

## Sigdo Koppers S.A.

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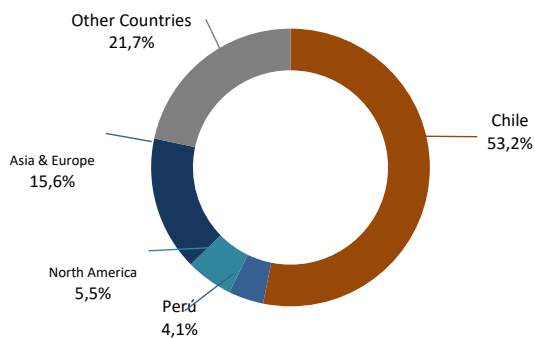
## SIGDO KOPPERS S.A. REPORTS RESULTS

### DECEMBER 2020 HIGHLIGHTS

Consolidated Income Statement	Figures in ThUS\$		
	Dec-19	Dec-20	Var.
Sales	2.334.422	2.238.038	-4,1%
EBITDA <sup>(1)</sup>	344.784	332.844	-3,5%
<i>EBITDA Margin</i>	14,8%	14,9%	
EBITDA Pro Forma <sup>(2)</sup>	381.364	344.409	-9,7%
Profit (Loss)	150.863	119.601	-20,7%
<b>Sigdo Koppers Net Profit (non recurrent)</b>	<b>103.382</b>	<b>73.282</b>	<b>-29,1%</b>

	Dec-19	Dec-20	Var.
Total Assets	3.811.051	3.932.723	3,2%
Total Equity <sup>(3)</sup>	1.738.753	1.787.016	2,8%
Net Debt	896.417	748.709	-16,5%
Net Debt / EBITDA	2,60	2,25	
ROE	7,79%	5,53%	
ROCE	7,41%	6,77%	

#### Consolidated Income of Sigdo Koppers by Region



(1) EBITDA = Ganancia Bruta + Otros Ingresos por Función - Costos de Distribución - Gastos de Administración - Otros Gastos por Función + Gastos de Depreciación y Amortización

(2) EBITDA Pro-Forma = EBITDA + Utilidades Empresas Relacionada

(3) Patrimonio Total incluye participaciones no controladoras

(4) EBITDA + Utilidad proporcional de consorcios que no consolidan

Consolidated Income of Sigdo Koppers (SK) was US\$2,238.0 million, a 4.1% decrease compared with December 2019 due to the spread of COVID-19 throughout the world. In particular, the effects were greater during 1H20. 4Q20 stands out because there was a significant recovery in the activity in all subsidiaries.

Consolidated EBITDA at December 2020 was US\$332.8 million, 3.5% lower than December 2019. The EBITDA percentage margin in December 2020 slightly increased to 14.9% (December 2019: 14.8%). As of August, a recovery of activity in Chile has been evident, which has allowed to increase the operating results of those businesses that have been most affected by the effects of the pandemic, such as ICSK, SK Comercial and SKBergé.

Net Profit was US\$73.3 million, which was a 29.1% drop compared with the same period the previous year. This decrease was the result of the combined effect of (1) lower consolidated operating performance, and (2) lower profit in related companies, mainly SKBergé. During 4Q20, Sigdo Koppers posted profits of US\$34.9 million.

At December 31, Sigdo Koppers has assets of US\$ 3,934 million. In addition, it maintains high liquidity with a consolidated cash flow of US\$504.1 million, and debt level, not including IFRS 16, Net Financial Debt to consolidated EBITDA of 2.25 times (2.60x in Dec-19).



## HIGHLIGHTS OF MAIN SUBSIDIARIES OF SIGDO KOPPERS S.A. AT DECEMBER 2020

### Ingeniería y Construcción SK (ICSK)

- ICSK recorded 22.2 million Man Hours (-10.9%), affected by the delay of works due to COVID-19 between April and July. The pro forma EBITDA of ICSK was \$20,839 million, a higher result of 50% compared to December 2019 due to the reactivation of all works and completion of projects during 4Q20. ICSK showed a net profit of \$5,834 million in 4Q20 and annual profit reached **\$1,529 million (US\$2.6 million)**, a lower result of CLP\$2,302 million compared to December 2019. **The backlog at December 31, 2020 was US\$554 million.**

### Puerto Ventanas (PVSA)

- PVSA transferred a total of 5.2 million tons (-6.5%). Despite this drop, the recovery of copper concentrate during 2H20 stands out. Fepasa transported 1,057 million tons-Km (+3.1%), noting an increase in transport of containers and mining cargo. **Consolidated EBITDA of Puerto Ventanas was US\$44.6 million**, an 8.3% drop due to lower loads in the port business, and a lower operational performance associated with COVID-19 in the railway business. **Consolidated Net Profit of PVSA was US\$19.1 million**, a 11% drop compared to 2019.

### Enaex

- Enaex had sales of 1,111 Mtons of explosives (+15%), due to higher sales in Chile and Brazil, together with the incorporation of the new Enaex Africa subsidiary from July. **Consolidated EBITDA of Enaex was US\$178.6 million at December 2020**, a 3.6% increase mainly explained by a higher operating result in the initiation systems business (Davey Bickford) and by the consolidation of Enaex Africa. **Net Profit of Enaex was US\$81.1 million**, a 0.8% drop compared to December 2019.

### Magotteaux

Magotteaux achieved sales of US\$571 million (-13.6%), resulting from lower physical sales (-8.6%), in both the grinding ball and casting business which is directly related to the negative effects caused by COVID-19 at a global level. **EBITDA of Magotteaux was US\$57.5 million at December 2020**, 17% lower than December 2019. The operating margin was affected due to plant stoppages during the first semester 2020 and by a lower demand for products from customers, who have also been affected by the pandemic, particularly in the cement industry. Magotteaux had a **Net Profit of US\$14.3 million**, a 29.3% drop compared to December 2019.

### SK Comercial (SKC)

- Income of SK Comercial was US\$240 million (-9%), explain by the restrictions imposed in Chile and Peru due to COVID-19, mainly between March and July 2020. During 4Q20 there has been a recovery in activity, which allowed us to record a profit of US\$4.7 million. At December 2020 **SKC had a EBITDA of US\$34.3 million (-19%) and Net Profit of US\$3.2 million (-41%)**, because of lower performance in the machinery rental and distribution business.

### SKBergé /SK Inver. Automotrices (SKIA)

- Sales of 57,989 units at SKBergé represented a 29.1% decrease compared to December 2019. Despite the above, during 4Q20 sales of 23,897 units were recorded, showing a dynamic recovery, especially in Chile. **SK Inversiones Automotrices had a Net profit of CLP\$5,646 million**, reversing all the losses recorded at the end of June 2020.



