



EARNINGS RELEASE

1Q21

January 01, 2021 – March 31, 2021

SONDA S.A. and subsidiaries report their consolidated financial results for the period from January 01 to March 31, 2021. All figures are expressed in Chilean pesos and have been prepared under International Financial Reporting Standards (IFRS). Translations to US dollars stated in this report are based on the month-end exchange rate as of March 31, 2021 (1 US\$ = 721.82 Chilean Pesos).

EXECUTIVE SUMMARY

HIGHLIGHTS 1Q21

- CONSOLIDATED REVENUES**

US\$281.6 million

- OPERATING INCOME**

US\$22.0 million

- EBITDA**

US\$35.7 million

- EBITDA MARGIN**

12.7%

SONDA totaled consolidated revenues of \$203,268 million (US\$281.6 million) in the first quarter of 2021. Operating Income reached \$15,894 million (US\$22.0 million) and EBITDA registered \$25,773 million (US\$35.7 million). Net Income attributable to owners totaled \$8,834 million (US\$12.2 million).

Results by region:

Region	Revenues		EBITDA	
	Ch\$M	ΔY/Y	Ch\$M	ΔY/Y
Chile	115,763	17.7%	16,612	62.2%
Brazil	43,493	-34.0%	2,558	-
Mexico	9,230	-10.0%	1,374	520.4%
OPLA	34,782	-15.2%	5,229	9.5%
Total	203,268	-5.7%	25,773	77.0%

Current ratio was 2.4x, Financial Leverage ratio was 0.6x and Financial Expenses Coverage ratio was 6.3x, reflecting a solid financial position.

Highlights:

- The reorganization process implemented in 2020 led to important operational and commercial efficiencies that influenced positively in the results of 1Q21.
- In the first quarter of 2021, consolidated revenues and EBITDA increased 8.7% and 85.1%, respectively in constant currency, YoY. EBITDA margin reached 12.7% standing 590bp above the first quarter of 2020.
- Operations outside Chile totaled revenues of \$87,505 million (US\$121.2 million), which represents 43.0% of the consolidated revenues, and EBITDA of \$9,161 million (US\$12.7 million). In constant currency, revenues decreased 5.0% and EBITDA increased 143.1% (YoY).
- In Brazil, in constant currency, revenues fell 10.0% (YoY) and EBITDA went from -\$76 million (US\$0.1 million) in 1Q20 to +\$2,558 million (US\$3.5 million) in 1Q21. Revenues in reporting currency reached \$43,493 million (US\$60.3 million), lower in a 34.0% (YoY) and EBITDA margin was 5.9%, higher by 610bp (YoY).
- In Mexico, in constant currency, revenues and EBITDA increased by 1.5% and 590.3% respectively (YoY). Revenues in reporting currency amounted \$9,230 million (US\$12.8 million), decreasing by 10.0% (YoY) and EBITDA totaled \$1,374 million (US\$1.9 million), higher by 520.4% (YoY).
- In OPLA, in constant currency, revenues were higher by 0.4% (YoY) and EBITDA increased by 26.8% (YoY). Revenues in reporting currency amounted \$34,782 million (US\$48.2 million), decreasing by 15.2% (YoY), and EBITDA \$5,229 million (US\$7.2 million), higher by 9.5% (YoY).
- In Chile, in constant currency, revenues and EBITDA increased 22.0% and 63.6% respectively (YoY). In reporting currency, revenues increased by 17.7% (YoY), totaling \$115,763 million (US\$160.4 million) and EBITDA grew by 62.2% (YoY), totaling \$16,612 million (US\$23.0 million).
- Net income attributable to the owners increased 10.4% (\$8,834 million / US\$12.2 million) compared to the first quarter of 2020.
- During the first quarter of 2021, deals closed totaled US\$295.3 million, higher by 15.6% YoY. Pipeline of new opportunities amounted US\$4,970.6 million as of March 31, 2021. Of these, Brazil contributed with US\$2,226.3 million.

