



Compañía Sud Americana de Vapores

Corporate Presentation

September 2021



Who are we?

Chilean-based company that participates in the **container shipping business**, through its stake in **Hapag-Lloyd** after their merger in 2014

Well-known **Luksic Group**, controlled by the local Luksic family, is CSAV's main shareholder (66.5%)

2Q21 LTM Financial Position

CSAV

3,774 mn Assets	3,504 mn Investment in HLAG	463 mn Liabilities	100 mn Bonds
	213 mn Tax Assets		55 mn Other loans

About Hapag-Lloyd

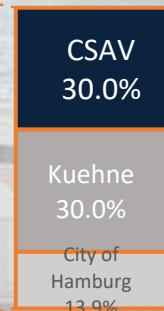
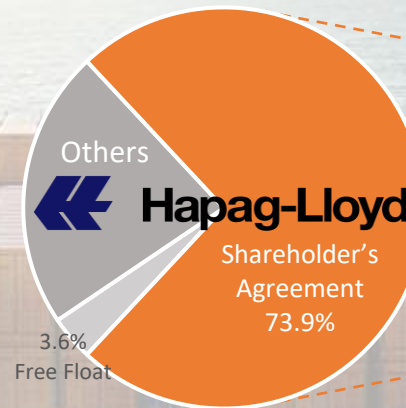
5th largest
Shipping line

Aggregate Capacity:
2,822 TTEU containers
1,761 TTEU vessels



Global
presence:
129 countries

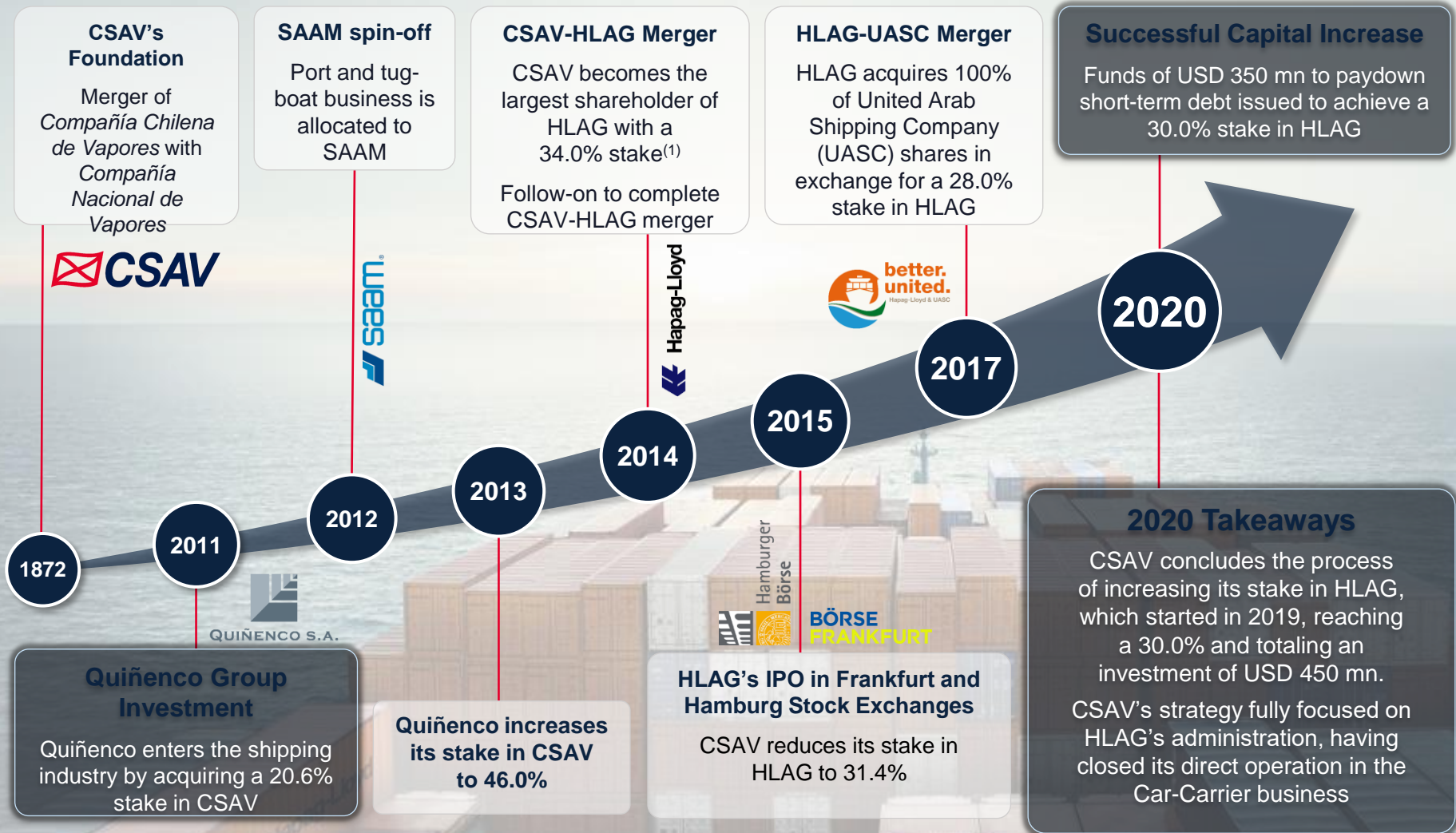
18,123 mn LTM Revenue	2,392 mn Cash & Eq.
6,035 mn LTM EBITDA	0.7x Net debt/ LTM EBITDA
4,028 mn LTM Net Profit	