## 1. CONSOLIDATED INCOME STATEMENT

Sigdo Koppers Consolidated Income Statement	Figures in ThUS\$			Cifras en MU\$		
	Dec-19	Dec-20	Var.	4Q19	4Q20	Var.
Sales	2.334.422	2.238.038	-4,1%	595.320	679.097	14,1%
Sales expenses	-1.809.077	-1.746.715	3,4%	-473.186	-523.270	-10,6%
<b>Gross income</b>	<b>525.345</b>	<b>491.323</b>	<b>-6,5%</b>	<b>122.134</b>	<b>155.827</b>	<b>27,6%</b>
Other operating income	13.156	8.410	-36,1%	3.466	1.906	-45,0%
Distribution costs	-72.256	-73.112	-1,2%	-16.751	-20.328	-21,4%
Administrative expenses	-253.507	-230.480	9,1%	-60.464	-60.378	0,1%
Other operating expenses	-6.143	-6.707	-9,2%	-2.021	-2.746	-35,9%
Other gains (losses)	9.812	15.799	61,0%	376	6.238	1559,0%
<b>Operating income</b>	<b>216.407</b>	<b>205.233</b>	<b>-5,2%</b>	<b>46.740</b>	<b>80.519</b>	<b>72,3%</b>
<b>EBITDA</b>	<b>344.784</b>	<b>332.844</b>	<b>-3,5%</b>	<b>78.387</b>	<b>115.037</b>	<b>46,8%</b>
<i>% EBITDA Margin</i>	<i>14,8%</i>	<i>14,9%</i>		<i>13,2%</i>	<i>16,9%</i>	
Interest income	9.209	5.803	-37,0%	2.373	1.008	-57,5%
Interest expenses	-67.369	-60.062	10,8%	-17.183	-15.841	7,8%
Impairment losses IFRS 9	-755	-7.341		-354	-6.694	
Related companies income	36.580	11.565	-68,4%	20.468	7.967	-61,1%
Exchange differentials	3.416	2.168	-36,5%	-226	581	357,1%
Price - level restatement	240	-11	-104,6%	-236	-193	18,2%
<b>Income before taxes</b>	<b>197.728</b>	<b>157.355</b>	<b>-20,4%</b>	<b>51.582</b>	<b>67.347</b>	<b>30,6%</b>
Income tax	-46.865	-37.754	19,4%	-7.140	-14.761	-106,7%
<b>Income</b>	<b>150.863</b>	<b>119.601</b>	<b>-20,7%</b>	<b>44.442</b>	<b>52.586</b>	<b>18,3%</b>
Gain (losses) from discontinued operations	-	-		-	-	
<b>Net income</b>	<b>150.863</b>	<b>119.601</b>	<b>-20,7%</b>	<b>44.442</b>	<b>52.586</b>	<b>18,3%</b>
<b>Income attributable to Sigdo Koppers</b>	<b>103.382</b>	<b>73.282</b>	<b>-29,1%</b>	<b>33.999</b>	<b>34.923</b>	<b>2,7%</b>
<b>Income attributable to non-controlling interests</b>	<b>47.481</b>	<b>46.319</b>	<b>-2,4%</b>	<b>10.443</b>	<b>17.663</b>	<b>69,1%</b>
<b>Net income</b>	<b>150.863</b>	<b>119.601</b>	<b>-20,7%</b>	<b>44.442</b>	<b>52.586</b>	<b>18,3%</b>

<sup>(1)</sup> EBITDA = Operating Result + Depreciation and Amortization Expenses

## Analysis of Income Statement

### Consolidated Income of Ordinary Activities

Revenue Business Areas	Figures in ThUS\$			Figures in ThUS\$		
	Dec-19	Dec-20	Var.	4Q19	4Q20	Var.
<b>Services <sup>(1)</sup></b>	<b>658.916</b>	<b>615.237</b>	<b>-6,6%</b>	<b>207.505</b>	<b>207.415</b>	<b>0,0%</b>
Ingeniería y Construcción SK	482.949	465.121	-3,7%	166.819	164.986	-1,1%
Puerto Ventanas	175.967	150.116	-14,7%	40.686	42.429	4,3%
<b>Industrial</b>	<b>1.426.982</b>	<b>1.395.610</b>	<b>-2,2%</b>	<b>343.935</b>	<b>388.186</b>	<b>12,9%</b>
Enaex	766.544	824.866	7,6%	192.476	245.723	27,7%
Magotteaux	660.438	570.744	-13,6%	151.459	142.463	-5,9%
<b>Commercial &amp; Automotive</b>	<b>264.316</b>	<b>240.021</b>	<b>-9,2%</b>	<b>61.214</b>	<b>79.932</b>	<b>30,6%</b>
SK Comercial	264.316	240.021	-9,2%	61.214	79.932	30,6%
SKIA <sup>(2)</sup>	-	-	-	-	-	-
<b>Parent company &amp; adjustment<sup>(3)</sup></b>	<b>-15.792</b>	<b>-12.830</b>	<b>18,8%</b>	<b>-17.334</b>	<b>3.564</b>	<b>120,6%</b>
<b>Consolidated Sales</b>	<b>2.334.422</b>	<b>2.238.038</b>	<b>-4,1%</b>	<b>595.320</b>	<b>679.097</b>	<b>14,1%</b>

<sup>(1)</sup> Muestra una diferencia con Nota 31 de los Estados Financieros ya que no se incluye SK IT (está representado en Matriz, Eliminaciones y ajustes).

<sup>(2)</sup> SK Inversiones Automotrices S.A. (SKIA) no registra los Ingresos de SKBergé debido a que posee el 40% de sus acciones, y por lo tanto no consolida sus Estados Financieros.

<sup>(3)</sup> Las Eliminaciones y ajustes a septiembre se explican principalmente por eliminaciones intercompany a nivel consolidado.

**2020 vs. 2019.** Consolidated Income was US\$2,238.04 million, a 4.1% drop mainly due to lower physical sales due to the effects of COVID-19.

**The main variations in the consolidated income at December 2020 compared to the previous year are the following:**

**Services Area:** sales were US\$615.24 million, a drop of 6.6% compared to December 2019, mainly due to lower income at ICSK and Puerto Ventanas.

- Income at Ingeniería y Construcción Sigdo Koppers (ICSK) decreased 3.7% in line with a 10.9% decrease in man-hours worked, product of temporary work stoppages due to sanitary measures between April and July. It should be noted that during the fourth quarter of 2020 ICSK increased its level of activity due to the reactivation of all the projects (revenues in CLP increased 7.3% compared to 4Q19).

- Sales at Puerto Ventanas were US\$150.12 million, a 14.7% decrease mainly due to lower income in the port business as a result of fewer cargo transfers (-6.5%) particularly coal and clinker, cargoes that were affected by the effects of the pandemic. Despite this drop, the recovery of the transfer of copper concentrate during 4Q20 stands out, where 665,830 tons were transferred, and the annual increase in grain transfer (+128K tons). Fepasa registered higher mining cargo and containers movements (+3%).

**Industrial area:** sales were US\$1,395.61 million, a 2.2% decrease.

- Income of Enaex increased 7.6% compared with December 2019, mainly due to the combined effect of (1) higher level of income due to the incorporation of Enaex Africa, (2) higher explosives sales in both Chile and Brazil, offset by (3) a lower level of income in the Chemicals Division (-8%), in line with a lower level of NA exports.

- At Magotteaux sales were US\$570.7 million, a 13.6% drop largely due to a lower level of physical sales in grinding balls (-9.0%) and casting (-6.8%). Lower sales were caused by the effects on the operation and the demand of some clients in India, Canada, USA, Europe and South Africa, which have been affected by the operating restrictions imposed in those countries, together with the stoppage of some plants during 1H20.

**Commercial and Automobile Area:** The income of SK Comercial was US\$240.02 million, a 9.2% drop compared to December 2019, despite a significant 30.6% increase in sales in 4Q20. Lower physical sales in the Distribution and Rental Business in 1H20, because the restrictions imposed in Chile and Peru because of COVID-19. In addition, consolidated sales at December 2020 were affected by the depreciation of the peso in Chile (-13%), which affected the representation in USD of the income of SK Rental Chile.

