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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2021

(Santiago, Chile, September 9, 2021) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the first quarter ended June 30, 2021.

Consolidated financial results are presented in accordance with IFRS and the regulations established by the Financial Market Commission (CMF, formerly Superintendency of Securities and Insurance). All figures are presented in nominal Chilean pesos, unless stated otherwise. Figures in US\$ have been converted from Chilean pesos (Ch\$) at the observed exchange rate on June 30, 2021 (Ch\$727.76 = US\$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

2Q 2021 HIGHLIGHTS

Net income¹ of Ch\$312,489 million, significantly above 2Q 2020, with 80% contributed by the Transport segment based on Hapag-Lloyd's strong quarterly results, posting net income of US\$1,830 million, boosted by higher average freight rates and a recovery in transported volumes. All other group companies also contributed with improved results during the quarter.

Industrial sector revenues up by 35.9% and EBITDA up 87.4% to Ch\$78,029 million, driven mostly by Enx, reflecting a recovery in sales volumes reversing prior period losses, and by SM SAAM, with growth in all business segments, boosted by dynamism in imports and recent acquisitions.

Associates Nexans and CCU posted better quarterly results, driven by a recovery in sales volumes amid greater levels of activity and consumption, and in both cases turned around 2Q 2020 losses to gains in the current quarter.

In the Banking sector, Banco de Chile's results were up 45.4%, primarily attributable to lower loan loss provisions, reflecting lower delinquency rates and lower additional provisions.

Earnings per share amounted to Ch\$187.93 in 2Q 2021.

¹ Net income corresponds to Net income attributable to the owners of the controller.



GROUP HIGHLIGHTS – SECOND QUARTER 2021 AND SUBSEQUENT EVENTS

IRSA completes Tender Offer and reaches 65.9% ownership in CCU

On May 19, 2021, IRSA launched a Tender Offer for up to 16,390,172 shares of CCU, equivalent to 4.44% of the company, at a price of Ch\$6,800 per share and was extended to all shareholders in Chile and the USA. On June 19, 2021, IRSA announced the successful completion of the tender offer, acquiring 15,907,548 shares for a total of Ch\$108,171 million, thus reaching 65.87% ownership of CCU. This stake is similar to the percentage held by IRSA until October 2013, when it was diluted after a capital increase carried out by CCU.

Quiñenco – Dividend Distribution

At the Ordinary Shareholders' Meeting held on April 29, 2021, shareholders approved a dividend distribution corresponding to 2020 net income of Ch\$74.34842 per share, payable as of May 11, 2021, to those shareholders registered with the company as of May 5, 2021. The total amount of the dividend is Ch\$123,624 million, equivalent to 50% of 2020 net income.

Quiñenco – acquires additional stake in CSAV

During April 2021, Quiñenco acquired an additional 4.7% of CSAV on the market for a total of US\$148 million, thus reaching total ownership in said company of 66.45%.



INFORMATION ON FINANCIAL STATEMENTS AND SEGMENTS

FORMAT OF FINANCIAL STATEMENTS

In accordance with the definition issued by the Financial Market Commission, the line “Gains (losses) of operating activities” includes the following concepts: Gross income, Other operating income, Distribution Costs, Administrative expenses, Other operating expenses, and Other gains (losses). In accordance with this definition, this document refers to Gains (losses) of operating activities or Operating Income in the same manner.

As of January 1, 2019, IFRS 16 (leases) has been adopted, with effects on the Balance sheet and Income Statement. Consequently, right of use of leased assets and the present value of the corresponding liabilities are now included in the balance sheet. In the income statement, amortizations of the rights of use and financial costs are registered instead of leasing expenses. For further detail please refer to the Financial Statements (note 18).

SEGMENT INFORMATION

In accordance with IFRS requirements, financial information is reported for the six segments defined by Quiñenco for this purpose: Manufacturing, Financial, Energy, Transport, Port Services and Other. However, in order to allow a better understanding of the consolidated financial statements, the latter and the subsequent analysis, have been divided in Banking and Non-banking (Industrial) activities, as follows:

- **Industrial Sector:** includes the following Segments and main companies:

i) Manufacturing

- Invexans corporate
- Techpack

ii) Financial

- LQ Inversiones Financieras (LQIF holding)

iii) Energy

- Enex

iv) Transport

- Compañía Sud Americana de Vapores (CSAV)

v) Port Services

- SM SAAM

vi) Other

- Quiñenco and others (includes CCU, Quiñenco holding, and eliminations)

The companies composing this sector reported their financial statements in accordance with IFRS. Invexans, Techpack, CSAV and SM SAAM report their financial statements in US dollars, and translate them to Chilean pesos for consolidation purposes.



Invexans holds a 28.30% stake in Nexans, a French multinational company leader in the world cable industry. As of June 30, 2021, Quiñenco has a 99.7% stake in Invexans. As of June 30, 2021, Techpack has a 0.53% stake in Nexans. As of June 30, 2021, Quiñenco's ownership of Techpack is 99.97%. Thus, as of June 30, 2021, through its subsidiaries Invexans and Techpack, Quiñenco has a 28.8% interest in Nexans.

In January 2020, CSAV announced the decision to close its car carrier operations, therefore classifying this business as a discontinued activity in the income statement. During July 2020, the car carrier division ended its activities.

During 3Q and 4Q 2020 Quiñenco participated in CSAV's capital increase, thus reaching 61.76% ownership at year end. During the second quarter of 2021, Quiñenco acquired an additional 4.69% stake, thus reaching 66.45% ownership as of June 30, 2021.

During the first quarter of 2020, CSAV acquired a further 2.21% stake in the German shipping company Hapag-Lloyd, totaling 30.0% ownership, maintained as of June 30, 2021.

As of June 30, 2021, LQIF's ownership and economic rights in Banco de Chile are 51.15%.

On December 30, 2019, Quiñenco sold its direct and indirect stakes in Banchile Vida, SegChile and Inversiones Vita (parent company of the former two companies) to multinational insurance firm Chubb. Thus, the contribution of the insurance business and the gain generated by the transaction have been classified as a discontinued activity in the income statement in 2020.

On April 15, 2020, the merger between Invexans and Inversiones Río Argenta, a fully owned subsidiary of Quiñenco and parent company of Enex, was materialized. Therefore, as of the second quarter of 2020, Invexans added Enex to its portfolio, thus seeking to facilitate Enex's international expansion. Consequently, Invexans defined two operating segments, the corporate segment, continuing with its previous activities and including its investment in Nexans, and a new energy segment, corresponding to its investment in Enex starting the second quarter of 2020.

The analysis by segment of Quiñenco's financial statements includes in the Manufacturing segment Invexans Corporate, in addition to Techpack. The Energy segment corresponds to the activities and results of Enex and related companies, investment held by Inversiones Río Argenta until the first quarter of 2020, and through Invexans as of the second quarter of 2020.

Banking Sector: includes the following Segments and main companies:

i) Financial

- Banco de Chile

This company reported its financial statements partially in accordance with IFRS, as determined by the Financial Market Commission (previously Superintendency of Banks and Financial Institutions).


