



Earnings Presentation 3Q2020

October 23, 2020



Improving & Transforming Customers' Business

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Highlights 3Q2020 and 9M2020

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Highlights 3Q2020 and 9M2020



<p>Revenues totaled US\$237.6 million in 3Q20, growing 10.4% compared to 2Q20</p>	<p>EBITDA totaled US\$76.7 million in 9M20, decreasing 8.3% compared to 2019. Not considering the divestiture of Acepta, EBITDA decreased 3.0% in the period</p>	
<p>EBITDA totaled US\$29.2 million in 3Q20, growing 3.8% compared to 2019. Not considering the divestiture of Acepta, EBITDA grew 10.0% in the quarter</p>	<p>EBITDA margin reached 10.6% in 9M20 (-20bp compared to 2019). Without Acepta, margins improve 10bp</p>	
<p>EBITDA margin reached 12.3% in 3Q20 (+130bp compared to 2019)</p>	<p>Margin improvements during 3Q20 (compared to 2019) in:</p> <ul style="list-style-type: none"> ✓ Brazil: +240bp ✓ México: +990bp ✓ OPLA: +490bp 	
<p>Net Profit reached US\$8.8 million in 9M20 (includes US\$17 million in restructuring expenses). Not considering the divestiture of a subsidiary in Sep-19 which generated an extraordinary profit of US\$32.8 million (after tax), Net profit increased US\$12.1 million YoY</p>	<p>Business closures totaled US\$683 million, decreasing 38.2% in 9M20 (YoY). Despite the lower dynamism, highlighted the growth in Mexico (+37.0%)</p> <p>Pipeline of new opportunities reached US\$ 5.2 Bn, which represents an increase of 39.0% compared to Dic-19</p>	
<p>Cash reached US\$257.6 million and Net financial Debt / EBITDA was 1.0x</p>	<p>Operational Cash Flow increased by US\$70.7 million (+169.2%) in 9M20 compared to 2019</p>	

Results Highlights 3Q2020 and 9M2020

Consolidated SONDA (US\$ million)

US\$ Million	3Q2020	Chg. 20/19	9M2020	Chg. 20/19
Consolidated Revenues	237.6	(-7.2%)	726.4	(-6.0%)
Revenues (Constant Currency)	247.6	(-3.3%)	720.2	(-6.8%)
Consolidated EBITDA	29.2	3.8%	76.7	(-8.3%)
EBITDA Margin	12.3%	130bp	10.6%	(-27bp)
Net Income	6.1	(-57.1%)	8.8	(-70.2%)
Net Margin	2.5%	(-296bp)	1.2%	(-260bp)

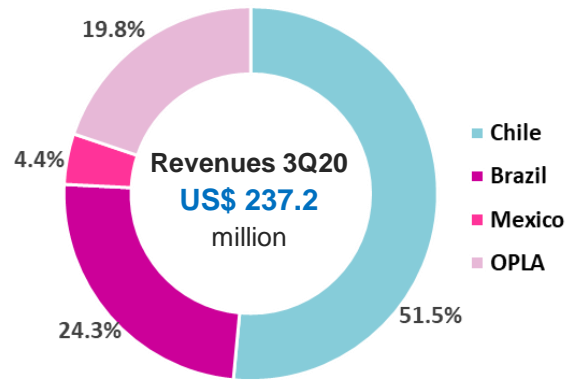
SONDA Core Business (US\$ million)

US\$ Million	3Q2020	Chg. 20/19	9M2020	Chg. 20/19
Consolidated Revenues	172.2	(-15.5%)	550.8	(-9.3%)
Revenues (Constant Currency)	185.2	(-9.3%)	558.6	(-8.0%)
Consolidated EBITDA	26.7	2.7%	70.2	(-8.5%)
EBTIDA Margin	15.5%	274bp	12.7%	11bp
Net Income	4.3	(-71.0%)	9.3	(-67.7%)
Net Margin	2.5%	(-479bp)	1.7%	(-306bp)

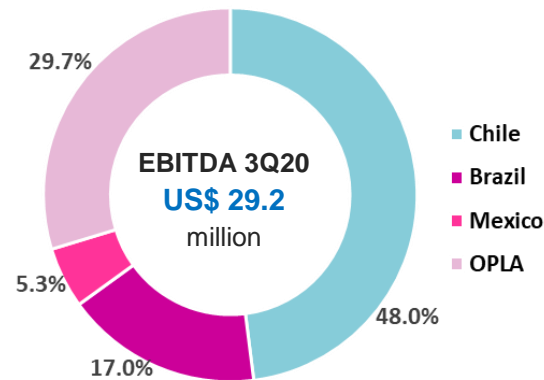
Consolidated SONDA (US\$ million, quarterly evolution)

US\$ Million	1Q20	2Q20	3Q20
Consolidated Revenues	273.5	215.3	237.6
Revenues (Constant Currency)	256.4	216.2	247.6
Consolidated EBITDA	18.5	29.1	29.2
EBTIDA Margin	6.8%	13.5%	12.3%
Net Income	10.2	(7.5)	6.1
Net Margin	3.7%	(-3.5%)	2.5%