#### **Sales Costs and Distribution, Administration Costs and Other Expenses by function (GAV)**

Consolidated Sales Costs showed a 3.4% decrease compared to last year, explained largely by lower direct costs at Puerto Ventanas, Magotteaux and SK Comercial.

**Distribution, Administration Costs and Other Expenses by function (GAV)** were US\$310.36 million at December 31, 2020, a drop of US\$21.55 million (-6.5%) compared to December 2019, mainly due to lower expenses at Ingeniería y Construcción SK and SK Comercial.

## EBITDA

EBITDA Business Areas	Figures in ThUS\$			Figures in ThUS\$		
	Dec-19	Dec-20	Var.	4Q19	4Q20	Var.
<b>Services</b>	<b>63.457</b>	<b>69.462</b>	<b>9,5%</b>	<b>10.798</b>	<b>33.754</b>	<b>212,6%</b>
Ingeniería y Construcción SK	14.758	24.807	68,1%	-20	19.637	96040,3%
Puerto Ventanas	48.699	44.655	-8,3%	10.818	14.117	30,5%
<b>Industrial</b>	<b>242.082</b>	<b>236.167</b>	<b>-2,4%</b>	<b>61.581</b>	<b>69.066</b>	<b>12,2%</b>
Enaex	172.497	178.650	3,6%	45.738	52.480	14,7%
Magotteaux	69.585	57.517	-17,3%	15.844	16.586	4,7%
<b>Commercial &amp; Automotive</b>	<b>42.381</b>	<b>34.098</b>	<b>-19,5%</b>	<b>9.008</b>	<b>12.439</b>	<b>38,1%</b>
SK Comercial	42.484	34.319	-19,2%	9.046	12.522	38,4%
SKIA <sup>(1)</sup>	-103	-221	-114,6%	-38	-83	-118,4%
<b>Parent company &amp; adjustment</b>	<b>-3.136</b>	<b>-6.883</b>	<b>-119,5%</b>	<b>-3.000</b>	<b>-222</b>	<b>92,6%</b>
<b>Consolidated EBITDA</b>	<b>344.784</b>	<b>332.844</b>	<b>-3,5%</b>	<b>78.387</b>	<b>115.037</b>	<b>46,8%</b>
EBITDA Margin	14,8%	14,9%		13,2%	16,9%	
<b>Consolidated pro-forma EBITDA<sup>(2)</sup></b>	<b>381.364</b>	<b>344.409</b>	<b>-9,7%</b>	<b>84.048</b>	<b>112.317</b>	<b>33,6%</b>

<sup>(1)</sup> SK Inversiones Automotrices S.A. (SKIA) no registra el EBITDA de SKBergé debido a que posee el 40% de sus acciones, y por lo tanto no consolida sus Estados Financieros.

<sup>(2)</sup> EBITDA Pro-Forma = EBITDA + Utilidades Empresas Relacionadas.

**2020 vs. 2019.** Consolidated EBITDA of Sigdo Koppers was US\$332.84 million, a 3.5% decrease compared to December 2019. This drop occurred because of a lower result in Magotteaux and SK Comercial. The Pro Forma Consolidated EBITDA, which includes the profits of the companies that are not consolidated, was US\$344.41 million (-9.7%).

**The main variations in the accumulated EBITDA at December of 2020 compared to the same period the previous year are the following:**

**Services Area:** EBITDA was US\$69.46 million, which was an increase of 9.5%, due to a higher result in Ingeniería y Construcción SK.

- At ICSK the Pro Forma EBITDA (EBITDA + Related Company Profit), which includes the activity carried out through consortia and affiliates that are not consolidated, was \$20,839 million (equivalent to -US\$28,07 million), representing an increase of \$6,959 million compared to the end of 2019. This is explained by a low comparative base, together with the reactivation of all projects during the second half of

2020 and the increase in billing by term of some contracts.

- At Puerto Ventanas consolidated EBITDA was US\$44.65 million (-8,3%). The port business showed a lower level of EBITDA because of fewer transfers of coal and clinker, loads that were affected by the effects of Covid-19. During 4Q20 there was evidence of a recovery in EBITDA due to higher copper concentrate loads compared to 4Q19. Fepasa accumulated an EBITDA of \$8,109 million (US\$10.24 million), which represents an increase of 4.5% compared to 2019 (-8% in USD).

**Industrial Area:** EBITDA was US\$236.2 million, showing a drop of 2.4%.

- At Enaex the EBITDA was US\$178.6 million, a 3.6% increase, due to a higher operating result in the initiation systems business (Davey Bickford) and by the incorporation of Enaex África.

- The EBITDA of Magotteaux was US\$57.52 million at December 2020, a 17.3% drop compared to the same period the previous year. The EBITDA were affected by COVID-19, due to plant stoppages during first semester

2020 and by a lower demand for products from customers, who have also been affected by COVID-19, particularly in the cement industry.

#### **Commercial and Automobile Area:**

- SK Comercial had an EBITDA of US\$34.3 million showing an 19.2% drop from 2019, despite the effort to reduce administrative and selling expenses (-15%). The decrease is due to the effects of the activity stoppage caused by COVID-19 in the machinery distribution and rental businesses. Despite the above, starting in August there has been a recovery in activity, which has allowed us to record a significant recovery in operating results compared to previous months. EBITDA reached US\$12.52 million in 4Q20 (+38.4%).

### **Non-Operating Results**

#### **Income and Financial Costs**

Consolidated Financial Income reached US\$5.80 million, a 37% drop compared to 2019, explained by lower interest during 2020.

Consolidated Financial Costs were US\$60.06 million, a 10.8% decrease compared to December 2019. This is explained by (1) a positive result of US\$6.17 million from the refinancing of liabilities in the parent company through the exchange of series C bonds for series K bonds; partially offset by (2) higher financial costs due to a higher level of debt in ICSK, Enaex and the parent company.

#### **Earnings of Partnerships and Joint Ventures**

At December 31, 2020, the Share in the Earnings of Partnerships and Joint Ventures was US\$11.6 million, a 68.2% decrease from 2019. This was mainly due to a lower result at SKBergé compared to 2019. It was accompanied by (1) a higher comparison base as a result of the profit from the sale of the Santander Consumer Finance business registered in 2019, and (2) a decrease in vehicle sales in all markets between March and July of 2020 product of COVID-19. Despite the above, during 2H20 there was a very dynamic market recovery, especially in Chile, which made it possible to reverse all the losses recorded as of June. Thus, SK

Inversiones Automotrices (SKIA), which recognizes 40% of SKBergé's Net Profit, recorded a profit of US\$7.6 million (-75.9%). Additionally, the result in companies and consortiums that do not consolidate in ICSK decreased by 26.6% (in CLP).

The 12.6% depreciation in the Chilean peso to the dollar between the two periods compared had a negative effect on the representation in dollars of the results of ICSK and SKIA (they both keep accounts in pesos).

#### **Exchange Differences and Results by Adjustment Units**

The sum of Exchange Earnings (losses) in foreign currency and Results by Adjustment Units (net) at December 2020 had a net positive result of US\$2.15 million, which was a lower result of US\$1.49 million compared to the previous year.