Joint controllership over Hapag-Lloyd is held via a **Shareholder Agreement** with other major stake owners

Notes:
(1) Luksic Group's total stake divided between 3 separate legal entities: Inversiones Rio Bravo, Quiñenco Group and Inmobiliaria Norte Verde. Other minority stake shareholders (38.24%) includes BICE, Marítima de Inversiones, Nevasa, BTG Pactual, Banco ITAU Corpbanca, Bolsa de Comercio de Santiago, Banco Santander, BanChile, Consorcio, Tanner, among others.

CSAV: consolidation & success story



Source: CSAV's Annual Report 2019 and Public Offering Prospectus

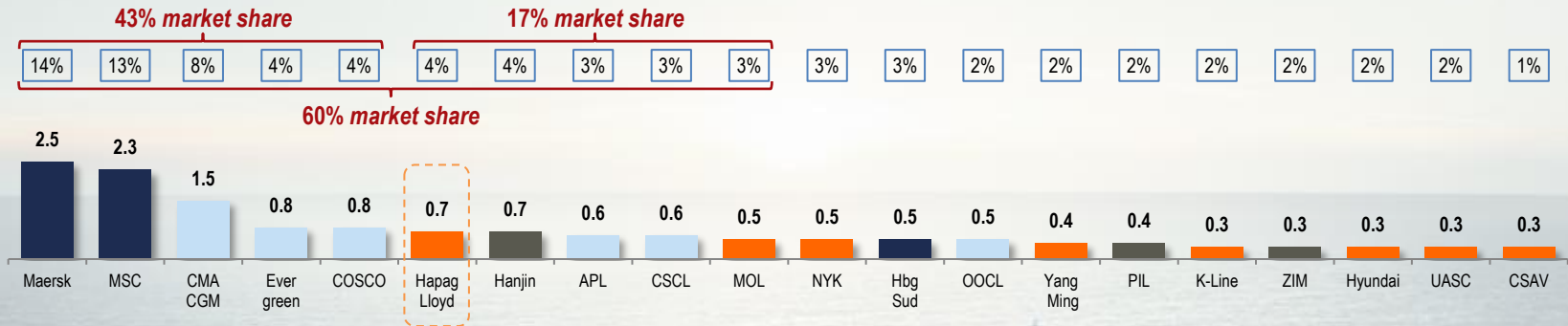
Notes:

(1) As a result of the merger, CSAV becomes a shareholder of HLAG with 30.0% stake, which increased to 34.0% after subscribing 70.0% of HLAG's follow-on