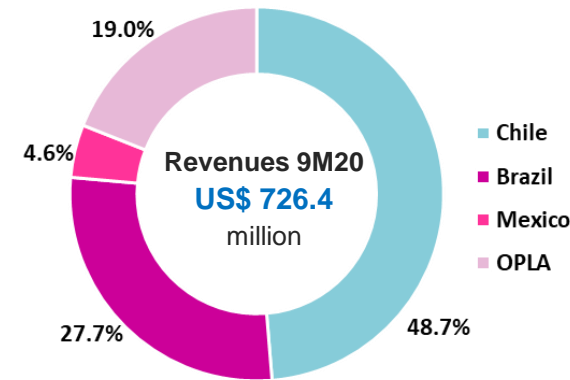
Revenue distribution by country 3Q2020



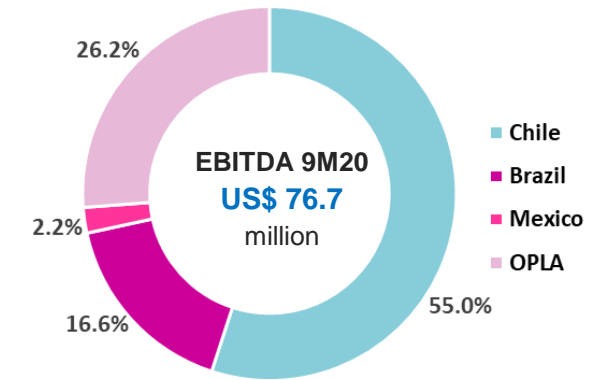
EBITDA contribution by country 3Q2020



Revenue distribution by country 9M2020



EBITDA contribution by country 9M2020



Figures in US\$ were translated using Exchange rate equal to \$ 788.15 / US\$

Results Highlights 3Q2020 and 9M2020

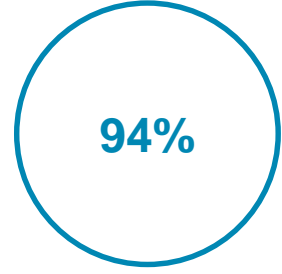
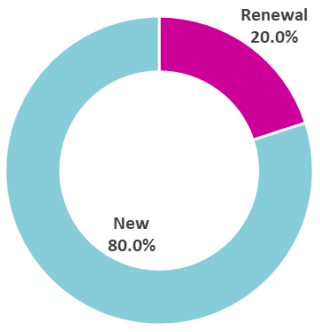
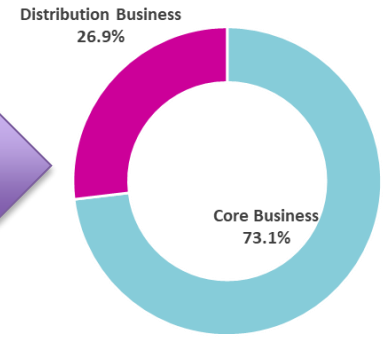
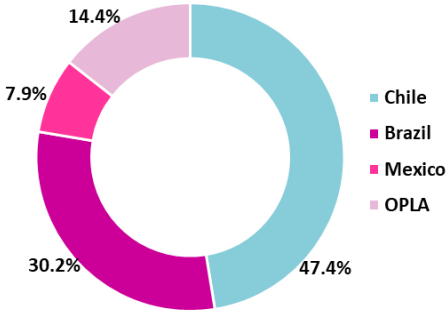
Business Closed

Closures by Country

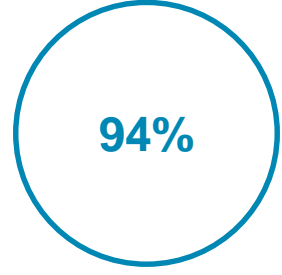
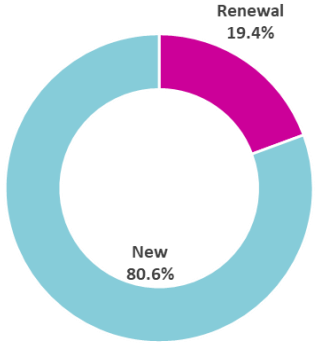
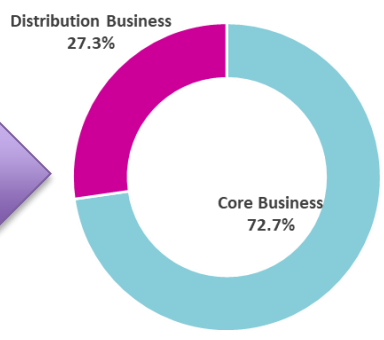
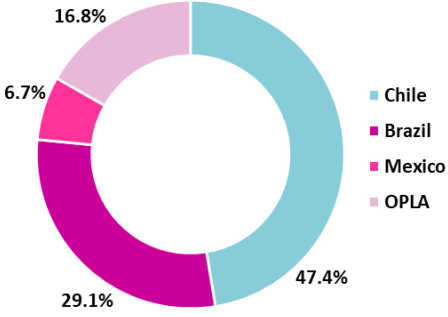
Type of Closure