## NET PROFIT

Net profit Business Areas	Total Companies Figures in ThUS\$			% SK Dec-20	Attributable to parent company Figures in ThUS\$		
	Dec-19	Dec-20	Var.		Dec-19	Dec-20	Var.
<b>Services</b>	<b>27.349</b>	<b>21.713</b>	<b>-20,6%</b>		<b>14.583</b>	<b>11.486</b>	<b>-21,2%</b>
Ingeniería y Construcción SK	5.898	2.613	-55,7%	67,40%	3.710	1.999	-46,1%
Puerto Ventanas	21.451	19.100	-11,0%	50,01%	10.873	9.487	-12,7%
<b>Industrial</b>	<b>101.856</b>	<b>95.338</b>	<b>-6,4%</b>		<b>68.961</b>	<b>61.096</b>	<b>-11,4%</b>
Enaex	81.656	81.064	-0,7%	60,72%	49.583	49.223	-0,7%
Magotteaux <sup>(1)</sup>	20.200	14.274	-29,3%	98,07%	19.378	11.873	-38,7%
<b>Commercial &amp; Automotive</b>	<b>37.019</b>	<b>10.744</b>	<b>-71,0%</b>		<b>36.282</b>	<b>10.324</b>	<b>-71,5%</b>
SK Comercial	5.344	3.151	-41,0%	87,48%	4.675	2.768	-40,8%
SKIA	31.675	7.593	-76,0%	99,99%	31.607	7.556	-76,1%
<b>SK companies profit</b>	<b>166.225</b>	<b>127.795</b>	<b>-23,1%</b>		<b>119.826</b>	<b>82.906</b>	<b>-30,8%</b>
Parent company & adjustments					-18.265	-9.624	
<b>Total consolidated profit</b>					<b>103.382</b>	<b>73.282</b>	<b>-29,1%</b>

<sup>(1)</sup> Cifras de Magotteaux, incorporan los ingresos de SK Sabo Chile S.A. La utilidad atribuible a la controladora tiene ajustes originados en las distintas sociedades a través de las cuales Sigdo Koppers controla Magotteaux.

**2020 vs. 2019.** Net Profit associated with Sigdo Koppers was US\$73.28 million, which was a 29.1% drop compared to December 2019.

**The main variations in accumulated Net Profit at December of 2020 compared to the same period the previous year were the following:**

**Services Area:** Net Profit was US\$21.71 million, showing a decrease of 20.6% compared to 2019.

- ICSK had a Net Profit in pesos of \$1,529 million (US\$2.6 million), 60% less than December 2019. The result was due to the combined effect of (1) negative operating results at ICSK Peru and Brazil because COVID-19 and lower operational performances in some works, (2) a negative non-operating result (-\$3,216 million), offset by (3) a lower level of administrative and sales expenses (-12.1% in pesos).

- Puerto Ventanas showed a Net Profit of US\$19.1 million, which was a 11.0% drop compared to 2019.

The result was mainly due to fewer cargo transfers in the port and a lower profit in Fepasa (-19% in USD).

**Industrial Area:** Net profit was US\$95.3 million, a decrease of 6.4% compared to December 2019.

- Enaex had a net Profit of US\$81.1 million, 0.7% less than the same period in 2019. The difference was mainly due to a lower non-operating result.

- Magotteaux suffered a drop of 29.3% in its Net profit, reaching US\$14.3 million, mainly due to COVID-19 effects (1) lower operating margin as a result of the stoppage of some plants for a few weeks during 1H20, and (2) lower physical sales in grinding balls and casting in line with a lower demand from various customers in Canada, South Africa, USA, India and Europe, mainly in the cement industry.

**Commercial and Automobile Area:** Net Profit was US\$10.8 million, showing a 70.8% drop compared to December 2019.



- SK Comercial had a Net Profit of US\$3.15 million, showing a lower result of US\$2.19 million compared to 2019. This was mainly due to a drop in the result of the machinery distribution and rental business in 1H20, which had already felt the effects of the shutdown of activity caused by COVID-19. Despite the above, the recovery of activity in 4Q20 is noteworthy, where profits of US\$4.7 million were recorded.
- SK Inversiones Automotrices had a Net Profit of US\$7.59 million, 76% less than December 2019 (-75.7% en CLP), due to (1) a higher comparison base as a result of the profit from the sale of the Santander Consumer Finance business registered in 2019, and (2) the lower operating result of SKBergé, in line with a lower level of physical sales associated with an important contraction in the markets where it participates due to sanitary restrictions associated with COVID-19. Despite this, during 4Q20 sales of 23,897 units were registered, showing a dynamic recovery in Chile, which allowed reversing the losses recorded as of June 2020.

## 2. CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet	Figures in ThUS\$		
	Dec-19	Dec-20	Var.
<b>Current Assets</b>			
Cash and cash equivalent	290.194	504.096	73,7%
Account and sales receivables	500.222	428.672	-14,3%
Inventories	432.041	414.225	-4,1%
Other current assets	60.389	34.388	-43,1%
<b>Total current assets</b>	<b>1.282.846</b>	<b>1.381.381</b>	<b>7,7%</b>
<b>Long-term assets</b>			
Property, plants & equipment	1.207.316	1.232.773	2,1%
Other long-term assets	1.320.889	1.318.569	-0,2%
<b>Total long-term assets</b>	<b>2.528.205</b>	<b>2.551.342</b>	<b>0,9%</b>
<b>Total assets</b>	<b>3.811.051</b>	<b>3.932.723</b>	<b>3,2%</b>
<b>Current liabilities</b>			
Short-term financial debt	345.728	367.555	6,3%
Accounts payable	380.144	347.819	-8,5%
Other current liabilities	183.103	224.481	22,6%
<b>Total current liabilities</b>	<b>908.975</b>	<b>939.855</b>	<b>3,4%</b>
<b>Long-term liabilities</b>			
Long-term financial debt	840.883	885.250	5,3%
Other long-term liabilities	322.440	320.602	-0,6%
<b>Total long-term liabilities</b>	<b>1.163.323</b>	<b>1.205.852</b>	<b>3,7%</b>
<b>Total liabilities</b>	<b>2.072.298</b>	<b>2.145.707</b>	<b>3,5%</b>
<b>Equity</b>			
Attributable to the controller	1.326.456	1.325.415	-0,1%
Attributable to non-controlling interests	412.297	461.601	12,0%
<b>Total equity</b>	<b>1.738.753</b>	<b>1.787.016</b>	<b>2,8%</b>
<b>Total liabilities and equity</b>	<b>3.811.051</b>	<b>3.932.723</b>	<b>3,2%</b>

## **Analysis of Consolidated Statement of Financial Position**

**The main variations in the Consolidated Classified Balance Sheet of Sigdo Koppers at December 2020 compared to the closing of 2019 are the following:**

### **Consolidated Assets of Sigdo Koppers:**

Total Consolidated Assets of Sigdo Koppers were US\$3,932.72 million, which represented an increase of US\$121.7 million compared to the closing of 2019, including the following:

- The consolidated Cash flow of Sigdo Koppers (Cash and Cash Equivalents) was US\$504.09 million, an increase of US\$213.90 million compared to December 2019. The cash levels of Enaex with US\$215.46 million and Magotteaux with US\$47.2 million were worthy of note. At the level of the parent company, Cash flow was US\$174.65 million (including SK Inv. Petroquímicas S.A., SK Inv. Automotrices S.A. and SK Internacional S.A.).
- Accounts Receivable were US\$428.67 million, a decrease of US\$71.55 million. The average number of days of Accounts Receivable was 70, 8 days less than at the closing of 2019. The subsidiaries with the highest levels of Accounts Receivable were Enaex with US\$202.34 million (-0.1%), Magotteaux with US\$84.10 million (-8.6%), SK Comercial with US\$62.01 million (+8.9%), and Puerto Ventanas with US\$42.16 million (-27.9%).
- The level of Consolidated Inventory was US\$414.22 million, which represented a drop of US\$17.82 million compared with December 2019. This occurred due to lower inventory levels at Magotteaux of US\$7.46 million and at SKC of US\$28.85 million, offset by higher inventory levels at Enaex (+21%), originated in part by the incorporation of Enaex South Africa operations. As a result, the average number of days of the Consolidated Inventory of Sigdo Koppers was 87 days at the closing of 2020, same level reached at December 2019.