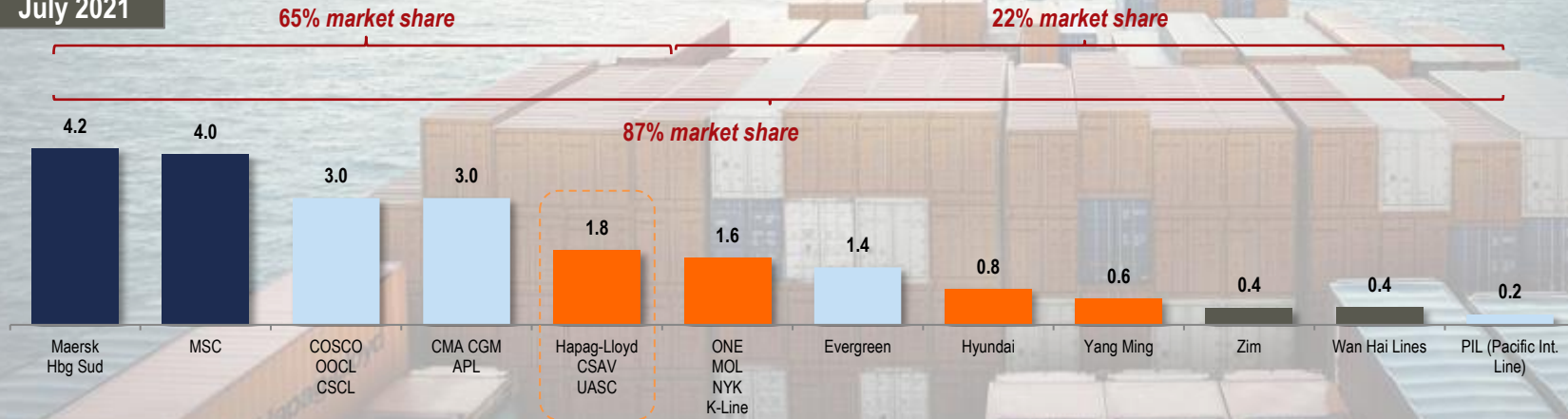
HLAG's Position: 5th largest player in terms of capacity

Carrier Capacity (TTEU) Global Capacity Share⁽¹⁾ (%)

2013



July 2021



Source: HLAG Investor Presentations and Alphaliner (May 2021)

Notes:
 (1) Measured as carrier capacity (TEU) over world fleet capacity (TEU)

Global Shipping Alliances (86.3%)

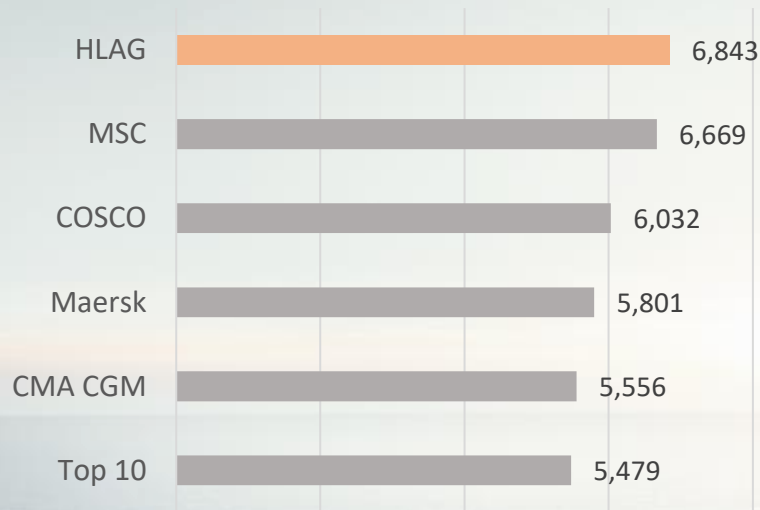
		THE Alliance	Ocean Alliance	2M
Members		Hapag-Lloyd ONE HMM YANG MING	COSCO SHIPPING CMA CGM EVERGREEN	MAERSK MSC
Global Market Share ⁽¹⁾		~ 83.1%		
Market Share ⁽¹⁾ Per Trade	Transpacific	26%	40%	25%
	Atlantic	31%	12%	49%
	Far East	25%	34%	36%
Total Vessels		644	1,241	1,327
Aggregate Container Capacity		4.8 million de TEU	7.4 million de TEU	8.2 million de TEU
Avg. Vessel Capacity (Size)		7,482 TEU	5,941 TEU	6,197 TEU
New Vessel Orderbook		49	125	64
Avg. Capacity of New Vessels		16,663 TEU	12,188 TEU	14,439 TEU

Source Annual Report 2020 de HLAG y Alphaliner (July 2021)