Figure 1 – Consolidated Financial Statement

Millions of Ch\$ (Ch\$M)				
Income Statement	mar-20	mar-21	Δ \$	Δ %
Revenues	215,570	203,268	-12,302	-5.7%
Cost of Sales	-185,573	-167,482	18,092	-9.7%
GROSS PROFIT	29,996	35,786	5,790	19.3%
Administration Expenses	-25,350	-19,893	5,457	-21.5%
OPERATING INCOME ⁽¹⁾	4,647	15,894	11,247	242.0%
Depreciation and Amortization	9,917	9,879	-38	-0.4%
EBITDA ⁽²⁾	14,564	25,773	11,209	77.0%
Other Income	665	509	-157	-23.5%
Other Expenses	-3,966	-995	2,971	-74.9%
PROFIT (LOSS) FROM OPERATING ACTIVITIES	1,346	15,407	14,061	-
Financial Income	2,251	1,676	-575	-25.5%
Financial Expenses	-4,995	-3,746	1,249	-25.0%
Share of Profit (Loss) of Associates	1,809	-357	-2,165	-119.7%
Foreign Exchange Differences	6,833	925	-5,908	-86.5%
Income (Loss) for Indexed Assets and Liabilities	-1,518	67	1,585	-104.4%
NET INCOME BEFORE TAXES	5,726	13,972	8,247	144.0%
Income Tax Expense	2,528	-4,879	-7,406	-293.0%
NET INCOME FROM CONTINUING OPERATIONS	8,253	9,093	840	10.2%
Net Income Attributable to Minority Interest	250	259	9	3.8%
NET INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY	8,004	8,834	831	10.4%
Balance Sheet	dec-20	mar-21	Δ \$	Δ %
Cash and Cash Equivalents	188,510	157,736	-30,774	-16.3%
Other Current Financial Assets	18,000	16,611	-1,390	-7.7%
Trade Accounts Receivable and Other Receivables, Net	204,325	204,249	-75	0.0%
Accounts Receivable from Related Companies	933	438	-495	-53.0%
Inventories	35,546	48,843	13,297	37.4%
Other Current Assets	43,866	46,780	2,914	6.6%
CURRENT ASSETS	491,180	474,657	-16,523	-3.4%
Intangibles Assets and Goodwill	202,261	190,767	-11,494	-5.7%
Property, Plant and Equipment, Net	142,182	138,573	-3,609	-2.5%
Other Non-currents Assets	132,403	134,423	2,020	1.5%
NON-CURRENT ASSETS	476,846	463,763	-13,083	-2.7%
ASSETS	968,025	938,420	-29,606	-3.1%
Other Current Financial Liabilities	44,483	21,667	-22,816	-51.3%
Other Liabilities	173,276	177,397	4,121	2.4%
CURRENT LIABILITIES	217,760	199,064	-18,696	-8.6%
Other Non-current Financial Liabilities	237,146	236,572	-574	-0.2%
Other Liabilities, Non-Current	58,577	59,983	1,407	2.4%
NON-CURRENT LIABILITIES	295,722	296,555	833	0.3%
LIABILITIES	513,482	495,619	-17,863	-3.5%
Minority Interest	2,812	2,859	47	1.7%
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	451,731	439,942	-11,789	-2.6%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	968,025	938,420	-29,606	-3.1%

⁽¹⁾ Operating Income = Gross Profit – Administration Expenses

⁽²⁾ EBITDA = Operating Income + Depreciation and Amortization

MANAGEMENT DISCUSSION AND ANALYSIS ON 1Q21 CONSOLIDATED RESULTS

I. Consolidated Results for the first quarter of 2021 (1Q21)

Revenues

Consolidated revenues totaled \$203,268 million (US\$281.6 million) in 1Q21, 5.7% lower (-\$12,302 million / -US\$17.0 million) than in 1Q20. In constant currency, revenues increased 8.7% (YoY).