- Consolidated Fixed Asset (Properties, Plant and Equipment) was US\$1,232.77 million, which was an increase of US\$24.08 million. That differential was increased by the depreciation of the peso, which affected the representation in dollars of the assets of the companies that keep their accounts in pesos. At Sigdo Koppers, the subsidiaries with the highest level of Fixed Assets were Enaex with US\$579.55 million, Puerto Ventanas with US\$247.11 million, Magotteaux with US\$213.32 million y SK Comercial with US\$142.69 million.

### **Consolidated Liabilities and Shareholders Equity:**

At December 31, 2020 Total Liabilities of Sigdo Koppers were US\$2,145.8 million, reflecting an increase of US\$73.5 million compared to December 2019, mainly explained by:

- Accounts Payable were US\$347.82 million, showing a decrease of US\$32.32 million compared to the amount recorded at the closing of 2019. The average number of days of Accounts Payable was 73 days, showing a drop compared to December 2019 (77 days). The subsidiaries with the highest level of Accounts Payable were Enaex with US\$91.99 million (-4.1%), Magotteaux with US\$110.15 million (+8.4%), and Ingeniería y Construcción SK with US\$62.23 million (-27.2%).
- Consolidated Financial Liabilities were US\$1,252.81 million, showing an increase of US\$66.19 million. This occurred because of the higher debt levels at the parent company (US\$70 million) and Enaex (US\$54.75 million). At the level of the parent company, Financial Liabilities reached US\$282.8 million, which corresponded to corporate bonds of UF 5.1 million and a bank debt of US\$70 million. In order to redenominate its debt in UF to dollars, the parent company maintains coverage contracts equivalent to UF 4.7 million.
- Total Consolidated Shareholders Equity of Sigdo Koppers was US\$1,787.02 million, which represented a 2.8% increase.

**Main Indicators of Liquidity and Indebtedness at December 31, 2020 and December 31, 2019.**

Liquidity Ratios	Unit	Dec-19	Dec-20
Current Liquidity <sup>(1)</sup>	times	1,41	1,47
Acid-Test Ratio <sup>(2)</sup>	times	0,87	0,99
Working Capital <sup>(3)</sup>	ThUS\$	552.119	495.078

<sup>(1)</sup> Liquidez Corriente = Activos Corrientes / Pasivos Corriente

<sup>(2)</sup> Razón Ácida = (Caja y Equivalentes al Efectivo + Cuentas por Cobrar y Deudores por Venta) / Pasivos Corrientes

<sup>(3)</sup> Capital de Trabajo = Cuentas por Cobrar y Deudores por Venta + Inventarios – Cuentas por Pagar

■ The Consolidated Current Liquidity Index was 1.47 times, and the Acid Test ratio was 0.99 times at December 31, 2020, better levels compared to the closing of 2019. Those indicators reflected the good liquidity position of Sigdo Koppers at the consolidated level, which was due partly to the fact it held short-term fixed-income financial instruments.

■ Consolidated Working Capital showed a decrease of US\$57.04 million compared to the closing of 2019 showing a positive sign in the context of COVID-19. The average number of days of Working Capital reached 81 days, a decrease over the number recorded in December 2019 (86 days), mainly due to a reduction in the days of accounts payable.

Debt Ratios	Unit	Dec-19	Dec-20
Leverage <sup>(1)</sup>	times	1,19	1,20
Financial expenses coverage <sup>(2)</sup>	times	5,10	5,51
Financial debt / EBITDA	times	3,44	3,76
Net financial debt / EBITDA	times	2,60	2,25
Net financial leverage <sup>(3)</sup>	times	0,48	0,40

<sup>(1)</sup> Razón de Endeudamiento = Total Pasivos / Patrimonio Total

<sup>(2)</sup> Cobertura Gastos Financieros = EBITDA acumulado / Costos Financieros acumulados

<sup>(3)</sup> EBITDA + Utilidad proporcional de consorcios de filiales que no consolidan (sin efecto IFRS 16)

<sup>(4)</sup> Uno de los covenant de los Bonos Corporativos de SK define que el leverage financiero neto debe ser inferior a 1,2 veces

■ At December 31, 2020, the net Financial Debt ratio over consolidated EBITDA was 2.25 times (2.60 x in December 2019). The indebtedness indicators of Sigdo Koppers showed an adequate financial position, with comfortable margins to meet its obligations in the short and long term. Despite the difficult context due to COVID-19, the company has maintained its debt levels at very conservative levels.

■ At December 31, 2020, the debt ratio (leverage) was 1.20 times, showing a slight increase compared to December 2019. Net financial leverage (corporate bond covenant) was 0.40 times at December 31, 2020, which reflected comfortable margins compared to the covenant established at 1.2 times.

### 3. CONSOLIDATED CASH FLOW

Consolidated Cash Flow	Figures in ThUS\$		
	Dec-19	Dec-20	Var.
<b>Operating cash flow</b>	<b>247.978</b>	<b>433.124</b>	<b>74,7%</b>
<b>Investment cash flow</b>	<b>-181.707</b>	<b>-151.543</b>	<b>46,7%</b>
Capex	-155.595	-111.034	139,7%
Fixed assets sales	5.260	10.436	31,8%
Other	-31.372	-50.945	269,6%
<b>Finance cash flow</b>	<b>-42.155</b>	<b>-71.781</b>	<b>644,2%</b>
Net variation in financial liabilities	99.181	70.512	217%
Interest	-46.141	-66.423	-8,2%
Payment of Lease Liabilities	-20.055	-20.328	-66,5%
Dividends	-83.659	-56.186	-19,2%
Capital increased	4.966	244	
Other	3.553	400	16,6%
<b>Total net cash flow</b>	<b>24.116</b>	<b>209.800</b>	<b>770,0%</b>
<b>Effect of exchange rate changes</b>	<b>-2.413</b>	<b>5.160</b>	<b>313,8%</b>
<b>Cash and cash equivalent</b>	<b>288.787</b>	<b>503.747</b>	<b>74,4%</b>

The consolidated **Operating Flow** showed a positive flow of US\$433.12 million at December 2020, which represented a 74.7% increase over 2019. The main increases in operating flow were seen at Enaex, Puerto Ventanas, Magotteaux, and SKC.

variation of (net) financial liabilities including corporate bonds showed a positive flow of US\$70.51 million. This was mainly due to an increase in the financial liabilities at ICSK, Enaex and Sigdo Koppers.