ANALYSIS OF CONSOLIDATED RESULTS
Summarized Consolidated Income Statement

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Consolidated Income (Loss)	(14,612)	19,320	(1,182)	(4,700)	(11,468)	17,685	51,409	376,073	12,262	14,727	(3,460)	(20,675)	32,948	402,430
Industrial Sector														
Consolidated Income Banking Sector	-	-	111,704	162,377	-	-	-	-	-	-	17	23	111,720	162,400
Consolidated Net Income (Loss)	(14,612)	19,320	110,522	157,676	(11,468)	17,685	51,409	376,073	12,262	14,727	(3,443)	(20,652)	144,669	564,830
Net Income (Loss) Attributable to Non-controlling Interests	216	34	82,527	118,481	-	-	19,818	126,156	6,527	7,778	(1,494)	(107)	107,594	252,341
Net Income (Loss) Attributable to Controllers' Shareholders	(14,828)	19,286	27,995	39,195	(11,468)	17,685	31,591	249,918	5,734	6,949	(1,949)	(20,545)	37,074	312,489

* Corresponds to the contributions of each business segment to Quiñenco's net income.

Net Income – 2Q 2021

Quiñenco reported a net gain of Ch\$312,489 million in the second quarter of 2021, increasing substantially with respect to 2Q 2020. This variation is primarily explained by the contribution of Ch\$249,918 million from the transport segment, reflecting strong performance of CSAV's main asset, Hapag-Lloyd. The German shipping company posted net income of US\$1,830 million during the quarter, in an industry context of increased demand for exports from Asia along with congestion in ports and inland infrastructure, translating in the case of Hapag-Lloyd to 53.8% higher average freight rates, and 12.1% growth in volumes, compensating increased transport costs. The remaining group companies also contributed with positive results to consolidated net income.

Nexans' results, which correspond to the first half of the year, showed a favorable trend reversing the prior period's losses, to a gain of €81 million, based on organic sales growth of 12.0% and a 74.7% rise in operating results, reflecting a solid recovery in demand, selective growth in segments, and cost reductions. Enex's results also improved substantially from the loss posted in 2Q 2020, based on improved operating performance, particularly in the service station segment with a recovery in sales volumes, along with the favorable impact of rising fuel reference prices during the quarter. Banco de Chile in turn posted a 45.4% rise in net income, mostly attributable to a decrease in loan loss provisions as delinquency rates were considerably lower, and also due to the establishment of lower additional quarterly provisions. CCU also achieved good results, turning around 2Q 2020 losses, based on better performance in all segments, especially the Chile and International Business operating segments, driven by higher sales volumes, revenue management and cost efficiencies, despite the still complex scenario of the pandemic. SM SAAM's contribution also increased despite a negative conversion effect to Chilean pesos, reflecting growth in all business segments, boosted by the increased stake in Aerosan, the acquisition of Intertug, and a recovery in volumes related to growing imports.

Earnings per ordinary share amounted to Ch\$187.93 in 2Q 2021.



Consolidated Income Statement Breakdown

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
Industrial Sector				
Revenues	561,357	771.3	762,643	1,047.9
Manufacturing - Invexans Corp. & Techpack	18	0.0	18	0.0
Financial - LQIF holding	-	-	-	-
Energy - Enex	443,042	608.8	628,007	862.9
Transport - CSAV	-	-	-	-
Port Services - SM SAAM	118,183	162.4	134,553	184.9
Other - Quiñenco & others	114	0.2	65	0.1
Operating income (loss)	4,743	6.5	40,266	55.3
Manufacturing - Invexans Corp. & Techpack	(980)	(1.3)	(136)	(0.2)
Financial - LQIF holding	(383)	(0.5)	(350)	(0.5)
Energy - Enex	(11,811)	(16.2)	23,728	32.6
Transport - CSAV	(1,324)	(1.8)	(4,146)	(5.7)
Port Services - SM SAAM	26,338	36.2	29,149	40.1
Other - Quiñenco & others	(7,096)	(9.7)	(7,979)	(11.0)
Non-operating income (loss)	25,052	34.4	379,506	521.5
Interest income	1,318	1.8	966	1.3
Interest expense	(22,270)	(30.6)	(20,738)	(28.5)
Share of net income/loss from related co.	50,734	69.7	417,234	573.3
Foreign exchange gain (loss)	(1,641)	(2.3)	(5,079)	(7.0)
Indexed units of account restatement	(3,089)	(4.2)	(12,875)	(17.7)
		-		
Income tax	2,547	3.5	(17,307)	(23.8)
Net income (loss) from discontinued operations	607	0.8	(35)	(0.0)
Consolidated Net Income (Loss) Industrial Sector	32,948	45.3	402,430	553.0
Banking Sector				
Operating revenues	504,021	692.6	498,638	685.2
Provision for loan losses	(139,409)	(191.6)	(76,803)	(105.5)
Operating expenses	(221,526)	(304.4)	(217,364)	(298.7)
Operating income (loss)	143,086	196.6	204,470	281.0
Non-operating income (loss)	(321)	(0.4)	(1,529)	(2.1)
Income tax	(31,045)	(42.7)	(40,541)	(55.7)
Consolidated Net Income (Loss) Banking Sector	111,720	153.5	162,400	223.2
Consolidated Net Income	144,669	198.8	564,830	776.1
Net Income Attributable to Non-controlling Interests	107,594	147.8	252,341	346.7
Net Income Attributable to Controllers' Shareholders	37,074	50.9	312,489	429.4



Industrial Sector

Revenues – 2Q 2021

Consolidated revenues totaled Ch\$762,643 million in the second quarter of 2021, 35.9% above those of the same period in 2020, primarily due to higher revenues at Enex, and to a lesser extent, at SM SAAM².

Operating Income – 2Q 2021

Operating income for the second quarter of 2021 reached a gain of Ch\$40,266 million, well above the gain of Ch\$4,743 million reported in the second quarter of 2020. The increment in consolidated operating results is primarily attributable to Enex, and to a lesser extent to SM SAAM, partially compensated by lower operating income at CSAV.

EBITDA – 2Q 2021

EBITDA amounted to Ch\$78,029 million in 2Q 2021, up 87.4% from the second quarter of 2020. The increment is primarily explained by higher EBITDA at Enex, mainly due to the service station segment, and at SM SAAM, reflecting growth across all business segments.

Non-Operating Results³ – 2Q 2021

Non-operating income amounted to a gain of Ch\$379,506 million in the second quarter of 2021, substantially greater than the gain of Ch\$25,052 million in the same quarter of 2020.

Proportionate Share of Net Income of Equity Method Investments (net) – 2Q 2021

Quiñenco's proportionate share of net income from equity method investments (net), which primarily includes the results from CCU, as well as Invexans' share in the results of Nexans⁴, CSAV's share in the results of Hapag-Lloyd, and SM SAAM's affiliates, reached a gain of Ch\$417,234 million, compared to a gain of Ch\$50,734 million in 2Q 2020.

- Quiñenco's proportionate share of net income from IRSA (CCU) improved from a loss of Ch\$1,123 million in 2Q 2020 to a gain of Ch\$5,408 million in 2Q 2021.
- SM SAAM's proportionate share in its affiliates improved from a loss of Ch\$226 million in 2Q 2020 to a gain of Ch\$432 million in 2Q 2021.
- CSAV's proportionate share of net income from Hapag-Lloyd (adjusted by fair value accounting), increased significantly from a gain of Ch\$67,670 million in 2Q 2020 to a gain of Ch\$392,703 million in 2Q 2021.

² It is worth noting that since Techpack, Invexans, CSAV and SM SAAM report in US dollars and translate their financial statements to Chilean pesos for consolidation purposes, variations analyzed in Chilean pesos vary from those in US dollars. For analysis of Techpack, Invexans, CSAV and SM SAAM's results in US dollars, refer to Segment/Operating company analysis.