The main differences are the following:

- Increase of 10.4% (+\$10,018 million / +US\$13.9 million) (YoY) in revenues from the Platforms Business, totaling \$106,559 million (US\$147.6 million), mainly due to Chile and Brazil. In constant currency, the increase was 25.1% (+\$21,346 million / +US\$29.6 million).
- Decrease of 20.4% (-\$20,457 million / -US\$28.3 million) (YoY) in the IT Services Business, reaching \$79,609 million (US\$110.3 million). In constant currency, the decrease was 5.7% (-4,850 million / -US\$6.7 million) originated in Chile, Brazil and OPLA.
- Decrease of 9.8% (-\$1,862 million / -US\$2.6 million) (YoY) in the Applications Business, reaching \$17,100 million (US\$23.7 million). In constant currency, the decrease was 0.9% (-\$150 million / -US\$ 0.2 million), mainly from Chile, OPLA and Brazil.

The revenue breakdown by business line was 52.4% Platforms, 39.2% IT Services and 8.4% Applications.

Figure 2 – Consolidated Revenues by Business Line

	1Q20 Ch\$M	1Q21 Ch\$M	Δ \$	Δ %	1Q20A Ch\$M	Δ \$ (a/a)	Δ % (a/a)
CONSOLIDATED REVENUES BY BUSINESS LINE							
Platforms	96,542	106,559	10,018	10.4%	85,213	21,346	25.1%
IT Services	100,067	79,609	-20,457	-20.4%	84,459	-4,850	-5.7%
Applications	18,962	17,100	-1,862	-9.8%	17,250	-150	-0.9%
Total	215,570	203,268	-12,302	-5.7%	186,922	16,346	8.7%
Breakdown							
Platforms	44.8%	52.4%			45.6%		
IT Services	46.4%	39.2%			45.2%		
Applications	8.8%	8.4%			9.2%		
Total	100%	100%			100%		

Note: 1Q20A correspond to revenues for the period 2020 in constant currency.

Cost of Sales and Selling, General and Administrative Expenses

Cost of sales amounted \$167,482 million (US\$232.0 million) in the first quarter 2021, decreasing by 9.7% (YoY).

Administration expenses were \$19,893 million (US\$27.6 million) in the first quarter 2021, 21.5% lower (YoY).

Figure 3 – Income Statement

	1Q20	1Q21	Δ \$	Δ %	1Q20A	Δ \$ (t/t)	Δ % (t/t)
SUMMARY OF CONSOLIDATED INCOME STATEMENT							
Revenues	215,570	203,268	-12,302	-5.7%	186,922	16,346	8.7%
Cost of Sales	-185,573	-167,482	18,092	-9.7%	-159,265	-8,217	5.2%
GROSS PROFIT	29,996	35,786	5,790	19.3%	27,657	8,129	29.4%
Administration Expenses	-25,350	-19,893	5,457	-21.5%	-22,301	2,408	10.8%
OPERATING INCOME ⁽¹⁾	4,647	15,894	11,247	242.0%	5,356	10,538	196.7%
EBITDA ⁽²⁾	14,564	25,773	11,209	77.0%	13,922	11,851	85.1%
NET INCOME ATTRIBUTABLE TO OWNERS	8,004	8,834	831	10.4%	10,839	-2,004	-18.5%
Financial Ratios							
Gross Margin	13.9%	17.6%			14.8%		
Operating Margin	2.2%	7.8%			2.9%		
EBITDA Margin	6.8%	12.7%			7.4%		
Net Margin	3.7%	4.3%			5.8%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: 1Q20A corresponds to revenues for the period 2020 in constant currency.

Operating Income and EBITDA

Operating Income reached \$15,894 million (US\$22.0 million), higher by 242.0% (YoY). Gross Margin was 17.6%, higher by 370bp (YoY), and Operating Margin was 7.8%, increasing by 560bp (YoY). In constant currency, the Operating Income was 196.7% higher.

EBITDA totaled \$25,773 million (US\$35.7 million), increasing 77.0% YoY. In constant currency, EBITDA increased by 85.1% (YoY). EBITDA margin in the first quarter of 2021 reached 12.7%, higher 590bp (YoY).