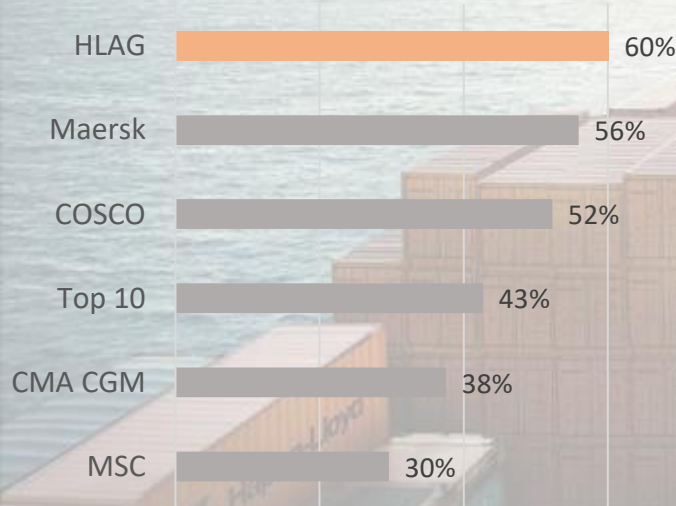
Notes:

(1) Global transport capacity TEU - Data as of December, 2020

Average Vessel Size (TEU)

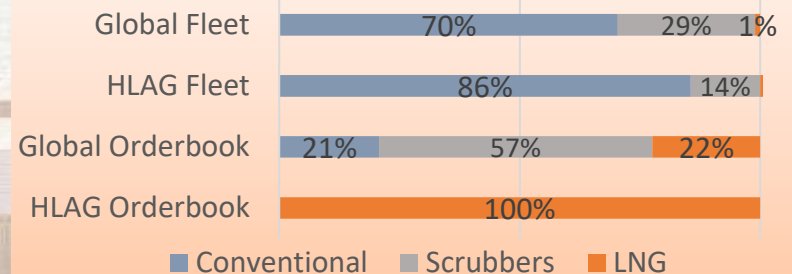


Own Fleet (%)



HLAG's current fleet	TEU	Ships
>18,000 TEU	124,062	6
15,200 ~ 18,000 TEU	0	0
10,000 ~ 15,200 TEU	638,032	34
5,100 ~ 10,000 TEU	584,863	74
<5,100 TEU	425,355	129
Total Owned and Chartered Fleet	1,772,312	259