³ Non-operating results include the following items: Financial income, Financial costs, Proportionate share of equity method investments, Foreign currency exchange differences, and Indexed units of account restatement.

⁴ Nexans only reports results as of June and December, in accordance with French regulations and IFRS.



- Invexans' and Techpack's stake in Nexans, adjusted by fair value accounting, improved from a loss of Ch\$15,966 million in 2Q 2020 to a gain of Ch\$18,484 million in 2Q 2021.

Interest Income 2Q 2021

Interest income for the second quarter of 2021 amounted to Ch\$966 million, 26.8% less than that obtained in 2Q 2020. This variation corresponds mainly to lower financial income at Quiñenco corporate level and LQIF holding, partly offset by increased financial income at Enex.

Interest Expense – 2Q 2021

Interest expense for the second quarter of 2021 amounted to Ch\$20,738 million, 6.9% less than in the second quarter of 2020. The variation is mainly explained by higher financial costs at CSAV and Enex, partially offset by higher financial costs at Quiñenco corporate level.

Foreign Currency Exchange Differences – 2Q 2021

In 2Q 2021, the gains (losses) specific to foreign currency translation differences amounted to a loss of Ch\$5,079 million, compared to the loss of Ch\$1,641 million reported in 2Q 2020, primarily attributable to higher losses at CSAV, and to a lesser extent at Techpack, offset by favorable results at Enex and SM SAAM.

Indexed Units of Account Restatement – 2Q 2021

The gain or loss derived from the restatement of assets and liabilities indexed to units such as the Unidad de Fomento or UF (inflation indexed) amounted to a loss of Ch\$12,875 million in the second quarter of 2021, compared to a loss of Ch\$3,089 million reported in the same period of 2020. The variation is mainly explained by greater losses at Quiñenco corporate level, and to a lesser extent at LQIF holding.

Income Taxes – 2Q 2021

The industrial sector reported income tax expense of Ch\$17,307 million in 2Q 2021, compared to an income tax credit of Ch\$2,547 million in 2Q 2020, primarily explained by a higher expense at Enex, a tax credit at Quiñenco corporate level in 2Q 2020, and to a lesser extent, greater tax expenses at SM SAAM and a lower credit at LQIF holding.

Discontinued Operations – 2Q 2021

In 2Q 2021 the result of discontinued operations amounted to a loss of Ch\$35 million, compared to a gain of Ch\$607 million in 2Q 2020. In the current quarter the loss corresponds to Techpack and CSAV's discontinued operations.

Non-controlling Interests – 2Q 2021

In the second quarter of 2021, at a consolidated level (including both Industrial and Banking net income), net income attributable to non-controlling interests amounted to Ch\$252,341 million. Of the total amount reported in 2Q 2021, Ch\$79,285 million corresponds to minority shareholders' share of Banco de Chile's net income. Remaining net income attributable to non-controlling interest is largely explained by minority shareholders' share of CSAV's net income, and also of LQIF's net income.



Banking Sector

Operating Revenues - 2Q 2021

Operating revenues for the second quarter of 2021 amounted to Ch\$498,638 million, 1.1% less than the second quarter of 2020, mainly due a lower income from loans, mostly due to a lower average balance of consumer loans, a decrease in the contribution of demand deposits due to lower interest rates compared to 2020, lower net financial income from subsidiaries, and lower income from treasury management. These effects were partly compensated by the favorable impact of greater inflation on the Bank's net asset exposure to UFs and a favorable impact of exchange rate variations on the Bank's position in US dollars to hedge its expenses in said currency.

Provision for Credit Risk - 2Q 2021

Provisions for loan losses at Banco de Chile amounted to Ch\$76,804 million in the second quarter of 2021, 44.9% below the provisions registered in the second quarter of 2020, mainly attributable to a net credit quality improvement, influenced by lower delinquency rates, and lower additional provisions set during the current quarter.

Operating Expenses - 2Q 2021

Operating expenses decreased by 1.9% to Ch\$217,364 million in 2Q 2021, primarily reflecting lower administrative expenses, mostly related to lower outsourced expenses as a result of efficiency initiatives, partly offset by higher personnel expenses.

Non-operating Results - 2Q 2021

During the second quarter of 2021 non-operating results amounted to a loss of Ch\$1,529 million, comparing unfavorably to the loss of Ch\$321 million reported in the second quarter of 2020, explained by a higher loss from equity investments in the current quarter.

Consolidated Net Income - 2Q 2021

Consolidated net income for the banking sector amounted to Ch\$162,400 million in 2Q 2021, up by 45.4% from the same period in 2020, mainly due to lower loan loss provisions, and to a lesser extent, lower operating expenses, partially compensated by lower operating revenues and higher income tax expense in the current period.


CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 1st quarter of 2021)
Condensed Consolidated Balance Sheet

	03-31-2021		06-30-2021	
	MCh\$	MUS\$	MCh\$	MUS\$
Current assets industrial sector	1,255,104	1,724.6	1,101,261	1,513.2
Non-current assets industrial sector	6,102,920	8,385.9	6,351,520	8,727.5
Assets financial sector	44,971,359	61,794.2	47,302,287	64,997.1
Total Assets	52,329,384	71,904.7	54,755,067	75,237.8
Current liabilities industrial sector	807,861	1,110.1	830,334	1,140.9
Long-term liabilities industrial sector	2,339,657	3,214.9	2,303,594	3,165.3
Liabilities financial sector	41,035,052	56,385.4	43,273,183	59,460.8
Non-controlling interests	4,423,257	6,077.9	4,427,789	6,084.1
Shareholders' equity	3,723,557	5,116.5	3,920,167	5,386.6
Total Liabilities & Shareholders' equity	52,329,384	71,904.7	54,755,067	75,237.8

Current Assets Industrial Sector

Current assets decreased by 12.3% compared to the first quarter of 2021, primarily due to a lower balance of cash, reflecting dividend payments by Quiñenco and to third parties by LQIF holding, CSAV, and SM SAAM, Quiñenco's acquisition of an additional stake in CSAV, net loan and interest payments, mostly by CSAV and Quiñenco corporate, offsetting cash inflows mainly explained by dividends received from Hapag-Lloyd, Nexans and IRSA, and time deposits collected by Quiñenco holding. To a small extent, the lower cash balance was offset by an increase in trade receivables and inventory, mostly at Enx.

Non Current Assets Industrial Sector

Non current assets increased by 4.1% compared to the first quarter of 2021, mainly reflecting a rise in equity investments, primarily due to a higher book value of Hapag-Lloyd, based on period earnings net of dividends, and a positive conversion effect, and to a lesser extent, by a higher book value of Nexans, also reflecting period earnings net of dividends and a positive conversion effect, partly offset by a lower book value of IRSA, explained by unfavorable conversion effects and quarterly earnings net of dividends. To a smaller extent, the increment is also explained by higher fixed assets, mostly at Enx and SM SAAM.

Assets Banking Sector

Total assets of the banking sector increased by 5.2% compared to the first quarter of 2021. Loans to customers increased by 1.6% with respect to March 2021, reflecting higher commercial and residential mortgage loans, partly offset by a decrease in consumer loans. In addition, the balance of financial assets held for trading and for sale increased during the quarter, whereas loans to banks decreased.



Current Liabilities Industrial Sector

Current liabilities increased by 2.8% compared to the first quarter of 2021, primarily due to higher trade payables at Enex and higher dividends payable at Quiñenco and to minority shareholders at CSAV, mostly offset by a reduction in financial short term debt, mainly at CSAV, Quiñenco holding and SM SAAM.