Other Comprehensive Income / Losses (Excluding Administration Expenses)

Other comprehensive income/losses¹, excluding Administration expenses registered a loss of \$1,922 million (US\$2.6 million) in the first quarter of 2021, compared to the gain of \$1,079 million (US\$1.5 million) in the same period of 2020. The main variations were negative exchange difference (\$5,908 million / US\$8.2 million) and lower Other Expenses by Function by (\$2,971 million / US\$4.1 million).

Net Income

Net Income attributable to the owners of the company amounted 8,834 million (US\$12.2 million), increasing by 10.4% (YoY) (+\$831 million / +US\$1.2 million).

¹ Other Comprehensive Income/Losses = Financial Income + Financial Expenses + Share of Profit (Loss) of Associates + Foreign Exchange Differences + Income (Loss) for Indexed Assets and Liabilities + Other Income + Other Expenses.

Regional Results for the first quarter of 2021 (1Q21)

Chile

Main changes between 1Q21 and 1Q20 are described below:

- Revenues totaled \$115,763 million (US\$160.4 million), showing an increase of 17.7% (YoY). In constant currency, revenues were higher by 22.0%. The increase is explained by higher revenues in Platforms (+32.1%), associated to the Distribution Business.
- Operating Income totaled \$11,137 million (US\$14.5 million / +67.6% YoY) and EBITDA totaled \$16,612 million (US\$23.0 million / +62.2% YoY). In constant currency, the Operating Income and EBITDA were higher by 69.2% and 63.6% respectively (YoY). The latter was a resultant of better performance on the Distribution and the Core business.
- Operating Margin reached 9.6% and EBITDA Margin was 14.4%, higher by 280bp and 400bp (YoY), respectively.

Figure 4 – Business in Chile
1Q20 – 1Q21

	1Q20 Ch\$M	1Q21 Ch\$M	Δ \$	Δ %	1Q20A Ch\$M	Δ \$ (t/t) 0	Δ % (t/t) 0
SUMMARY OF RESULTS CHILE							
REVENUES	98,392	115,763	17,371	17.7%	94,859	20,904	22.0%
Platforms	62,117	77,411	15,295	24.6%	58,601	18,811	32.1%
IT Services	26,732	29,483	2,751	10.3%	26,715	2,768	10.4%
Applications	9,544	8,868	-675	-7.1%	9,544	-675	-7.1%
Cost of Sales	-80,388	-94,227	-13,838	17.2%	-77,105	-17,121	22.2%
GROSS PROFIT	18,004	21,536	3,532	19.6%	17,754	3,782	21.3%
Administration Expenses	-11,361	-10,399	962	-8.5%	-11,170	771	6.9%
OPERATING INCOME ⁽¹⁾	6,643	11,137	4,494	67.6%	6,583	4,553	69.2%
EBITDA ⁽²⁾	10,243	16,612	6,369	62.2%	10,154	6,458	63.6%
Operating Margin	6.8%	9.6%			6.9%		
EBITDA Margin	10.4%	14.4%			10.7%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: 1Q20A corresponds to revenues for the period 2020 in constant currency.

Brazil

Main changes between 1Q21 and 1Q20 are described below:

- In constant currency, revenues decreased 10.0% mainly due to lower revenues from IT services (-23.7%). Revenues in reporting currency reached \$43,493 million (US\$60.3 million / -34% YoY)
- In reporting currency, Operating Income reached \$96 million (US\$0.1 million) and EBITDA totaled 2,558 million (US\$3.5 million), being both higher than the negative results from the first quarter of 2020.
- Operating Margin was 0.2% and EBITDA Margin reached 5.9%.