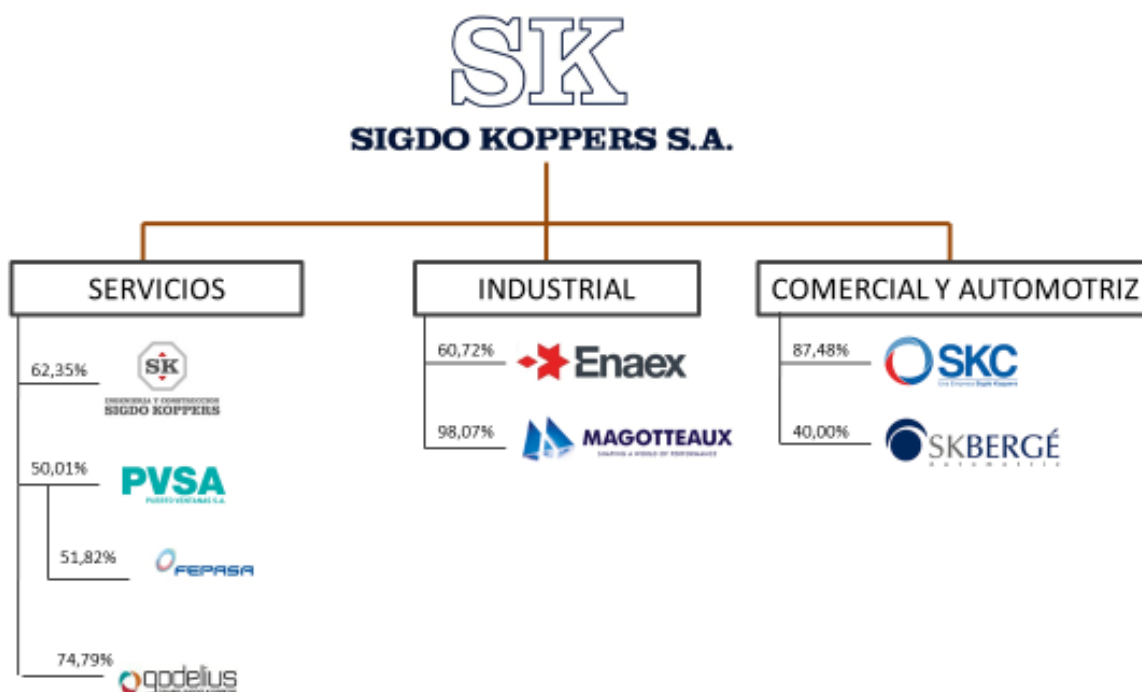
The consolidated **Investment Flow** at the closing of 2020 was a negative flow of US\$151.54 million. Investment in Fixed Asset (Capex) was US\$111.03 million, featuring investments made by Enaex (US\$49.57 million) and Puerto Ventanas (US\$15.04 million) mainly associated with maintenance Capex. Sale of Fixed Asset at Magotteaux worth US\$5.81 million (land in Chile and China) was also noted. Finally, the investment made by Enaex of US\$30.8 million stands out, corresponding to the 51% stake in the Joint Venture developed with Sasol South Africa Limited.

Finally, at December 31, 2020 the **Financing Flow** was US\$71.78 million (-70.3%). In particular, the

#### 4. RESULTS BY COMPANY

##### Description of the Sigdo Koppers Group

Sigdo Koppers S.A. is the parent company of a corporate group engaged in the **Services, Industrial, Commercial, and Automobile sectors** through its subsidiary and affiliated companies. It participates in the **Services** Area through the following companies: Ingeniería y Construcción Sigdo Koppers S.A., Puerto Ventanas S.A. and its subsidiary Fepasa S.A., and SK Godelius. It is present in the **Industrial** Area through Enaex S.A. and Magotteaux Group S.A. In the **Commercial and Automobile** areas it participates through SK Comercial S.A. (SKC) and SKBergé S.A., which is a strategic partnership with the Spanish group, Bergé.



**Note:** Simplified corporate structure at December 31, 2020.

#### 4.1 Ingeniería y Construcción Sigdo Koppers S.A.

Ingeniería y Construcción Sigdo Koppers	Dec-19 MM\$	Dec-20 MM\$	Var. %	4Q19 MM\$	4Q20 MM\$	Var. %
Revenue	339.740	365.303	7,5%	115.883	131.528	13,5%
EBITDA	10.382	18.271	76,0%	-14	15.654	
<i>EBITDA Margin</i>	<i>3,1%</i>	<i>5,0%</i>		<i>0,0%</i>	<i>11,9%</i>	
Pro-Forma EBITDA(*)	13.880	20.839	50,1%	1.071	16.202	1412,2%
<i>Pro-Forma EBITDA Margin</i>	<i>4,1%</i>	<i>5,7%</i>		<i>0,9%</i>	<i>12,3%</i>	
<b>Controller's net profit</b>	<b>3.831</b>	<b>1.529</b>	<b>-60,1%</b>	<b>-459</b>	<b>5.834</b>	<b>1370,1%</b>

	Horas (Miles)	Horas (Miles)	Var.	Horas (Miles)	Horas (Miles)	Var.
Total man-hours executed	24.909	22.200	-10,9%	7.045	6.087	-13,6%

(\*) Pro-Forma EBITDA: EBITDA + Related company profit

Ingeniería y Construcción Sigdo Koppers Group S.A. (ICSK) is a leading company in the execution of medium and large construction, engineering, and industrial assembly projects, with solid prestige in Chile and abroad. Ingeniería y Construcción Sigdo Koppers develops industrial projects in the areas of Mining and Metallurgy, Energy Generation and Transmission, Civil Works, and Industrial Construction.

- At December 31, 2020, ICSK and the consortia it participates in executed a total of **22.2 million man-hours**, an 10.9% decrease over the previous year. The main projects executed in the third quarter of 2020 were (1) the Codelco Andina Transfer project, (2) the Quebrada Blanca 2 project for Teck, (3) MAPA project of Celulosa Arauco and (4) the LT 500 kV Batch E1 and E2 project for Alupar in Brazil.
- Consolidated Income of ICSK was \$365,303 million** (US\$465.7 million), an increase of 7.5%. This increase is mainly explained because in 4Q20 all the works were reactivated and some of them were fully billed at the end of their contract status.
- Consolidated EBITDA of ICSK showed a result of \$18,271 million** at the closing of 2020, which represented an increase of \$7.890 million compared to the previous year. The Pro forma

EBITDA (EBITDA + Related Company Profit), where the activity carried out through consortia and affiliates that are not consolidated is included, was \$20,839 million, representing an increase of \$6,959 million. This result was mainly due to (1) activation of works and billings by contract term during the fourth quarter 2020 and by (2) a decrease in administration and sales expenses (-12.1%), offset by (3) operational cost overruns associated with COVID- 19 and (4) operating losses recorded at ICSK in Peru and Brazil.

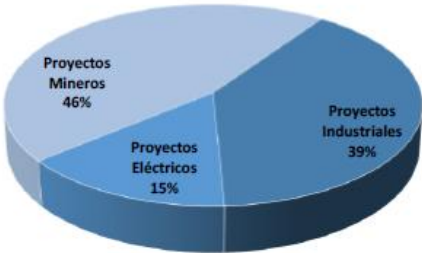
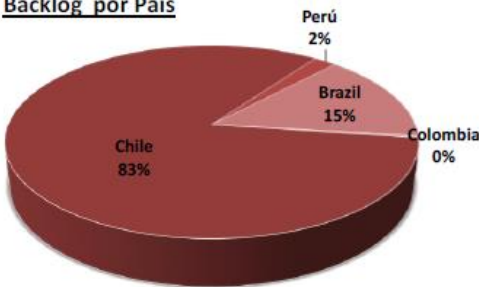
- Net Profit** of ICSK at December 31, 2020 was \$1,529 million, which represented a decrease of \$2,302 million compared to 2019.
- At December 31, 2020, ICSK maintained a backlog of US\$554 million**, which should be executed largely between 2020 and 2022. The backlog is 17% lower than the backlog in 3Q20.

During the fourth quarter of 2020, ICSK maintained the level of activity due to the reactivation of all projects that were paralyzed and was also awarded projects for US\$10 million.