Long-term Liabilities Industrial Sector

Long-term liabilities decreased by 1.5% compared to the first quarter of 2021, primarily attributable to lower financial debt, mostly at CSAV, mainly reflecting prepayment of a bank loan, and at Quiñenco holding, and also due to a lower balance of deferred tax liabilities, mainly at CSAV.

Liabilities Banking Sector

Liabilities corresponding to the banking sector increased by 5.5% compared to the first quarter of 2021.

Minority Interest

Minority interest increased by a slight 0.1% compared to the first quarter of 2021.

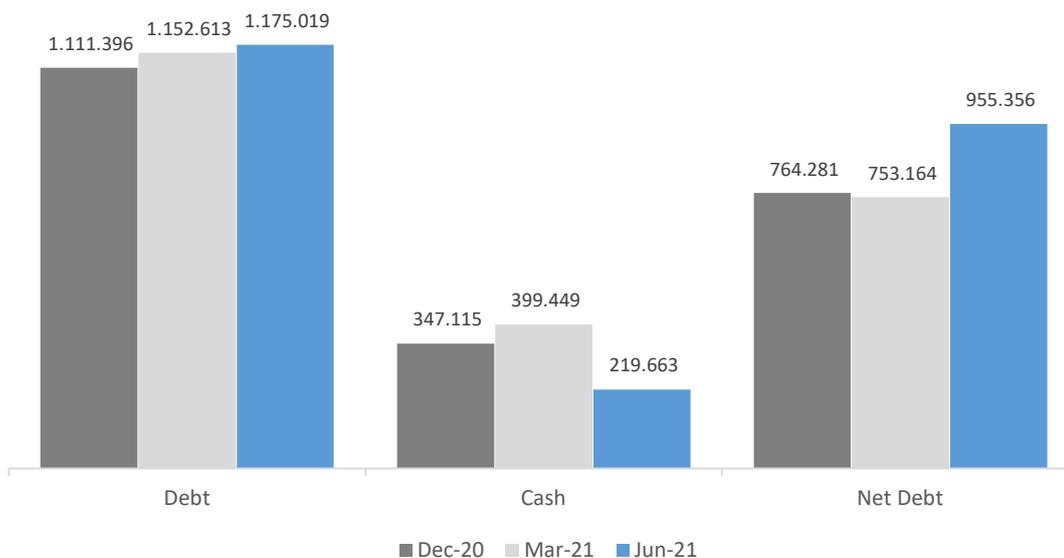
Equity

Shareholders' equity increased by 5.3% compared to the first quarter of 2021, mainly due to period earnings net of dividends, and to a lesser extent, due to higher other reserves, mostly reflecting favorable conversion effects at CSAV and Invexans, and higher cash flow coverage reserves at LQIF, partly compensated by a negative effect at IRSA following its change of ownership in CCU.


QUIÑENCO CORPORATE LEVEL DEBT AND CASH

As of June 30, 2021	Debt		Cash & Equivalents		Total Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	985,333	1,353.9	215,664	296.3	769,669	1,057.6
Adjusted for:						
50% interest in LQIF	102,663	141.1	1,299	1.8	101,364	139.3
50% interest in IRSA	87,023	119.6	2,700	3.7	84,323	115.9
Total	1,175,019	1,614.6	219,663	301.8	955,356	1,312.7

The debt to total capitalization ratio at the corporate level (unadjusted) was 19.3% as of June 30, 2021.

Corporate Level Adjusted⁵ Cash & Debt
 (Millions of Ch\$)


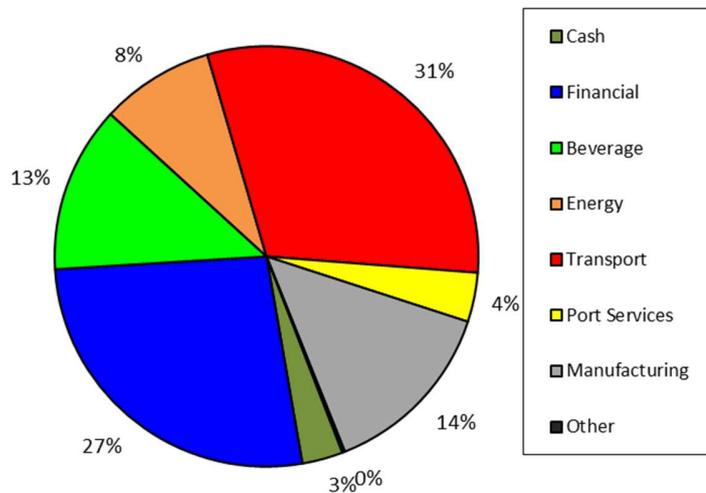
⁵ Adjusted for 50% interest in LQIF holding and IRSA.



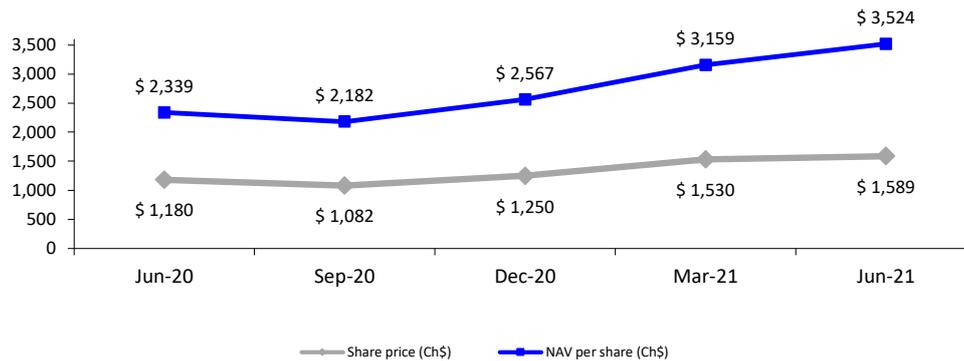
NAV

As of June 30, 2021, the estimated net asset value (NAV) of Quiñenco was US\$8.1 billion (Ch\$3,524 per share) and market capitalization was US\$3.6 billion (Ch\$1,589 per share). The discount to NAV is estimated at 54.9% as of the same date.