Figure 5 – Business in Brazil
1Q20 – 1Q21

	1Q20 Ch\$M	1Q21 Ch\$M	Δ \$	Δ %	1Q20A Ch\$M	Δ \$ (t/t)	Δ % (t/t)
SUMMARY OF RESULTS BRAZIL							
REVENUES	65,913	43,493	-22,419	-34.0%	48,326	-4,832	-10.0%
Platforms	18,426	15,317	-3,109	-16.9%	13,469	1,848	13.7%
IT Services	42,864	23,983	-18,881	-44.0%	31,415	-7,432	-23.7%
Applications	4,623	4,193	-430	-9.3%	3,442	751	21.8%
Cost of Sales	-62,461	-38,802	23,659	-37.9%	-45,766	6,964	-15.2%
GROSS PROFIT	3,451	4,691	1,240	35.9%	2,560	2,131	83.3%
Administration Expenses	-7,450	-4,595	2,856	-38.3%	-5,472	877	16.0%
OPERATING INCOME ⁽¹⁾	-3,999	96	4,096	102.4%	-2,913	3,009	103.3%
EBITDA ⁽²⁾	-126	2,558	2,684	-	-76	2,634	-
Operating Margin	-6.1%	0.2%			-6.0%		
EBITDA Margin	-0.2%	5.9%			-0.2%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: 1Q20A corresponds to revenues for the period 2020 in constant currency.

Mexico

Main changes between 1Q21 and 1Q20 are described below:

- Revenues in constant currency grew 1.5% (YoY), mainly due to the IT Service business (+8.0%) and the Application business (+13.6%). In reporting currency, revenues decreased by 10.0% compared to the 1Q20, totaling \$9,230 million (US\$12.8 million).
- In reporting currency, the Operating Income registered a gain of \$786 million (US\$1.1 million) and EBITDA totaled \$1,374 million (US\$1.9 million), higher than the negative figures registered during the first quarter of 2020.
- Operating Margin was 8.5% and EBITDA Margin was 14.9%.

Figure 6 – Business in Mexico
1Q20 – 1Q21

	1Q20 Ch\$M	1Q21 Ch\$M	Δ \$	Δ %	1Q20A Ch\$M	Δ \$ (t/t)	Δ % (t/t)
SUMMARY OF RESULTS MEXICO							
REVENUES	10,259	9,230	-1,029	-10.0%	9,091	139	1.5%
Platforms	2,696	1,919	-777	-28.8%	2,423	-504	-20.8%
IT Services	5,349	5,099	-250	-4.7%	4,721	378	8.0%
Applications	2,213	2,212	-1	-0.1%	1,948	264	13.6%
Cost of Sales	-9,352	-7,258	2,094	-22.4%	-8,274	1,016	-12.3%
GROSS PROFIT	906	1,972	1,066	117.6%	817	1,155	141.2%
Administration Expenses	-1,970	-1,186	784	-39.8%	-1,746	560	32.1%
OPERATING INCOME ⁽¹⁾	-1,063	786	1,850	174.0%	-928	1,715	184.7%
EBITDA ⁽²⁾	-327	1,374	1,701	520.4%	-280	1,655	590.3%
Operating Margin	-10.4%	8.5%			-10.2%		
EBITDA Margin	-3.2%	14.9%			-3.1%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: 1Q20A corresponds to revenues for the period 2020 in constant currency.

OPLA (Other Countries in Latin America)

Main changes in OPLA (which includes Argentina, Colombia, Costa Rica, Ecuador, Peru, Panama and Uruguay) between 1Q21 and 1Q20 are described below:

- In constant currency, revenues increased 0.4% (YoY), mainly due to the Platforms Business (+11.1%). Revenues in reporting currency decreased 15.2% (YoY), reaching \$34,782 million (US\$48.2 million).
- In constant currency, Operating Income increased by 48.2% (YoY) and EBITDA grew by 26.8% (YoY). In reporting currency, the Operating Income totaled \$3,874 million (US\$5.4 million) and EBITDA \$5,229 million (US\$7.2 million), increasing by 26.3% and 9.5% (YoY), respectively.
- Operating Margin reached 11.1%, 360bp higher (YoY) and EBITDA Margin was 15.0%, 340bp higher YoY.