Closures / Revenues

9M2020

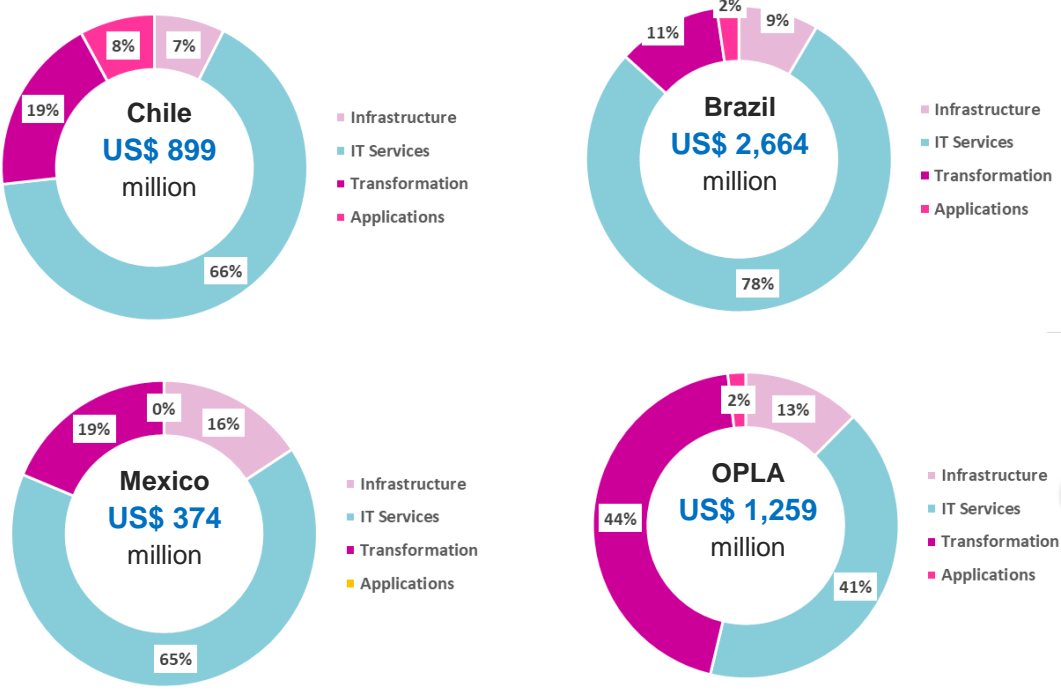


LTM

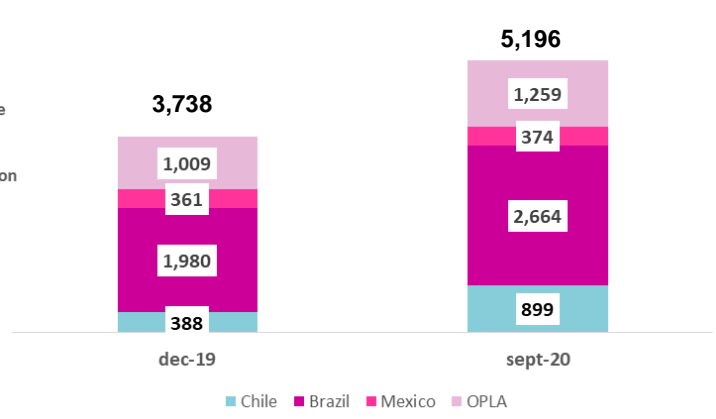


Results Highlights 3Q2020 and 9M2020

1 Historical Pipeline of US\$5.2 Billion



2 Pipeline evolution Pipeline (US\$ million)



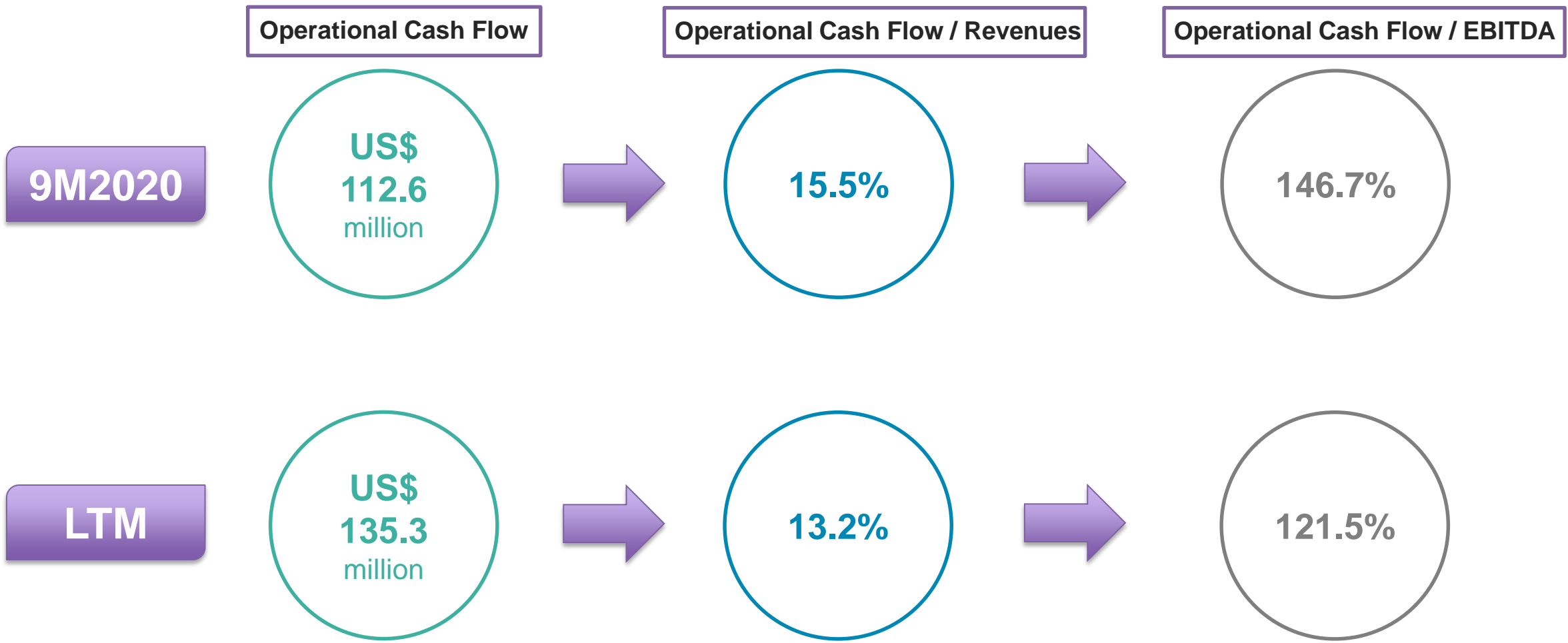
USD Million	Var Sep/Dec
Chile	131.8%
Brazil	34.6%
Mexico	3.6%
OPLA	24.7%
Total	39.0%