NAV as of June 30, 2021
US\$8.1 billion



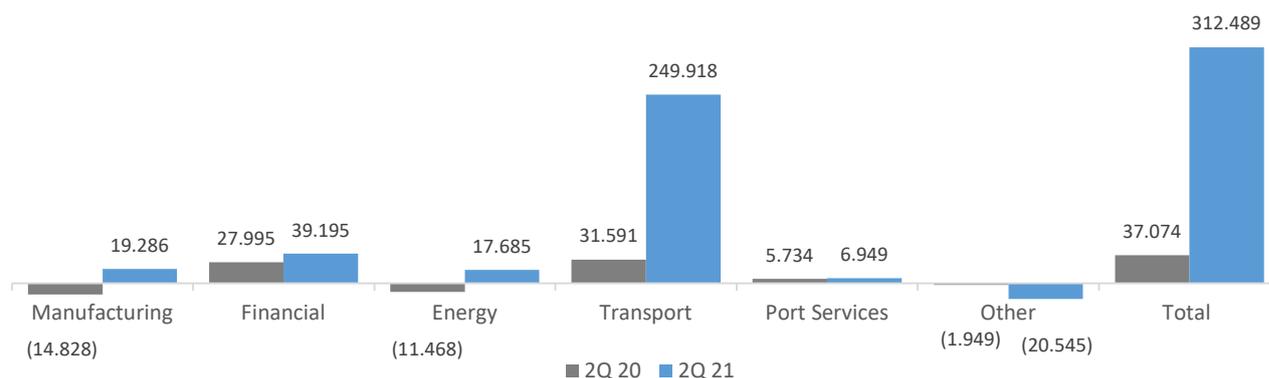
NAV/Share Price
as of June 30, 2021




SEGMENT / OPERATING COMPANY ANALYSIS

Quarterly Results

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21	2Q 20	2Q 21
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Industrial Sector														
Income (loss) from continued operations before taxes	(14,484)	18,263	(3,250)	(4,732)	(18,132)	21,714	59,863	380,501	19,761	24,626	(13,964)	(20,599)	29,795	419,772
Income tax	(69)	1,101	2,068	32	6,663	(4,029)	(9,125)	(4,436)	(7,499)	(9,898)	10,509	(76)	2,547	(17,307)
Net loss from discontinued operations	(59)	(44)	-	-	-	-	671	9	-	-	(5)	-	607	(35)
Net income (loss) industrial sector	(14,612)	19,320	(1,182)	(4,700)	(11,468)	17,685	51,409	376,073	12,262	14,727	(3,460)	(20,675)	32,948	402,430
Banking Sector														
Net income before taxes	-	-	142,748	202,918	-	-	-	-	-	-	17	23	142,765	202,941
Income tax	-	-	(31,045)	(40,541)	-	-	-	-	-	-	-	-	(31,045)	(40,541)
Net income banking sector	-	-	111,704	162,377	-	-	-	-	-	-	17	23	111,720	162,400
Consolidated net income (loss)	(14,612)	19,320	110,522	157,676	(11,468)	17,685	51,409	376,073	12,262	14,727	(3,443)	(20,652)	144,669	564,830
Net income (loss) attributable to Non-controlling interests	216	34	82,527	118,481	-	-	19,818	126,156	6,527	7,778	(1,494)	(107)	107,594	252,341
Net Income (Loss) Attributable to Controllers' shareholders	(14,828)	19,286	27,995	39,195	(11,468)	17,685	31,591	249,918	5,734	6,949	(1,949)	(20,545)	37,074	312,489

Contribution to Net Income by Segment
 (Millions of Ch\$)



MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2020 and 2021 to Quiñenco's net income:

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
Invexans (Corporate)	(16,437)	(22.6)	19,250	26.5
Techpack	1,608	2.2	36	0.0
Total Manufacturing Segment	(14,828)	(20.4)	19,286	26.5

As of June 30, 2020 and 2021, Quiñenco's ownership of Invexans was 99.7%. As of June 30, 2020 and 2021, Quiñenco's ownership of Techpack was 99.97%.

INVEXANS

	Corporate Statement				Consolidated Statement			
	2Q 20		2Q 21		2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Sales	14	0.0	14	0.0	443,056	608.8	628,020	862.9
Operating income (loss)	(626)	(0.9)	333	0.5	(12,437)	(17.1)	24,061	33.1
Non-operating income (loss)	(15,820)	(21.7)	17,876	24.6	(22,140)	(30.4)	15,862	21.8
Net income (loss) controller	(16,513)	(22.7)	19,283	26.5	(27,981)	(38.4)	36,969	50.8
Total assets							1,771,682	2,434.4
Shareholders' equity							983,417	1,351.3

Note: Figures as reported in pesos in Quiñenco's financial statements.

	Corporate Statement		Consolidated Statement	
	2Q 20	2Q 21	2Q 20	2Q 21
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Sales	17	19	538,719	877,229
Operating income (loss)	(759)	476	(15,199)	33,640
Non-operating income (loss)	(19,920)	24,600	(27,486)	21,806
Net income (loss) controller	(20,764)	26,587	(34,738)	51,335
Total assets				2,434,433
Shareholders' equity				1,351,296

Note: Figures as reported by Invexans in US dollars.



InveXans reports its financial statements in US dollars and translates them to Chilean pesos for consolidation purposes, based on the US\$/Ch\$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. InveXans' figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the second table.

In accordance with French regulations and IFRS, Nexans does not publish financial statements for the quarters ended in March and September. In view of this, InveXans requested and was granted approval from the CMF to use December and June financial information for March and September, respectively. Therefore, these quarters only reflect exchange rate conversion effects and changes in the stake in Nexans corresponding to that quarter.

2Q 2021 Results

In the second quarter of 2021 InveXans reported a net gain of US\$51,335 thousand, comparing favorably to the loss of US\$34,738 thousand reported in the second quarter of 2020. Of this result, a gain of US\$26,587 thousand corresponds to the Corporate segment, which will be analyzed below. The remaining gain of US\$24,748 thousand in 2Q 2021 corresponds to the results of Enex, a subsidiary of InveXans as of the second quarter of 2020. For an analysis of Enex's results please refer to the Energy Segment.

InveXans Corporate reported an operating gain of US\$476 thousand, compared to the loss of US\$759 thousand reported in the same period in 2020, mainly explained by dividends received during the current quarter from Sonacol and expenses relating to a property in Quilpué registered in 2Q 2020.

Non-operating income amounted to a gain of US\$24,600 thousand, reversing the loss of US\$19,920 thousand reported in 2Q 2020, largely reflecting the significantly improved results reported by its equity investment Nexans, as for the first half of 2021. For the first semester of 2021 Nexans posted net income €81 million, turning around the loss of €55 million reported as of June 2020. Nexans achieved 12.0% organic growth in sales, and a 74.7% increment in operating income to €145 million, based on a solid recovery in demand, a positive price/mix management, selective growth in segments, and a favorable impact from cost reductions and transformation plans implemented. Growth was led by the Industry segment, with a substantial increase of €38 million or 317% in operating results, following 18.7% organic growth in sales supported by strong dynamism in automotive harnesses and automation. The Building & Territories segment reported a rise of €34 million or 103% in operating income, reflecting 5.3% organic growth in sales, due to a recovery in most geographies, particularly Europe, and well-oriented end-market demand. The Telecom segment, in turn, registered an increment of €3 million or 27% in operating results, mostly based on organic growth of 2.7% in sales, partly offset by the effect of a divestment of one of its units during the third quarter of 2020. Finally, High Voltage & Projects diminished its operating results by €11 million or 26%, primarily due to an organic contraction of 11.8% in sales, mainly attributable to submarine high voltage, which had experienced more dynamism during the first half of 2020. EBITDA reached €222 million for the first half of 2021, up by 37.0% from the same period in 2020. In terms of non-operating results, Nexans reported a variation of €78 million from the core exposure effect, due to higher average prices of copper during the period. Also, restructuring costs were reduced to €33 million from €53 million, mostly explained by the impairment of certain fixed assets, and restructuring costs in Europe and the US. Net finance costs increased by 78.9%, mainly owing to the impairment of some financial investments, mainly in



Lebanon. Finally, income taxes increased, thus Nexans reported net income of €81 million for the six month period. InveXans adjusts its share in Nexans' results for fair value accounting, thus it reported for its investment in the French company a gain of US\$24,981 thousand for 2Q 2021, comparing favorably with the loss of US\$19,747 thousand reported as of June 2020.

InveXans Corporate posted a net gain of US\$26,587 thousand in 2Q 2021, which compares favorably with the loss of US\$20,764 thousand reported in 2Q 2020, primarily reflecting the improved results reported by Nexans, explained above.