Figure 7 – Business in OPLA
1Q20 – 1Q21

	1Q20 Ch\$M	1Q21 Ch\$M	Δ \$	Δ %	1Q20A Ch\$M	Δ \$ (t/t)	Δ % (t/t)
SUMMARY OF RESULTS OPLA							
REVENUES	41,007	34,782	-6,225	-15.2%	34,647	136	0.4%
Platforms	13,303	11,912	-1,391	-10.5%	10,722	1,190	11.1%
IT Services	25,122	21,044	-4,078	-16.2%	21,608	-564	-2.6%
Applications	2,582	1,826	-756	-29.3%	2,317	-490	-21.2%
Cost of Sales	-33,371	-27,195	6,177	-18.5%	-28,120	925	-3.3%
GROSS PROFIT	7,635	7,587	-48	-0.6%	6,527	1,061	16.3%
Administration Expenses	-4,569	-3,713	856	-18.7%	-3,913	200	5.1%
OPERATING INCOME ⁽¹⁾	3,066	3,874	808	26.3%	2,614	1,261	48.2%
EBITDA ⁽²⁾	4,775	5,229	454	9.5%	4,124	1,105	26.8%
Operating Margin	7.5%	11.1%			7.5%		
EBITDA Margin	11.6%	15.0%			11.9%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: 1Q20A corresponds to revenues for the period 2020 in constant currency.

Figure 8 – Regional Summary 1Q20 – 1Q21

Regional Summary	1Q20 Ch\$M	1Q21 Ch\$M	Δ \$	Δ %	1Q20A Ch\$M	Δ \$ (t/t)	Δ % (t/t)
CHILE							
REVENUES	98,392	115,763	17,371	17.7%	94,859	20,904	22.0%
Platforms	62,117	77,411	15,295	24.6%	58,601	18,811	32.1%
IT Services	26,732	29,483	2,751	10.3%	26,715	2,768	10.4%
Applications	9,544	8,868	-675	-7.1%	9,544	-675	-7.1%
Cost of Sales	-80,388	-94,227	-13,838	17.2%	-77,105	-17,121	22.2%
GROSS PROFIT	18,004	21,536	3,532	19.6%	17,754	3,782	21.3%
Administration Expenses	-11,361	-10,399	962	-8.5%	-11,170	771	6.9%
OPERATING INCOME ⁽¹⁾	6,643	11,137	4,494	67.6%	6,583	4,553	69.2%
EBITDA ⁽²⁾	10,243	16,612	6,369	62.2%	10,154	6,458	63.6%
Operating Margin	6.8%	9.6%			6.9%		
EBITDA Margin	10.4%	14.4%			10.7%		
BRAZIL							
REVENUES	65,913	43,493	-22,419	-34.0%	48,326	-4,832	-10.0%
Platforms	18,426	15,317	-3,109	-16.9%	13,469	1,848	13.7%
IT Services	42,864	23,983	-18,881	-44.0%	31,415	-7,432	-23.7%
Applications	4,623	4,193	-430	-9.3%	3,442	751	21.8%
Cost of Sales	-62,461	-38,802	23,659	-37.9%	-45,766	6,964	-15.2%
GROSS PROFIT	3,451	4,691	1,240	35.9%	2,560	2,131	83.3%
Administration Expenses	-7,450	-4,595	2,856	-38.3%	-5,472	877	16.0%
OPERATING INCOME ⁽¹⁾	-3,999	96	4,096	102.4%	-2,913	3,009	103.3%
EBITDA ⁽²⁾	-126	2,558	2,684	-	-76	2,634	-
Operating Margin	-6.1%	0.2%			-6.0%		
EBITDA Margin	-0.2%	5.9%			-0.2%		
MEXICO							
REVENUES	10,259	9,230	-1,029	-10.0%	9,091	139	1.5%
Platforms	2,696	1,919	-777	-28.8%	2,423	-504	-20.8%
IT Services	5,349	5,099	-250	-4.7%	4,721	378	8.0%
Applications	2,213	2,212	-1	-0.1%	1,948	264	13.6%
Cost of Sales	-9,352	-7,258	2,094	-22.4%	-8,274	1,016	-12.3%
GROSS PROFIT	906	1,972	1,066	117.6%	817	1,155	141.2%
Administration Expenses	-1,970	-1,186	784	-39.8%	-1,746	560	32.1%
OPERATING INCOME ⁽¹⁾	-1,063	786	1,850	174.0%	-928	1,715	184.7%
EBITDA ⁽²⁾	-327	1,374	1,701	520.4%	-280	1,655	590.3%
Operating Margin	-10.4%	8.5%			-10.2%		
EBITDA Margin	-3.2%	14.9%			-3.1%		
OPLA							
REVENUES	41,007	34,782	-6,225	-15.2%	34,647	136	0.4%
Platforms	13,303	11,912	-1,391	-10.5%	10,722	1,190	11.1%
IT Services	25,122	21,044	-4,078	-16.2%	21,608	-564	-2.6%
Applications	2,582	1,826	-756	-29.3%	2,317	-490	-21.2%
Cost of Sales	-33,371	-27,195	6,177	-18.5%	-28,120	925	-3.3%
GROSS PROFIT	7,635	7,587	-48	-0.6%	6,527	1,061	16.3%
Administration Expenses	-4,569	-3,713	856	-18.7%	-3,913	200	5.1%
OPERATING INCOME ⁽¹⁾	3,066	3,874	808	26.3%	2,614	1,261	48.2%
EBITDA ⁽²⁾	4,775	5,229	454	9.5%	4,124	1,105	26.8%
Operating Margin	7.5%	11.1%			7.5%		
EBITDA Margin	11.6%	15.0%			11.9%		