3 Opportunities by range and region Pipeline (US\$ million)

Range US\$ Million	Pipeline Consolidated SONDA	Pipeline				
		Chile	Brazil	Mexico	OPLA	Total
0 - 5	1,930	377	899	149	506	1,930
5 - 25	1,125	140	506	121	358	1,125
25 - 50	210	35	70	39	67	210
> 50	1,930	347	1,190	65	328	1,930
Total Pipeline	5,196	899	2,664	374	1,259	5,196

Figures in US\$ were translated using Exchange rate equal to \$ 788.15 / US\$

Results Highlights 3Q2020 and 9M2020



Figures in US\$ were translated using Exchange rate equal to \$ 788.15 / US\$



Results by Region 3Q2020 and 9M2020

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Income Statement

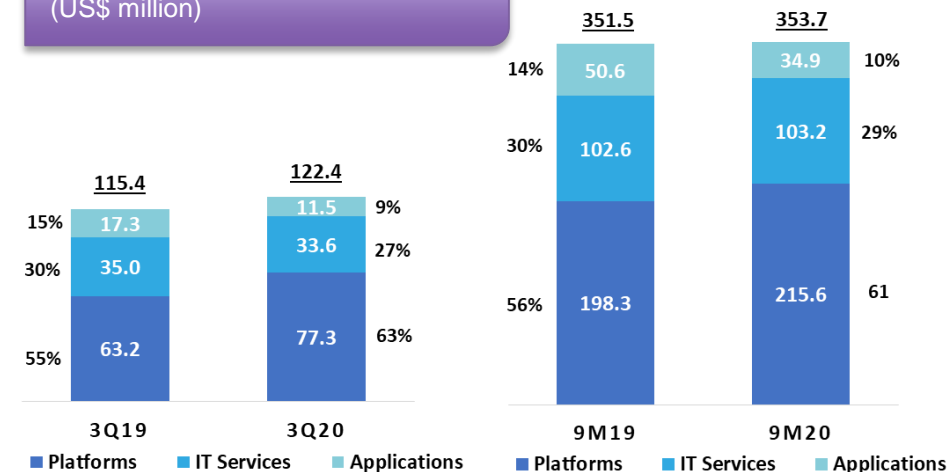
(US\$ million)

	3Q20	Chg. 20/19	9M20	Chg. 20/19
Revenues	122.4	6.0%	353.7	0.6%
Gross Profit	18.7	(29.2%)	61.6	(19.2%)
<i>Gross Margin</i>	15.3%	(759bp)	17.4%	(427bp)
Sales and Administrative Expenses	(10.7)	(27.9%)	(34.6)	(20.3%)
Operational Profit	8.1	(30.8%)	27.0	(17.7%)
<i>Operational Margin</i>	6.6%	(350bp)	7.6%	(170bp)
EBITDA	14.0	(14.8%)	42.2	(9.9%)
<i>EBITDA Margin</i>	11.4%	(279bp)	11.9%	(140bp)

- Revenues increased 6.0% in 3Q20 due to:
 - ❑ Increase in Platforms (+22.2%)
 - ❑ Decrease in IT Services (-3.9%) and Applications (-33.4%)
 - ❑ Lower revenues by the sale of interest of Acepta (Sep-19)
 - ❑ Not considering the divestiture of Acepta, revenues grew 11.7%
- EBITDA decreased 9.9% in 9M20 and 14.8% in 3Q20
 - ❑ Without the effect of Acepta, EBITDA remained flat in 9M20 and grew 12.5% in 3Q20
- EBITDA margin reached 11.9% in 9M20, affected by the divestiture of Acepta. In 3Q20 EBITDA margin reached a 11.4% due to a higher contribution from the Distribution Business.
- Business closed decreased 33.4% in 9M20 totaling US\$324 million. Excluding Transantiago renewal, closures decreased one digit.
- Pipeline reached US\$ 899 million (+131.8% compared to Dec-19)

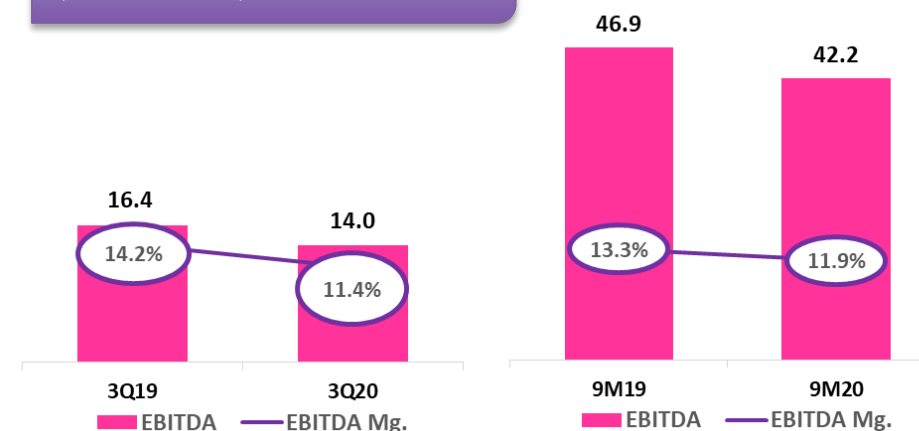
Revenues by Business Line

(US\$ million)



EBITDA & EBITDA Margin

(US\$ million, %)