TECHPACK

	2Q 20		2Q 21		2Q 20	2Q 21
	MCh\$	MUS\$	MCh\$	MUS\$	ThUS\$	ThUS\$
Sales	4	0.0	4	0.0	5	6
Operating income	(354)	(0.5)	(469)	(0.6)	(431)	(648)
Net income (loss) from discontinued operations	(59)	(0.1)	(44)	(0.1)	(71)	(62)
Net income (loss) Controller	1,901	2.6	(156)	(0.2)	2,252	(205)
Total assets			154,009	211.6		211,622
Shareholders' equity			153,432	210.8		210,828

Techpack carries its accounting in US dollars and translates its financial statements to Chilean pesos for consolidation purposes, based on the US\$/Ch\$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. Techpack's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as shown in the last two columns of the table.

2Q 2021 Results

During the second quarter of 2021, Techpack's operating income amounted to a loss of US\$648 thousand, comparing unfavorably to the loss of US\$431 thousand reported in 2Q 2020, mainly due to losses related to the sale of investments in the current period, and higher administrative expenses, partially compensated by dividends received from Nexans in 2Q 2021.

Non-operating income for the quarter amounted to a gain of US\$469 thousand, below the gain of US\$2,757 thousand reported in 2Q 2020, primarily explained by losses from exchange rate differences in the current quarter vis-à-vis a gain in the second quarter of 2020, and to a lesser extent, lower financial income.



QUIÑENCO S.A.



Earnings release

Second quarter 2021

Discontinued operations reported a loss of US\$62 thousand in 2Q 2021, 12.7% less than the loss registered in 2Q 2020, and correspond mainly to maintenance expenses of the discontinued operations.

Thus, net income for 2Q 2021 reached a loss of US\$205 thousand, down from the gain of US\$2,252 thousand reported in 2Q 2020, due mostly to lower non-operating results during the quarter.



FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2020 and 2021 to Quiñenco's net income:

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
LQIF holding	(591)	(0.8)	(2,350)	(3.2)
Banking sector	28,586	39.3	41,546	57.1
Total Financial Segment	27,995	38.5	39,195	53.9

As of June 30, 2020 and 2021, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 51.2% as of June 30, 2020 and 2021.

LQIF Holding

2Q 2021 Results

LQIF holding registered a loss of Ch\$4,700 million in 2Q 2021, substantially higher than the loss of Ch\$1,182 million reported in 2Q 2020, mainly explained by a lower income tax credit in the current quarter and higher losses from the effect of inflation on financial obligations denominated in UFs, due to a higher variation of 1.07% in the UF in the current quarter vis-à-vis a 0.35% variation in 2Q 2020.

Banking Sector

The Banking sector is comprised of Banco de Chile.


BANCO DE CHILE

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
Operating revenues	504,009	692.5	498,618	685.1
Provision for loan losses	(139,408)	(191.6)	(76,804)	(105.5)
Operating expenses	(221,533)	(304.4)	(217,366)	(298.7)
Net income	111,703	153.5	162,377	223.1
Loan portfolio	30,841,319	42,378.4	32,264,746	44,334.3
Total assets	46,142,637	63,403.6	47,316,246	65,016.3
Shareholders' equity	3,578,909	4,917.7	3,933,516	5,405.0
Net financial margin	4.1%		3.7%	
Efficiency ratio	44.0%		43.6%	
ROAE	12.5%		16.8%	
ROAA	1.0%		1.4%	

2Q 2021 Results

Banco de Chile reported net income of Ch\$162,377 million in the second quarter of 2021, increasing by 45.4% with respect to the second quarter of 2020. This growth is primarily explained by lower loan loss provisions, and to a lesser extent, lower operating expenses. These variations were to a small extent offset by lower operating revenues and higher income tax.

Operating revenues, which include net financial income, fee income and other operating income, decreased 1.1% to Ch\$498,618 million in the second quarter of 2021. This variation is mainly explained by: lower income from loans, mostly reflecting lower average balances of consumer credits, partly offset by growth in commercial and residential mortgage loans; a lower contribution of demand deposits to funding, mostly related to lower interest rates when compared to 2020, more than offsetting strong growth of 33% in average balances; lower net financial income from subsidiaries, mainly explained by a high basis of comparison in 2Q 2020, when the fixed-income securities portfolio registered good performance due to the sharp decrease in interest rates in that quarter; a decline in income from treasury activities, mostly from the AFS (available-for-sale) and trading portfolios, also given higher results in 2Q 2020, partially compensated by a favorable variation in counterparty risk for derivatives and increased revenues from Asset-Liability management; a slight decline in fee income, mainly from insurance brokerage that was mostly offset by higher fee income from mutual funds in line with growth in AUM (assets under management), and also from transactional services. These unfavorable effects were partly compensated by higher revenues due to the favorable impact of greater inflation on the contribution of the Bank's net asset exposure to UFs, given an increase of 1.07% in the current quarter vis-à-vis 0.35% in 2Q 2020, a positive impact on revenues of the Bank's position in dollars to hedge US\$-denominated expenses given a 2.1% depreciation of the Chilean peso in 2Q 2021 compared to the 3.8% appreciation registered in 2Q 2020, and the positive effect of a loan portfolio sale during the current quarter.

Provisions for loan losses amounted to Ch\$76,804 million, falling 44.9% from 2Q 2020. This reduction is primarily explained by a net credit quality improvement, mostly reflecting a temporary decrease in the levels of delinquency,



mostly concentrated in the wholesale banking sector, influenced by the impact of mobility restrictions during the previous quarter on companies' liquidity and payment capacity, and to a lesser extent in the retail banking segment, with improved credit quality indicators, particularly past due loans. The decline is also attributable to a decrease in additional provisions with respect to 2Q 2020, from Ch\$70 billion in 2Q 2020 to Ch\$50 billion in 2Q 2021. These positive factors were partly offset by the unfavorable impact of the depreciation of the Chilean peso during the current quarter compared to the appreciation in 2Q 2020 on US\$-denominated loan loss, and higher loan loss provisions based on growth in loans, largely reflecting the rise of 7.0% in average loans in the retail banking segment.

Operating expenses decreased by 1.9% to Ch\$217,366 million in 2Q 2021. This reduction is mainly explained by lower expenses related to outsourced services as a result of efficiency initiatives, lower fixed-asset maintenance expenses, largely due to higher expenses in 2Q 2020, mostly owing to the implementation of the new service model for the retail banking segment and branch optimization program, lower expenses related to the sanitary contingency, and lower advisory expenses. These effects were partially offset by an increase in personnel expenses, reflecting severance payments derived from the organizational restructuring, greater amortization and depreciation, higher IT expenses linked to the development of digital capabilities and the deployment of the digital transformation strategy, and increased other operating expenses due to higher loan loss allowances on cross border loans.

Income tax expense in the second quarter of 2021 increased by 30.6% to Ch\$40,542 million.

As of June 2021, the Bank's loan portfolio posted an annual expansion of 4.6%, placing the Bank as number 2 in total loans. In the retail segment, loans grew 6.8%, boosted by loans granted to SMEs (including FOGAPE loans), and by personal banking loans, mostly residential mortgage loans, whereas consumer loans contracted. The wholesale segment, in turn, experienced a slight annual increase of 0.8%, mainly due to higher loans to middle market clients, boosted by the COVID loan programs and partly offset by lower trade finance loans, and slight expansions in loans managed by the corporate and wholesale units.

