



ANDINA ACQUISITION CORP.

Attention: U.S. Shareholders of Andina Acquisition Corp. III

IMPORTANT TAX NOTICE

Re: 2019 PFIC Status

This statement is provided for shareholders who are United States persons for purposes of the U.S. Internal Revenue Code. It is not relevant to other shareholders.

Andina Acquisition Corp. III (or “the Company”) meets the Internal Revenue Code definition of a passive foreign investment company (“PFIC”) for the taxable year ended December 31, 2019. The Company is hereby making available PFIC Annual Information Statements for Andina Acquisition Corp. III for their taxable years beginning on January 1, 2019 and ending on December 31, 2019 pursuant to the requirements of Treasury Regulation Section 1.1295-1(j)(1).

The PFIC Annual Information Statements contain information to enable you, should you choose, to elect to treat Andina Acquisition Corp. III as a Qualified Electing Fund (“QEF”).

A U.S. shareholder who makes a QEF election for Andina Acquisition Corp. III is required annually to include in his or her income or his or her pro rata share of the ordinary earnings and net capital gains for Andina Acquisition Corp. III. The QEF election is made by completing and attaching Form 8621 for each PFIC to your federal income tax return filed by the due date of the return, including extensions.

U.S. shareholders are advised to consult with their tax advisors with respect to the 2019 PFIC Annual Information Statement.

Further information on PFIC rules is available on the internet at the Internal Revenue Service website, including the following pages:

Detailed information about PFICs and the QEF election: <https://www.irs.gov/instructions/i8621>

Instructions to complete Form 8621: <https://www.irs.gov/pub/irs-pdf/i8621.pdf>

Form 8621: <https://www.irs.gov/pub/irs-pdf/f8621.pdf>

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF ANDINA ACQUISITION CORP. III ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER THE UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.

**PFIC Annual Information Statement
Andina Acquisition Corp. III**

- 1) This Information Statement applies to the taxable year of Andina Acquisition Corp. III beginning on January 1, 2019 and ending on December 31, 2019 (the “Taxable Year”).
- 2) Your pro rata share of Andina Acquisition Corp. III’s ordinary earnings for the Taxable Year can be determined as follows:
 - i) If you owned Andina Acquisition Corp. III’s shares for the entire IPO period from January 31, 2019 through December 31, 2019, you should multiply the number of shares by the “Per Ordinary Share” amount below.

	Total Ordinary Income	Ordinary Income Per Share
Founder Shares	US\$ 234	US\$ 0.000087
IPO Shares	US\$ 2,137,630	US\$ 0.197929
Private Units	US\$ 34	US\$ 0.000086

- ii) If you did not own all of your Andina Acquisition Corp. III shares for the entire 335 day IPO period, your daily pro rata share of Andina Acquisition Corp. III’s ordinary earnings is:

	Daily Ordinary Income Pro Rata Share
Founder Shares (January 1 – December 31, 2019)	US\$ 0.000000
IPO Shares (January 31 – December 31, 2019)	US\$ 0.000591
Private Units (January 1 – December 31, 2019)	US\$ 0.000000

U.S. shareholders are advised to consult with their tax advisors with respect to the calculation of their pro rata share of Andina Acquisition Corp. III’s ordinary earnings and net short term and long term capital gain for the Taxable Year.

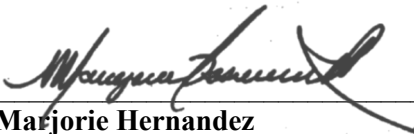
- 3) The amount of cash and the fair market value of other property distributed or deemed distributed by Andina Acquisition Corp. III during the Taxable Year are as follows:

Cash: US \$0.00
Fair Market Value of Property: US \$0.00

- 4) The Summary of Annual Information of Andina Acquisition Corp. III is as follows:
- a) Description of each class of shares – **Ordinary share**.
 - b) Total number of shares outstanding at year-end:
 - i) Founder Shares: **2,700,000**,
 - ii) IPO Shares: **10,800,000**, and
 - iii) Private Units: **395,000**.
 - c) Total FMV of shares at December 31, 2019 – **US\$ 10.15 per share**.
- 5) Any shareholders making a QEF election will be permitted by Andina Acquisition Corp. III to inspect and copy its permanent books of account, records, and such other documents as are maintained by Andina Acquisition Corp. III that are necessary to establish that Andina Acquisition Corp. III's ordinary earnings and net capital gain, as provided in section 1293(e) of the U.S. Internal Revenue Code, are computed in accordance with U.S. income tax principles, and to verify these amounts and your pro rata share thereof.

Andina Acquisition Corp. III

Date: **September 17, 2020**

By: 

Marjorie Hernandez
Treasurer
Andina Acquisition Corporation III