

AC (Buy)

Current Price: \$180.26, PT: \$218.00

Flash: They continue to strengthen the growth of their digital platforms

The company reported that it continues to advance in its digital transformation with the launch of "TUALI", a platform that seeks to optimize the operations of close to one million customers in Latin America. This application, developed by Arca Continental's Digital Nest, will be available in Mexico (61.4% of EBITDA in [2Q24](#)) starting in October and will reach Ecuador, Peru and Argentina (11.1% of EBITDA in 2Q24) in the last quarter of this year.

Among the benefits of the platform that the company points out for customers are: (1) Fast and secure access to a wide range of products; (2) leveraging innovative tools such as predictive ordering powered by artificial intelligence (AI); and (3) loyalty programs and financial services. Moreover, the company noted that Digital Nest's applications helped forgers increase their sales by 5% to 10%.

Positive implication. We view the announcement favorably, reflecting the company's ongoing efforts to continue driving growth through an important differentiator: the development of its logistics and data analytics platforms. In this regard, it is important to remember that, in the domestic market, the AC Digital platform accounted for more than 66% of sales volumes in the traditional channel in 2Q24, which we believe will be leveraged from the benefits already described. This is coupled with the recent myCoca-Cola electronic platform in the US (27.5% of EBITDA in 2Q24), introducing functionalities to streamline the order process, new payment systems and strengthen customer support. On the other hand, we expect that an easier comparable base by exchange rate will be driving the US and South America figures in 3Q24, while Mexico could be reflecting some cyclical challenges. Finally, we will be looking forward to the quarterly figures next Thursday, October 24, prior to the market open.

October 21, 2024



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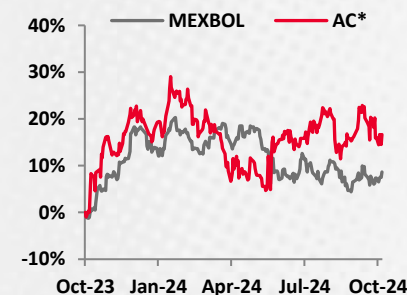
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Buy	
Current Price	\$180.26
PT	\$218.00
Upside potential	20.9%
Max – Min LTM (\$)	201.9-151.6
Market Cap (US\$m)	15,400.5
Shares Outstanding (m)	1,720.8
Float	25%
Daily Turnover (\$m)	336.5
Valuation metrics LTM	
FV/EBITDA	8.4x
P/E	17.0x
MSCI ESG Rating*	A

Relative performance to Mexbol LTM



Source: Banorte



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Winners of the award as the best economic forecasters in Mexico by LSEG in 2023



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Document for distribution among the general public



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	Reference
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HOLD	When the share expected performance is similar to the MEXBOL estimated performance.
SELL	When the share expected performance is lower than the MEXBOL estimated performance.

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History of PT and ratings

Stock	Date	Rating	PT
AC	02/08/2024	Buy	\$218.00
AC	04/27/2023	Buy	\$190.00
AC	10/26/2023	Buy	\$179.00

MSCI ESG Rating scale

CCC	B	BB	BBB	A	AA	AAA
Laggard		Average			Leader	

*MSCI ESG Rating is an indicator that evaluates companies in Environment, Social and Governance (ESG) metrics.

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