Banco de Chile is the second ranked bank in the country with a market share of 16.9% of total loans (excluding subsidiaries outside Chile), for the period ended June 30, 2021. Its return on average equity reached 16.8% in 2Q 2021.



ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2020 and 2021 to Quiñenco's net income:

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
Enex	(11,468)	(15.8)	17,685	24.3
Total Energy Segment	(11,468)	(15.8)	17,685	24.3

As of March 31, 2020 Quiñenco controlled 100% of the energy segment. Starting the second quarter of 2020, Invexans owns 100% of Enex.

ENEX⁶

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	443,042	608.8	628,007	862.9
Operating income	(11,811)	(16.2)	23,728	32.6
Net income Controller	(11,468)	(15.8)	17,685	24.3
Total assets			1,376,587	1,891.5
Shareholders' equity			611,083	839.7

2Q 2021 Results

Enex's consolidated sales during 2Q 2021 reached Ch\$628,007 million, up by 41.7% from 2Q 2020, mainly due to higher volumes sold in the service station channel in Chile and the USA, and also in the industrial channel, reflecting a recovery with respect to the second quarter of 2020 which was strongly impacted by the pandemic, and to a lesser extent, based on higher average fuel prices. The total volume dispatched by Enex during the quarter amounted to 1,013 thousand cubic meters, increasing 31.9% from 2Q 2020, of which 98% corresponds to fuels.

Gross income during the period reached Ch\$85,359 million, substantially above the Ch\$43,587 reported in 2Q 2020, primarily due to a favorable impact of selling inventory at historical cost given increasing international reference prices during the current quarter in comparison to a loss in 2Q 2020. In addition, gross income was boosted by the growth in sales volume explained above.

⁶ Corresponds to the Energy segment, composed of Enex and related companies.



QUIÑENCO S.A.



Earnings release

Second quarter 2021

Operating income during the quarter reached a gain of Ch\$23,728 million, improving from the loss reported in 2Q 2020, largely due to the growth in gross income explained above, and only slightly offset by higher selling and administrative expenses, related to the higher sales volume. EBITDA amounted to Ch\$36,028 million in 2Q 2021, increasing substantially from Ch\$1,735 million in 2Q 2020.

Non-operating income amounted to a loss of Ch\$2,014 million in 2Q 2021, improving from the loss of Ch\$6,320 million reported in 2Q 2020, mostly explained by a gain from exchange rate differences in the current quarter vis-à-vis a loss in the second quarter of 2020, and also by lower financial costs.

Net income for 2Q 2021 amounted to Ch\$17,685 million, a significant improvement from the loss reported in 2Q 2020 which experienced the strongest impact of the pandemic, primarily reflecting better operating results, and to a much lesser extent, better non-operating results.



TRANSPORT SEGMENT

The following table details the contribution of the investments in the Transport Segment during 2020 and 2021 to Quiñenco's net income:

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
CSAV	31,591	43.4	249,918	343.4
Total Transport Segment	31,591	43.4	249,918	343.4

As of June 30, 2020 and 2021, Quiñenco's ownership of CSAV was 61.5% and 66.5%, respectively. Quiñenco's proportionate share in CSAV's results is adjusted by the fair value accounting of this investment at Quiñenco. During 2Q 2020 and 2Q 2021 the adjustment was a lower result of Ch\$19 million and a lower result of Ch\$3 million, respectively.

CSAV

	2Q 20		2Q 21		2Q 20	2Q 21
	MCh\$	MUS\$	MCh\$	MUS\$	ThUS\$	ThUS\$
Sales	-	-	-	-	-	-
Operating income (loss)	(1,324)	(1.8)	(4,146)	(5.7)	(1,611)	(5,783)
Net income Controller	51,441	70.7	376,078	516.8	62,195	525,267
Total assets			2,746,729	3,774.2		3,774,223
Shareholders' equity			2,409,109	3,310.3		3,310,307

CSAV reports its financial statements in US dollars and translates them to Chilean pesos for consolidation purposes based, in general terms, on the US\$/Ch\$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. CSAV's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the last two columns of the table. During January 2020 CSAV announced its decision to shut down the car carrier business, therefore this business has been classified as a discontinued activity in the income statement. The car carrier business ended its operations during July 2020.

2Q 2021 Results

CSAV's operating income amounted to a loss of US\$5.8 million in 2Q 2021, compared to a loss of US\$1.6 million in 2Q 2020, mainly due to higher provisions for administrative expenses.

Non-operating income for the quarter amounted to a gain of US\$537.7 million, substantially greater than the gain of US\$74.4 million reported in 2Q 2020. This significant improvement is primarily due to CSAV's share in Hapag-Lloyd's



results for the quarter, adjusted by CSAV's fair value accounting of this investment, which amounted to a gain of US\$548.8 million in 2Q 2021, compared to the gain of US\$82.2 million in 2Q 2020. At CSAV, financial costs also were reduced in the current quarter, but higher losses from exchange differences were registered.

Hapag-Lloyd reported a net gain of US\$1,830 million in the second quarter of 2021, increasing significantly from the gain of US\$283 million reported in 2Q 2020. The strong demand for exports from Asia, which led to operational challenges and port and inland congestions amid a still difficult context with the pandemic and its related restrictions, pushed up industry freight rates. In the case of Hapag-Lloyd, average freight rates increased by 53.8% in the 2Q 2021 compared to the same period in 2020, and transported volumes grew by 12.1%. Thus, quarterly revenues posted a 70.1% rise. Operating expenses, however, increased 26.2% in the current quarter, mainly due to higher transport expenses, primarily reflecting greater container handling expenses, resulting from congestions at ports and inland infrastructure. In all, Hapag-Lloyd's EBIT reached a gain of US\$1,948 million in 2Q 2021, well above the US\$387 million reported in 2Q 2020. EBITDA amounted to US\$2,330 million, up from US\$770 million 2Q 2020, with the EBITDA margin reaching 41.3%.

Income tax expense at CSAV was 41.5% lower in 2Q 2021 compared to 2Q 2020. Thus, CSAV reported a net gain of US\$525.3 million in 2Q 2021, substantially greater than the gain of US\$62.2 million posted in 2Q 2020, primarily due to CSAV's share in Hapag-Lloyd's strong results for the quarter.



PORT SERVICES SEGMENT

The following table details the contribution of the investments in the Port Services Segment during 2020 and 2021 to Quiñenco's net income:

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
SM SAAM	5,734	7.9	6,949	9.5
Total Port Services Segment	5,734	7.9	6,949	9.5

As of June 30, 2020 and 2021, Quiñenco's ownership of SM SAAM was 52.2%. Quiñenco's proportionate share in SM SAAM's results is adjusted by the fair value accounting of this investment at Quiñenco. During 2Q 2020 the adjustment was a lower result of Ch\$417 million and in 2Q 2021 the adjustment was a lower result of Ch\$175 million.

SM SAAM

	2Q 20		2Q 21		2Q 20 ThUS\$	2Q 21 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	118,183	162.4	134,553	184.9	143,487	187,970
Operating income	26,338	36.2	29,149	40.1	31,922	40,699
Net income Controller	11,784	16.2	13,649	18.8	14,293	19,033
Total assets			1,306,817	1,795.7		1,795,670
Shareholders' equity			574,387	789.3		789,253

SM SAAM reports its financial statements in US dollars and translates them to Chilean pesos for consolidation purposes based, in general terms, on the US\$/Ch\$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. SM SAAM's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the last two columns of the table.