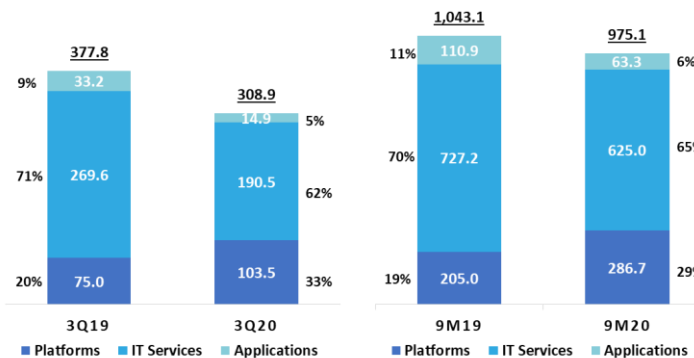


Income Statement (BRL million)

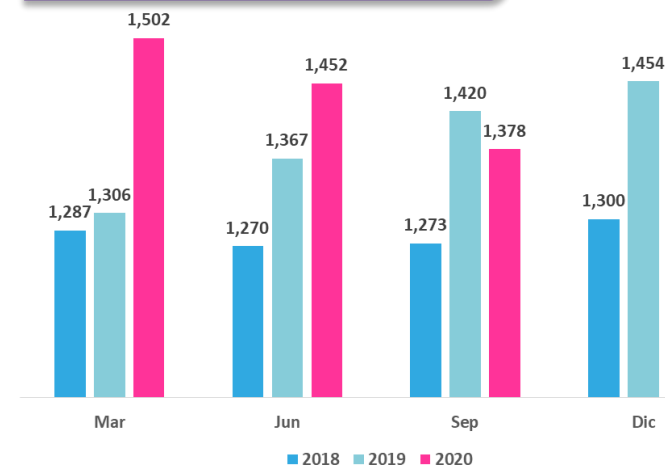
	3Q20	Chg. 20/19	9M20	Chg. 20/19
Revenues	308.9	(18.2%)	975.1	(6.5%)
Gross Profit	34.1	(4.9%)	107.5	(1.0%)
<i>Gross Margin</i>	11.0%	154bp	11.0%	61pb
Sales and Administrative Expenses	(26.0)	(23.4%)	(99.8)	(4.6%)
Operational Profit	8.0	330.8%	7.7	93.1%
<i>Operational Margin</i>	2.6%	211bp	0.8%	41pb
EBITDA	26.7	14.8%	67.3	(4.6%)
<i>EBITDA Margin</i>	8.6%	249bp	6.9%	14pb

- Revenues decreased 6.5% in 9M2020 compared to 2019
- EBITDA grew 14.8% in 3Q20, boosted by operational improvements. In 9M20 EBITDA decreased 4.6% due to lower revenues and business closings, affected by the pandemic
- EBITDA Margin reached 8.6% (+249bp) in 3Q20 and 6.9% in 9M20 (flat YoY)
- Business closed decreased 53.9% (in US\$) compared to 9M2019 totaling US\$206 million, mainly due to a high base of comparison and postponement of closings during the period.
- Pipeline reached US\$ 2,664 million, representing an increase of 34.6% compared to Dec-19

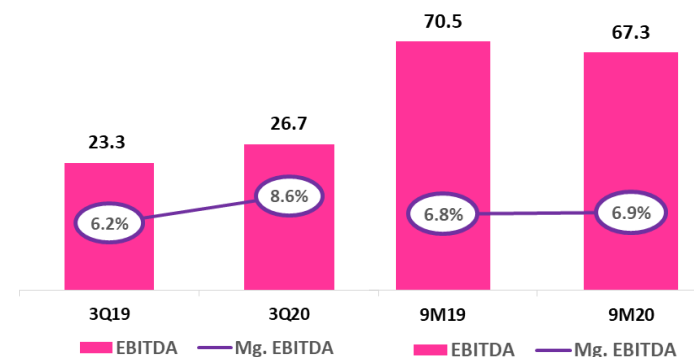
Revenues by Business Line (BRL million)



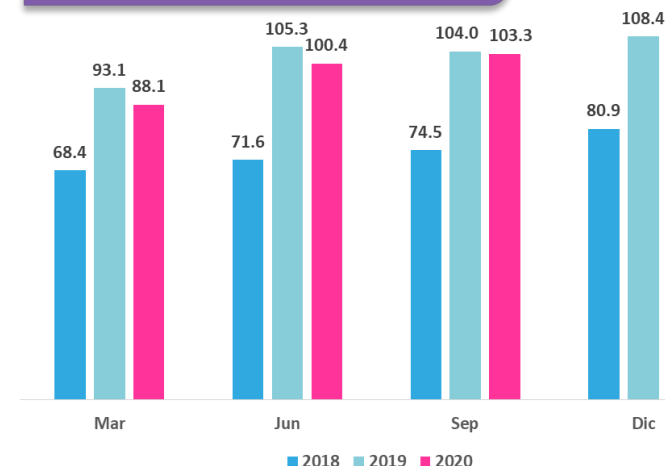
Revenues LTM (BRL million)



EBITDA & EBITDA Margin (BRL million, %)



EBITDA LTM (BRL million)