(1) Operating Income: Gross Profit – Administration Expenses

(2) EBITDA: Operating Income + Depreciation and Amortization

Note: 1Q20A corresponds to revenues for the period 2020 in constant currency.

ANALYSIS OF CONSOLIDATED BALANCE SHEET

Assets

As of March 31, 2021, Total Assets amounted \$938,420 million (US\$1,300.5 million), decreasing by 3.1% compared to December 2020. Main variations are:

Decrease in:

- Cash and Cash Equivalents by \$30,774 million (US\$42.6 million), whose balance as of March 31, 2021 was \$157,736 million (US\$218.5 million), used mainly to decrease financial debt in Brazil.

Liabilities

Liabilities totaled \$495,619 million (US\$686.6 million) as of March 31, 2021, decreasing by 3.5% compared to December 2020. Main variations are:

Decrease in:

- Other Current and Non-Current Financial Liabilities by \$23,390 million (US\$32.4 million) whose balance as of March 31, 2021 was \$21,667 million (US\$31.6 million) of Current and \$236,572 million (US\$327.7 million) of Non-Current, associated mainly to the payment of financial debt in Brazil.
- Current Provisions for employee benefits by \$4,945 million (US\$6.9 million) whose balance as of March 31, 2021 was \$21,670 million (US\$30.0 million), originated mainly in Chile.

Increase in:

- Trade Accounts Payable and Other Accounts Payable by \$13,230 million (US\$18.3 million) whose balance as of March 31, 2021 was \$112,258 million (US\$155.7 million), originated mainly in Chile.

Shareholder's Equity

Consolidated shareholders' equity attributable to owners amounted \$442,801 million (US\$613.5 million) as of March 2021, decreasing 2.6% compared to December 2020 (\$11,743 million / US\$16.3 million). The main variations are explained by the results of the period, net of dividends, by negative effects in the Reserve of Exchange Difference translations (\$16,792 million / US\$23.2 million) and positive effects in Other Reserves (\$586 million / US\$0.8 million).