During 2020 ICSK was awarded works of US\$198 million, with the Concentrator Plant for the Salares Norte project of Goldfields (Fluor), Cylinder change in BHP's Laguna Seca project, and additional works in Teck's Quebrada Blanca 2 and Codelco Andina Traspaso projects.

Backlog por Sector

Backlog por País





**4.2 Puerto Ventanas S.A.**

Puerto Ventanas Consolidated	Dec-19	Dec-20	Var.	4Q19	4Q20	Var.
	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Revenue	175.967	150.116	-14,7%	40.686	42.429	4,3%
EBITDA	48.699	44.655	-8,3%	10.818	14.117	30,5%
<i>EBITDA Margin</i>	<i>27,7%</i>	<i>29,7%</i>		<i>26,6%</i>	<i>33,3%</i>	
<b>Controller's net profit</b>	<b>21.451</b>	<b>19.100</b>	<b>-11,0%</b>	<b>5.170</b>	<b>6.702</b>	<b>29,6%</b>
PVSA - Tons transferred	5.615.530	5.248.453	-6,5%	1.236.487	1.416.371	14,5%
Fepasa - Th Ton-Km	1.024.843	1.057.047	3,1%	199.652	286.878	43,7%

The business of Puerto Ventanas consists of the transfer of bulk cargo in the central zone of Chile, including the loading and unloading of vessels and storage of cargo if necessary. It participates in the cargo transportation industry in Chile through its affiliate Ferrocarril del Pacífico S.A. (Fepasa).

Fepasa transported a total of 1,057 million tons-Km of cargo at December 2020, a 3.1% increase compared to the previous year. The increase in container (+41.0%) and mining cargo (+11.9) should be noted. On the other hand, transportation in the forest area (mainly because of COVID-19), industrial, bulk, and solid waste decreased.

Puerto Ventanas	Figures in Tons		
	Dec-19	Dec-20	Var.
Coal	1.934.324	1.600.220	-17,3%
Concentrate	2.137.186	2.063.222	-3,5%
Acids	293.179	289.072	29,4%
Grains	434.225	561.953	-25,0%
Clinker - Slag - Bauxita	437.250	327.776	-12,4%
Petcoke	207.931	182.158	13,3%
Asphalt	58.931	66.792	39,8%
Fuels	112.503	157.260	-6,5%
<b>Total</b>	<b>5.615.530</b>	<b>5.248.453</b>	<b>-7%</b>

Fepasa	Figures in Th- Ton-Km		
	Dec-19	Dec-20	Var.
Pulp	518.315	499.189	-3,7%
Mining	362.981	406.318	11,9%
Solid waste	81.360	72.930	-10,4%
Grain and Indus	15.931	13.375	-16,0%
Containers	46.256	65.234	41,0%
<b>Total</b>	<b>1.024.843</b>	<b>1.057.047</b>	<b>3,1%</b>

At December 2020 Puerto Ventanas transferred **5,248,453 tons**, which represented a 7% drop compared to December 2019. This was mainly due to smaller transfers of coal, copper concentrate and clinker. Despite this drop, the recovery of the transfer of copper concentrate during 4Q20 stands out, where 665,830 tons were transferred, and the increase in grain transfer (+128K tons).

At the closing of 2020, the **Consolidated EBITDA of Puerto Ventanas was US\$44.6 million**, an 8.3% drop compared to 2019. Fepasa accumulated an EBITDA of MM\$8,109 (US\$10.24 million), which represented 4.5% increase in CLP compared to 2019. During 2020, cost overruns were incurred as a result of COVID-19 associated with the logistics and transfer of personnel in Fepasa.

Valued income of the Port Business was US\$150.12 million, 14.7% less than the amount reported in December 2019, in line with the lower levels of cargo transfer, specifically coal, copper concentrate and clinker, which were partially affected by the impacts of Covid-19 in both the electricity and cement industries.

At December 31, 2020, the **Consolidated Net Profit of Puerto Ventanas was US\$19.10 million**, showing a 11% drop compared to 2019. The lower result was mainly due to fewer cargo transfers in the port business and a smaller representation of the profit of Fepasa in dollars.

### 4.3 Enaex S.A.

Enaex	Dec-19	Dec-20	Var.	4Q19	4Q20	Var.
	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Revenue	766.544	824.866	7,6%	192.476	245.723	27,7%
EBITDA	172.497	178.650	3,6%	45.738	52.480	14,7%
<i>EBITDA Margin</i>	22,5%	21,7%		23,8%	21,4%	
Controller's net profit	81.703	81.064	-0,8%	22.960	23.908	4,1%

Enaex S.A. is the most important company in Latin America that produces ammonium nitrate, explosives for the mining sector, and provides comprehensive rock fragmentation services. It has business operations in the most important mining markets in the world (Latin America, North America, Australasia, and Europe). Enaex has an ammonium nitrate plant in Mejillones producing 850,000 tons per year, one of the biggest complexes in the world of its kind. Through its subsidiary Davey Bickford (DB), it manufactures detonators and electronic blasting systems.

combined effect of (1) higher level of income due to the incorporation of Enaex Africa, (2) higher explosives sales in both Chile and Brazil, offset by (3) a lower level of income in the Chemicals Division (-11%), in line with a lower level of NA exports, (4) a lower price level, as a result of a lower average price of ammonia, in line with the indexation of contracts with customers, (5) lower income in the Initiation system business (Davey Bickford), and (6) lower representation in USD of Britanite sales in Brazil because of the significant depreciation of the Real.

Enaex	Figures in Tons		
	Dec-19	Dec-20	%
High Explosives	10.155	19.917	96,1%
A.N. Export	212.300	134.767	-36,5%
A.N. National	614.230	615.810	0,3%
Britanite	129.333	154.662	19,6%
Enaex Africa	-	186.100	
<b>Total</b>	<b>966.017</b>	<b>1.111.255</b>	<b>15,0%</b>
NH3 average price (US\$/Ton)	248	233	-6,0%

Physical sales of Enaex were 1.111,2 thousand tons, an 15% increase compared to the closing of 2019. This increase is explained by higher sales in Chile (+1.6 Mtons) and Brazil (+25.3 Mtons), from sales from the new Enaex Africa subsidiary; and partially offset by lower sales of ammonium nitrate (N.A.) in exports (-77.5 Mtons).

Income of Enaex was US\$824.87 million, a 7.6% increase compared to December 2019 due to the

Consolidated EBITDA of Enaex was US\$178.65 million at the closing of 2020, showing a 3.6% increase. This is mainly explained by (1) the incorporation of Enaex Africa, (2) higher operating result in the initiation systems business (Davey Bickford), in line with an increase in physical sales (+7%) and offset by (3) a lower operating result in Other subsidiaries (Enaex Argentina and Enaex Peru) mainly affected by COVID-19.

There was a loss of US\$12.93 million at the Non-Operating level showing a lower result of US\$2.19 million compared to December 2019.

As a result of the above, at December 31, 2020 the Net Profit of Enaex was US\$81.1 million, which was a 0.8% drop compared to 2019. The lower result was mainly due to the lower Non-Operating result.