Income Statement

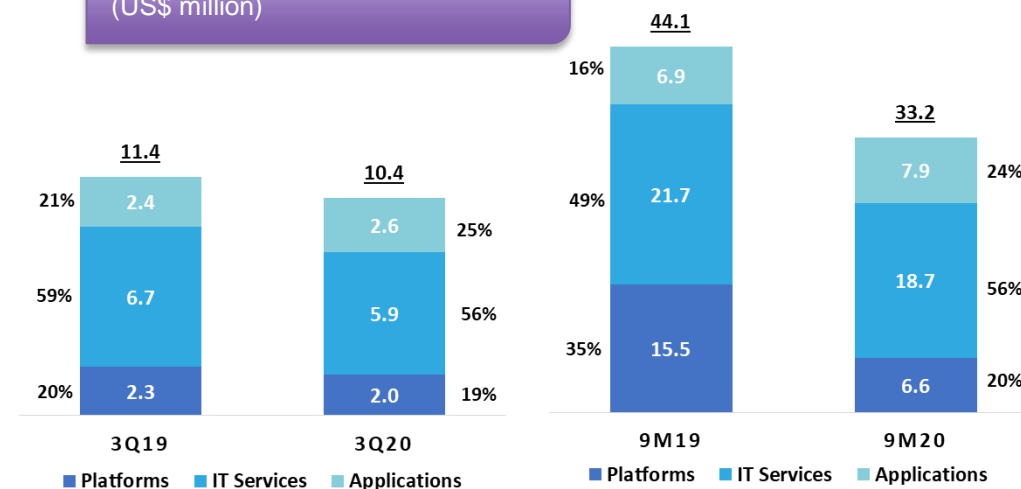
(US\$ million)

	3Q20	Chg. 20/19	9M20	Chg. 20/19
Revenues	10.4	(8.9%)	33.2	(24.8%)
Gross Profit	2.4	87.4%	4.9	(0.2%)
<i>Gross Margin</i>	23.4%	1,202bp	14.7%	362bp
Sales and Administrative Expenses	(1.6)	(7.3%)	(5.6)	59.7%
Operational Profit	0.8	(293.9%)	(0.7)	(151.1%)
<i>Operational Margin</i>	8.0%	1,175bp	-2.1%	(530bp)
EBITDA	1.5	174.0%	1.7	(55.2%)
<i>EBITDA Margin</i>	14.8%	984bp	5.1%	(346bp)

- Revenues decreased 8.9% in 3Q20, slowing down the fall (YoY)
 - Lower performance in Platforms (-15.3%) and IT services (-12.9%)
 - Increase in Applications (+8.6%)
- EBITDA increased 174.0% in 3Q20 and decreased 55.2% in 9M20
- EBITDA margin reached 14.8% in 3Q20, improving margins compared to 4Q19, 1Q20 and 2Q20.
 - EBITDA margin expansion of 984bp compared to 3Q19
- Business closed increased 37.0% in 9M20 totaling US\$54 million (improvements in the mix of contracts)
- Pipeline reached US\$ 374 million, representing an increase of 3.6% (compared to Dec-19)

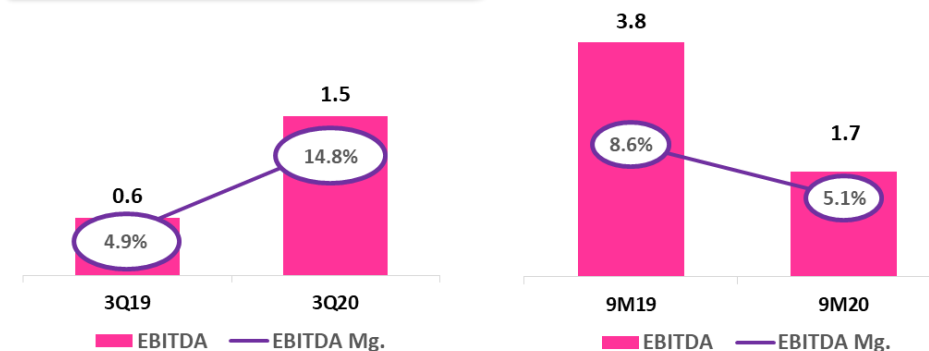
Revenues by Business Line

(US\$ million)



EBITDA & EBITDA Margin

(US\$ million, %)



Income Statement

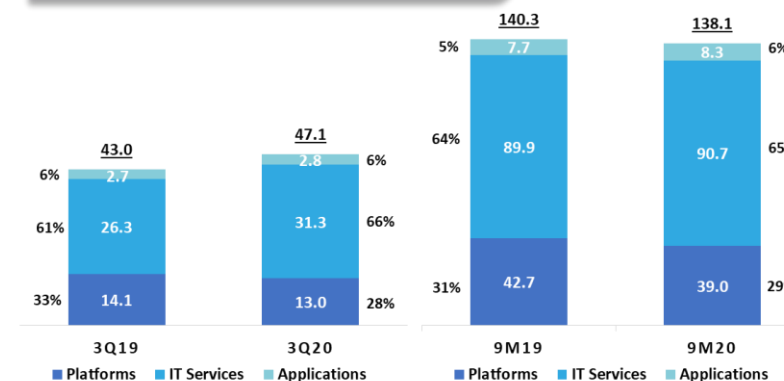
(US\$ million)

	3Q20	Chg. 20/19	9M20	Chg. 20/19
Revenues	47.1	9.5%	138.1	(1.6%)
Gross Profit	10.9	38.4%	29.1	25.5%
<i>Gross Margin</i>	23.2%	485bp	21.1%	454bp
Sales and Administrative Expenses	(4.1)	2.5%	(15.0)	27.5%
Operational Profit	6.8	75.4%	14.0	23.5%
<i>Operational Margin</i>	14.5%	544bp	10.2%	206bp
EBITDA	8.7	49.3%	20.1	18.7%
<i>EBITDA Margin</i>	18.4%	491bp	14.6%	248bp