Figure 9 – Financial Ratios Summary

Financial Ratios		mar-20	mar-21	Δ mar-21 / mar-20	dec-20	Δ mar-21 / dec-20
LIQUIDITY						
Current Ratio (Current Assets / Current Liabilities)	(times)	1.9	2.4	25.9%	2.3	5.7%
Quick Ratio ((Current Assets - Inventories) / Current Liabilities)	(times)	1.7	2.1	24.7%	2.1	2.2%
Working Capital (Current Assets - Current Liabilities)	(Ch M\$)	244,411	275,593	12.8%	273,420	0.8%
INDEBTEDNESS						
Leverage (Current Liabilities + Non-current Liabilities) / Equity)	(times)	1.1	1.1	4.2%	1.1	-0.9%
Financial Leverage (Other Current Financial Liabilities + Other Non-current Financial Liabilities) / Equity)	(times)	0.6	0.6	6.0%	0.6	-5.9%
Short-Term Debt (Current Liabilities / Total Liabilities)	(times)	0.5	0.4	-19.5%	0.4	-5.3%
Long-Term Debt (Non-Current Liabilities / Total Liabilities)	(times)	0.5	0.6	19.5%	0.6	3.9%
Financial-Expenses-Coverage Ratio (EBITDA / Financial Expenses)	(times)	2.9	6.3	115.0%	5.1	21.9%
Financial Debt to EBITDA Ratio ((Current Liabilities + Non-current Liabilities) / EBITDA ^{1,2})	(times)	4.8	2.5	-48.0%	3.2	-22.2%
Net Financial Debt to EBITDA Ratio ((Current Liabilities + Non-current Liabilities - Cash and Cash Equivalents - Other Current Financial Assets) / EBITDA ^{1,2})	(times)	2.2	0.8	-62.2%	1.0	-17.0%
PROFITABILITY						
ROE (Net Income attrib.to Owners ² / Equity attrib.to Owners ³)	%	6.2%	7.9%	170 pb	0.1%	780 pb
ROA (Net Income attrib.to Owners ² / Equity attrib.to Owners ³)	%	3.0%	3.7%	70 pb	0.0%	370 pb
Earnings per Share (Net Income attrib.to Owners of Comp. / Total Shares ⁴)	(Ch\$)	36.8	40.6	10.4%	0.5	7588.7%
Dividend Yield (Dividends Paid ⁵ / Closing Market Stock Price)	%	2.7%	1.6%	-110 pb	1.7%	-10 pb

1 EBITDA = Operating Income + Depreciation and Amortization

2 Annual Base

3 Calculated as an average:

- mar-21: average between mar-21 and dec-20

- mar-20: average between mar-20 and dec-19

- dec-20: average between dec-20 y dec-19

4 Numbers of shares considered:

- mar-21 = 871.057.175

- mar-20 = 871.057.175

- dec-20 = 871.057.175

5 Last 12 months

Statements of Cash Flow

Cash and Cash Equivalents reached \$157,736 million (US\$218.5 million) as of March 31, 2021 compared to \$141,314 million (US\$195.8 million) as of March 31, 2020.

Net cash flow from operating activities totaled \$7,616 million in the first quarter of 2021 (US\$10.6 million), lower than the \$14,362 million (US\$19.9 million) generated in the same period of 2020.

The net cash flow used in investment activities in the first quarter of 2021 was \$9,877 million (US\$13.7 million).

Capital Expenditure (CAPEX) totaled \$8,809 million (US\$12.2 million) in 1Q21, and included \$8,553 million (US\$11.8 million) invested in the purchase of fixed assets for internal use and contracts with customers, and \$256 million (US\$0.4 million) in intangibles.

The net cash flow used in financing activities was \$29,440 million (US\$40.8 million), compared to the cash flow from financing activities of \$2,290 million (US\$3.2 million) in the same period of 2020, variation associated mainly with bank loans payments.

Figure 10 – Statements of Cash Flow

	mar-20 Ch\$M	mar-21 Ch\$M	Δ \$	Δ %
Statements of Cash Flow				
Net Cash Flows from (used in) Operating Activities	14,362	7,616	(6,746)	-47.0%
Net Cash Flows from (used in) Investing Activities	(11,388)	(9,877)	1,511	13.3%
Net Cash Flows from (used in) Financing Activities	(2,290)	(29,440)	(27,150)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATES	684	(31,701)	(32,385)	-
Effect of Exchange Rate changes on Cash and Cash Equivalents	1,890	927	(963)	-51.0%
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,575	(30,774)	(33,348)	-
Cash and Cash Equivalents at beginning of period	138,739	188,510	49,770	35.9%
CASH AND CASH EQUIVALENTS AT END OF PERIOD	141,314	157,736	16,422	11.6%