2Q 2021 Results

In the second quarter of 2021 SM SAAM's consolidated sales reached US\$188.0 million, up by 31.0% from 2Q 2020, primarily explained by growth in logistics and tug boats, reflecting the consolidation with Aerosan and the acquisition of Intertug, respectively. Also, all three divisions benefitted from higher activity related to increasing imports, and in the case of the consolidated port terminals, revenue growth also reflected a larger volume of transfers due to congestion at some ports and the industry's growing demand for empty containers. Consolidated revenues can be broken down as follows: Tug boats (46.8%), Ports (37.5%), Logistics (15.9%), and Corporate⁷ (-0.2%).

⁷ Corporate also includes eliminations and others.



Gross income amounted to US\$61.0 million, 19.8% higher than 2Q 2020, explained by growth in the three operating divisions, led by higher gross income at tug boats, boosted by the acquisition of Intertug, followed by port terminals, based on growth in container throughput, and at logistics, mainly attributable to the consolidation with Aerosan. During 2Q 2021 operating income amounted to US\$40.7 million, up 27.5% from the gain reported in 2Q 2020, primarily reflecting the growth in gross income explained above, partly offset by higher selling and administrative expenses, also mainly attributable to the consolidation with Aerosan and the Intertug acquisition. SM SAAM's consolidated EBITDA⁸ reached US\$71.0 million in 2Q 2021, increasing 25.8% over the same period in 2020, primarily boosted by growth in the logistics and tug boats segments, followed by port terminals.

Non-operating income amounted to a loss of US\$5.5 million, compared to a loss of US\$6.8 million in 2Q 2020. This lower loss is mainly explained by a gain from exchange rate differences in the current quarter, vis-à-vis a loss during the same period in 2020, and to a lesser extent, by positive results from equity investments, based on improved results at port terminals in central Chile, related to growth in imports, compensating lower results in northern Chile due to scarcity of empty containers and therefore lower volumes. These favorable effects were partially offset by higher financial costs, mostly due to greater debt at the corporate level.

Income tax expense in 2Q 2021 increased 51.0% to US\$14.2 million.

Thus, SM SAAM reported net income of US\$19.0 million in 2Q 2021, increasing 33.2% from 2Q 2020, mainly due to favorable operating performance across all business segments in the current quarter, reflecting the increased stake in Aerosan, the acquisition of Intertug, and a recovery in volumes related to growing imports.

⁸ Corresponds to EBITDA reported by SM SAAM.



OTHER SEGMENT

The following table details the contribution from investments in the Segment Other during 2020 and 2021 to Quiñenco's net income:

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
IRSA (CCU)	(1,123)	(1.5)	5,408	7.4
Quiñenco & others	(826)	(1.1)	(25,952)	(35.7)
Total Segment Other	(1,949)	(2.7)	(20,545)	(28.2)

As of June 30, 2020 and 2021, Quiñenco's ownership of CCU was 30.0% and 32.9%, respectively.

CCU

	2Q 20		2Q 21	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	318,376	437.5	469,995	645.8
Operating income	(9,396)	(12.9)	36,408	50.0
Net income (loss)	(3,257)	(4.5)	18,968	26.1
Total assets			2,552,438	3,507.3
Shareholders' equity			1,326,374	1,822.5

2Q 2021 Results

CCU reports its results in accordance with the following three business segments: Chile, International Business, and Wine. Chile includes beer, non-alcoholic beverages, and spirits. The International Business segment includes beer, cider, non-alcoholic beverages, and spirits in Argentina, Uruguay, Paraguay and Bolivia. Wine includes the commercialization of wine, mainly in the export market. CCU's sales in the second quarter of 2021 increased by 47.6% compared to the second quarter of 2020, as a result of strong growth of 30.5% in consolidated sales volumes and a 13.2% increase in average prices in terms of Chilean pesos. The Chile operating segment posted growth of 54.3% in sales, driven by an increment of 40.2% in sales volumes, and a 10.1% increase in average prices, due to a positive mix effect, based on good performance of premium beer brands, and revenue management initiatives. The International Business operating segment, in turn, reported a 58.2% rise in sales, based on a 39.1% increment in average prices in terms of Chilean pesos, as a result of revenue management initiatives and positive mix effects, more than offsetting negative currency translation effects, and a 13.7% increase in sales volumes, mostly boosted by Argentina. The Wine segment also posted an increase, with sales up 11.0%, based on 7.4% higher sales volumes, boosted by domestic and export markets, gaining market share in the domestic markets of Chile and Argentina, along with 3.4% higher average prices, mainly due to a better mix, compensating the negative impact on export revenues of the appreciation of the Chilean peso against the USD in the current quarter compared to 2Q 2020.



Gross income increased by 63.8% to Ch\$220,428 million, primarily due to higher gross income across all segments, but particularly in the Chile and International Business segments. In the Chile segment, gross income went up 65.7% boosted by revenue growth, efficiencies in manufacturing and the appreciation of the Chilean peso against the US dollar favorably impacting USD denominated costs, partially offset by higher costs of raw materials. Gross income at the International Business segment more than doubled, reflecting the revenue growth with higher prices, compensating higher unit costs in terms of Chilean pesos, mainly due to higher USD-linked costs and of raw materials. Gross income in the Wine segment grew 6.5%, below growth in revenues mostly due to a higher cost of wine. The gross margin as a percentage of sales increased from 42.3% in 2Q 2020 to 46.9% in 2Q 2021.

Operating income reached Ch\$36,408 million, reversing the loss of Ch\$9,396 million reported in 2Q 2020, based on the growth in gross income, partially offset by a 27.7% rise in MSD&A expenses, in line with the higher sales volume and marketing activities, although improving slightly as a percentage of sales reflecting initiatives to control expenses through the ExCCelencia CCU program in all operating segments. EBITDA⁹ amounted to Ch\$61,576 million in 2Q 2021, increasing substantially from Ch\$19,654 million in 2Q 2020, primarily due to growth in the Chile operating segment, an improvement in the International Business operating segment, and, to a lesser extent, by the Wine operating segment. The EBITDA margin improved from 6.2% in 2Q 2020 to 13.1% in 2Q 2021.

CCU reported a non-operating loss of Ch\$5,878 million, comparing unfavorably to the gain of Ch\$1,699 million reported in 2Q 2020. The variation is mainly explained by losses from exchange rate differences vis-à-vis a gain during 2Q 2020, partially compensated by higher finance income and a lower loss from equity investments, mainly attributable to Colombia and Austral.

Net income for the second quarter of 2021 amounted to Ch\$18,968 million, reversing the loss of Ch\$3,257 million reported in the same quarter of 2020, primarily due to improved operating performance in all segments, boosted by growth in sales volumes, revenue management and positive mix effects, cost efficiencies, and positive external effects of the appreciation of the Chilean peso against the US dollar, partly offset by income tax expense in the current quarter and lower non-operating results.

⁹ EBITDA corresponds to EBITDA reported by CCU.



QUIÑENCO and Others

2Q 2021 Results

The negative variation in Quiñenco and others is mainly explained at the corporate level by an income tax credit in 2Q 2020, lower finance income in the current quarter, and greater losses due to the unfavorable impact of higher inflation in 2Q 2021 on indexed liabilities.

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All of Quiñenco's Earnings and Press Releases and other relevant information on the Company, including quarterly financial statements, are available for viewing on the Company's website:

www.quinenco.cl
www.quinencogroup.com