- Revenues increased 9.5% in 3Q20
 - IT Services (+19.2%) and Applications (+5.9%)
 - Revenues by country: Colombia (+15.4%), Panamá (+10.7%), Uruguay (+48.2%), Costa Rica (+68.4%) and Ecuador (+9.4%)
- EBITDA grew 20.1% in 3Q20 and 18.7% in 9M20
 - Better results in Colombia, Panama, Uruguay and Costa Rica in 3Q20
- EBITDA margin reached 18.4% in 3Q2020 and 14.6% in 9M20
 - Improvements in margins in Colombia, Panamá, Uruguay and Costa Rica
- Business closed decreased 25.4% in 9M2020 totaling US\$98 million. Sequentially, closings in 3Q20 improved compared to 2Q20
- Pipeline reached US\$ 1,259 million, representing an increase of 24.7% (compared to Dec-19)

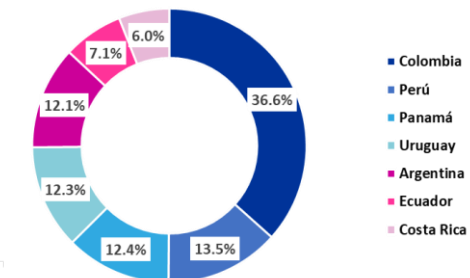
Revenues by Business Line

(US\$ million)



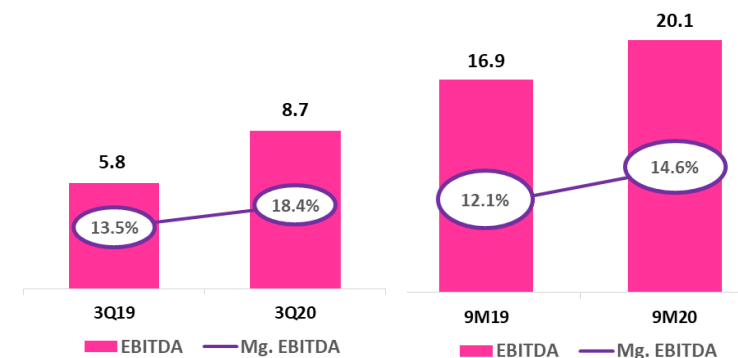
Revenues by Country

(%, 9M2020)



EBITDA & EBITDA Margin

(US\$ million, %)





Financial Performance 3Q2020 and 9M2020

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Financial Performance (as of 09.30.2020)



Consolidated SONDA US\$ million	Financial Position	
	Sep-20	▲ Dec-19
Cash and Cash Equivalents	257.6	81.5
Other Current Financial Assets	18.5	(6.1)
Trade Accounts Receivable and Other Receivables	256.7	(90.1)
Accounts Receivable from Related Companies	2.2	0.1
Inventories	37.1	(14.4)
Other Current Assets	56.3	(2.5)
Current Assets	628.4	(31.5)
Intangibles Assets and Goodwill	270.8	(67.1)
Property, Plant and Equipment	180.4	1.0
Non-Current Receivables	86.3	(17.1)
Other Non-currents Assets	102.2	(6.0)
Non-Current Assets	639.6	(89.2)
Total Assets	1,268.1	(120.7)
	0	0
Current Financial Liabilities	85.7	(12.8)
Accounts Payable and Others	111.7	(14.3)
Accounts Payable to Related Companies	1.3	(1.7)
Other Current Assets	89.1	(31.7)
Current Liabilities	287.8	(60.5)
Non-Current Financial Liabilities	305.8	42.0
Other Non-Current Liabilities	76.8	(21.1)
Non-Current Liabilities	382.7	20.9
Equity Attributable to Owners of The Company	594.1	(81.1)
Minority Interest	3.5	0.0
Total equity	597.6	(81.1)
Total Liabilities and Shareholders Equity	1,268.1	(120.7)

Consolidated SONDA US\$ million	Cash Flow	
	Sep-20	▲ Sep-19
Net Cash Flow From Operating Activities	112.6	70.7
Net Cash Flow From Investing Activities	(45.8)	(20.4)
Net Cash Flow From Financing Activities	15.8	(87.4)
Effect of the variation in exchange rate over Cash & Equivalent	(1.0)	(2.3)
Cash and Cash equivalent at the beginning of the period	176.0	113.4
Cash and Cash equivalent at the end of the period	257.6	74.0

Consolidated SONDA US\$ million	CAPEX		
	Sep-20	Sep-19	▲ \$
Net Investment in PP&E	50.0	58.9	(8.9)
Incorporation of Intangibles	1.9	3.5	(1.5)
Net Investment in Subsidiaries and Associates	0.0	9.6	(9.6)
Total CAPEX	51.9	72.0	(20.1)

Financial Performance (as of 09.30.2020)

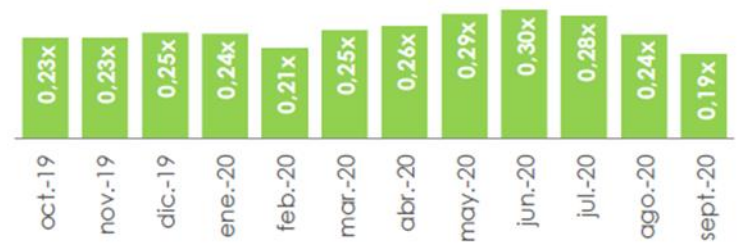
Consolidated SONDA	Metrics	
	Sep-20	▲ Dic-19
Liquidity		
Current Liquidity	2.2x	0.29x
Acid Ratio	2.1x	0.31x
Working Capital (MMUS\$)	340.7	29.05
Indebtedness		
Leverage	1.1x	0.08x
Financial Leverage	0.7x	0.12x
Current Debt	21.9%	-530pb
Non-Current Debt	78.1%	530pb
Financial Expenses Coverage	5.1x	(0.15x)
Net Debt / Equity	0.2x	(0.05x)
Net Debt / EBITDA (LTM)	1.0x	(0.36x)
Margins & Returns		
Gross Margin	16.1%	-80pb
Operational Margin	5.6%	-70pb
EBITDA Margin	10.6%	-10pb
Net Margin	1.2%	-150pb
Return on Equity	2.0%	-230pb
Return on Assets	0.9%	-120pb
Collection Days (*)		
Chile	47.7	(34.4)
Brazil	78.5	(3.0)
Mexico	79.2	4.0
OPLA	89.8	(5.2)
Consolidated	64.7	(19.2)

