debt plus total equity including minority interest.



# Corporate Presentation

Investor Relations  
Third Quarter  
2020