#### 4.4 Magotteaux Group S.A.

Magotteaux Group	Dec-19	Dec-20	%	4Q19	4Q20	Var.
	MUS\$	MUS\$	%	MUS\$	MUS\$	%
Revenue	660.438	570.744	-13,6%	151.459	142.463	-5,9%
EBITDA	69.585	57.517	-17,3%	15.844	16.586	4,7%
<i>EBITDA Margin</i>	<i>10,5%</i>	<i>10,1%</i>		<i>10,5%</i>	<i>11,6%</i>	
Controller's net profit	20.200	14.274	-29,3%	1.798	6.329	251,9%

Magotteaux Group S.A. is a company of Belgian origin, world leader in the production, marketing, and sale of high-chromium casting products. The main products manufactured by Magotteaux are high-chromium grinding balls and castings. The most important markets where Magotteaux products are sold are the Mining and Cement industries.

Magotteaux Group	Dec-19	Dec-20	%
Grinding Media	317.055	288.627	-9,0%
Casting	53.836	50.194	-6,8%
<b>Total</b>	<b>370.891</b>	<b>338.821</b>	<b>-8,6%</b>

At closing quarter of 2020, physical sales were 338,821 tons, an 8.6% drop compared to December 2019. Physical sales of grinding balls (GM) decreased 9.0%, mainly due to a decrease in sales of forged steel balls for mining and high chromium balls for cement. Physical sales of castings dropped 6.8%, because of lower sales mainly in the Mining and Cement segment. Lower sales originated by the effects of COVID -19 on the demand of some customers, which have been affected by the operating restrictions imposed in those countries.

At December of 2020 the **consolidated income of Magotteaux was US\$570.74 million**, a 13.6% drop compared to 2019. This decrease is explained by the COVID-19 effect, which was reflected in lower physical sales particularly in the cement market, which has not yet shown a recovery.

**EBITDA of Magotteaux was US\$57.52 million** at December 2020, decreasing 17.3% compared to the same period in 2019. This result was mainly due to (1) a lower operating result by the COVID-19 effect on a lower demand for grinding balls and casting, mainly in the Mining and Cement markets and (2) the temporary closure of Magotteaux operations during the first semester.

The company had a **Net Profit of US\$14.27 million** at December 31, 2020, which was a 29.3% decrease compared with the same period of 2019.

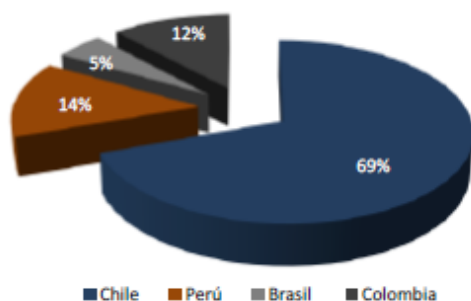
**4.5 SK Comercial S.A.**

SK Comercial	Dec-19	Dec-20	Var.	4Q19	4Q20	Var.
	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Revenue	264.316	240.021	-9,2%	61.214	79.932	30,6%
<i>Distribution Business</i>	178.335	166.676	-6,5%	40.651	58.981	45,1%
<i>Rental Business</i>	103.121	81.105	-21,4%	25.029	22.424	-10,4%
<i>Consolidation adjust</i>	-17.140	-7.760		-4.466	-1.474	
EBITDA	42.484	34.319	-19,2%	9.046	12.522	38,4%
<i>EBITDA Margin</i>	16,1%	14,3%		14,8%	15,7%	
Controller's net profit	5.344	3.151	-41,0%	1.579	4.695	197,3%

SK Comercial S.A. (“SK Comercial” or “SKC”) participates in the representation, import, distribution, and leasing of machinery and equipment. SKC is present in markets in Chile, Peru, Brazil, and Colombia. SK Comercial represents prestigious world brands like Toyota, Volvo, Manitou, Iveco, New Holland, Bridgestone, Firestone, Kenworth, DAF and JMC, and it has maintained a steady leadership position with these brands in the markets where it participates.

- At December 2020, **SK Comercial had consolidated income of US\$240.02 million**, a drop of 9.2% compared to December 2019, mainly due to lower sales in the machinery distribution and rental business. In addition, sales in 2020 are affected by the depreciation of the currencies where SK Rental operates, particularly in Chile (CLP), Brazil (Real) and Colombia (COP), which affects the representation in USD of SK Rental's sales.

Distribución por país de la Flota de SK Rental (US\$)



- Consolidated EBITDA of SK Comercial was US\$34.3 million** at December 2020, which was an 19.2% lower result compared to 2019. This result was due to a lower performance in the machinery distribution and rental business, which had already felt the effects of the shutdown of activity caused by COVID-19. However, as of August there has been a greater activity which has allowed us to register a significant recovery in operating results compared to previous months. The reduction in administration and sales expenses (-15%) should be noted, which has partially offset the drop in business volume.

- The **machinery distribution business had sales of 1,690 units**, which was a 22% drop compared to 2019. The decrease was seen clearly between March and August 2020 when restrictions were imposed in Chile as a result of COVID-19. Regarding valued sales, the Distribution business showed a drop of 6.5% in line with lower physical sales. The **machinery leasing business had a fleet valued nominally at US\$143 million**, 5% less than December 2019 (US\$150).

- At the closing of 2020, **SK Comercial had a Net Profit of US\$3.15 millones**, showing a lower result by US\$2.19 million compared to December 2019. Despite the above, starting in August there has been a recovery in activity, which allowed us to record a net profit of US\$4.7 million during 4Q20.

#### 4.6 SK Inversiones Automotrices S.A.

SK Inversiones Automotrices	Dec-19 MM\$	Dec-20 MM\$	Var. %	4Q19 MM\$	4Q20 MM\$	Var. %
Controller's net profit	23.244	5.603	-75,9%	14.719	5.382	-63,4%

Sigdo Koppers S.A. controls SK Inversiones Automotrices S.A. (SKIA) with 99.99% of its shares. SKIA, in turn, owns 40% of the shares in SKBergé S.A. SKIA does not consolidate the Financial Statements of SKBergé. As a result, the Net profit of SKBergé S.A. is recognized as Share in the Earnings of Partnerships and Joint Ventures.

- SKBergé is present in Chile, Peru, Argentina, and Colombia. In Chile it represents the following brands: Chrysler, Jeep, Dodge, Fiat, Ferrari, Alfa Romeo, Infiniti, Mitsubishi Motors, Maserati, MG, SsangYong, JMC, and Chery. In Peru it represents Kia, Peugeot, Chery, MG, Fuso, and Mitsubishi Motors. In Colombia it represents Chrysler, Dodge, Jeep, Volvo, and Peugeot. Finally, in Argentina it represents Kia. It should be noted that the main sources of growth for SKBergé are the organic growth of the markets where it participates (mainly foreign countries).

- At December 31, 2020 SKBergé showed sales of 57,989 units, which was a 29.1% decrease compared to December 2019, and which is directly linked to the stoppage of activities in this

industry between April and July as a result of COVID-19. 36,808 units were sold in Chile, which represented a 23.4% decrease compared to December 2019. Sales abroad reached 21,181 units, showing a drop of 37.1% compared to 2019. Despite the above, during 4Q20 sales of 23,897 units were recorded, showing a dynamic recovery, especially in Chile.

- At the closing of 2020, **SKIA showed a result of CLP\$5,603 million**, which was a 75.9% decrease compared to December 2019. This lower result is explained by (1) a higher comparison base as a result of the profit from the sale of Santander Consumer Finance business recorded in 2019, and (2) by lower physical sales and a lower operating margin level. Despite the above, starting in August there was a very dynamic market recovery, especially in Chile, which allowed a profit of CLP\$5,382 million during 4Q20.

- The National Automobile Association of Chile (ANAC) reported that 259 thousand units were sold in Chile during 2020 (-30.6% vs. 2019).