(*) Without VAT and Financed Sales

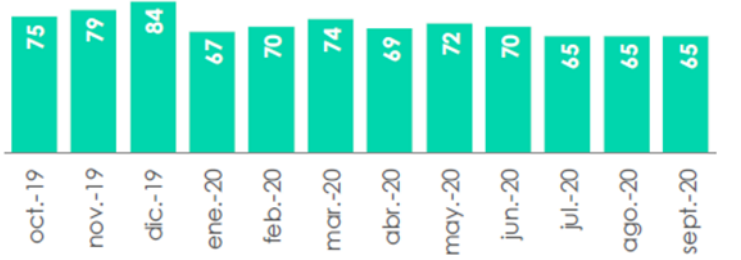
Net Financial Debt / EBITDA



Net Financial Leverage / Equity



Collection days



General Comments

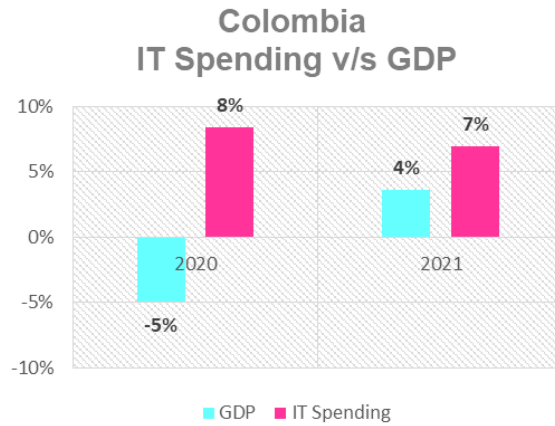
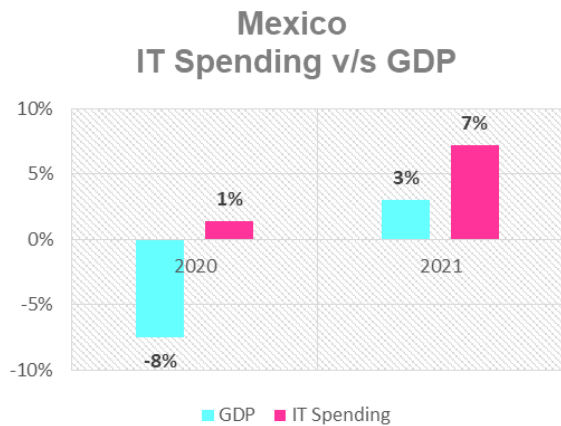
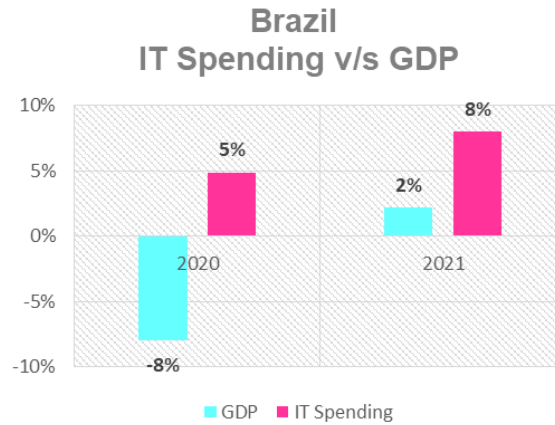
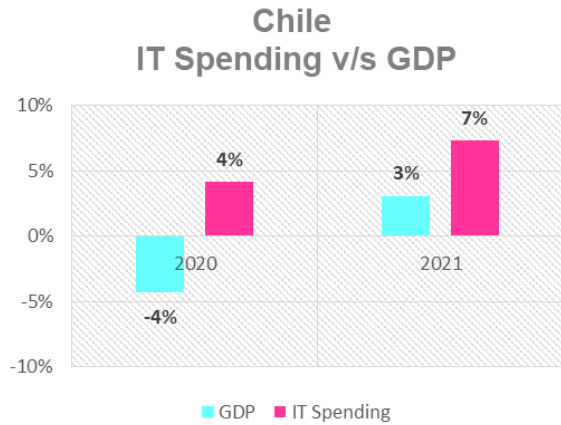
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General Comments

1 Positive perspectives for the IT Industry:



2 What we have done:

- Restructuring process concluded
- Focus in business closures towards 4Q2020
- Accelerate the development of the strategic alignments of the 2019 – 2021 Plan
- Creation of competence center for health solutions

3 Vision for the next periods:

- IT industry will be growing above GDP in the region
- IT spending post Covid-19 will have a strong focus in the new technologies (digitalization)
- Better expectations for the commercial activity boosted by a scenario of greater dynamism post Covid-19 (compared to 2020)
- Resume M&A processes taking advantage of the opportunities present in the region
- Strengthening of the key verticals of the company
- Boost at a regional level the value proposal in verticals and solutions based in new technologies
- Continue boosting efficient expense structures and agility in the company
- Boost revenue generation and profitability in the company
- Focus on closing large deals with recurrent revenues and superior margins



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