Decarbonization: LNG & Scrubbers



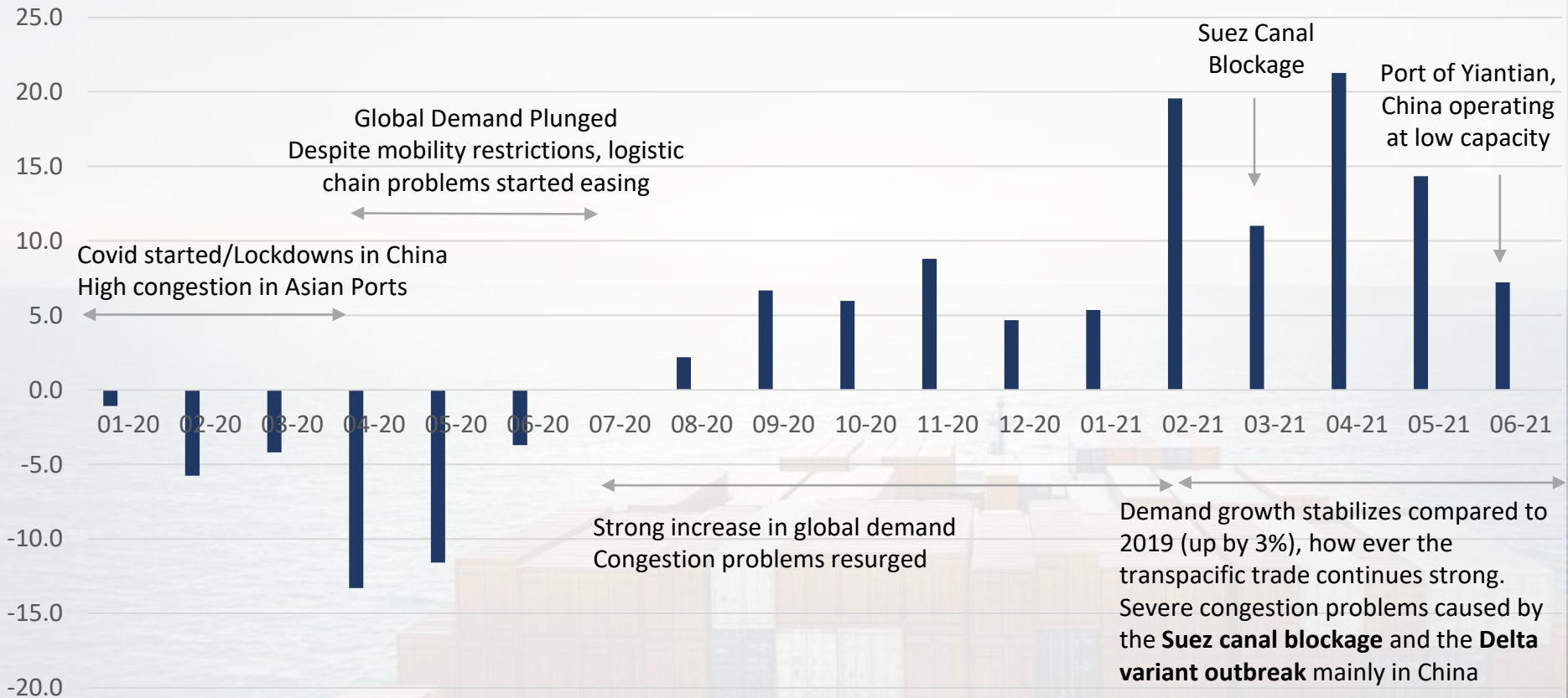
New orders of 12x23.500 LNG vessels



The investment will be around **2.000 million US Dollar**

Vessels will be fitted with extremely **fuel-efficient dual fuel engine**, reducing CO2 emissions by up to **25%**

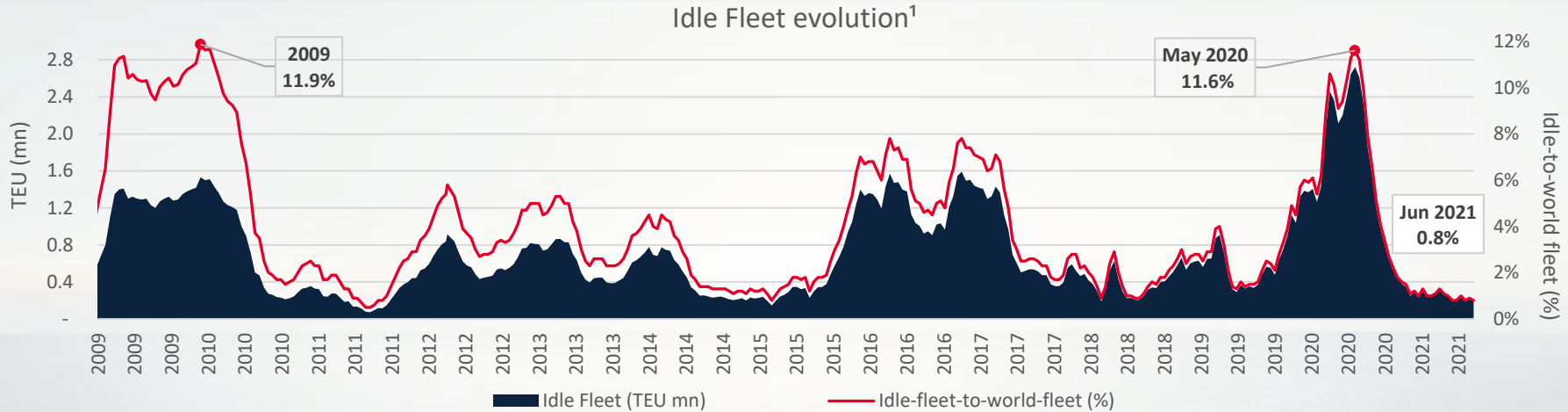
Global Demand Growth (%YoY)



Demand was initially impacted by uncertainty, but since 2H20 resumed rapidly, generating strong bottlenecks.

During 2021 demand has started normalizing, but with a tight logistics chain.

Fleet deployment has adapted quickly to demand evolution. Idle Fleet in the last's quarters at minimum levels

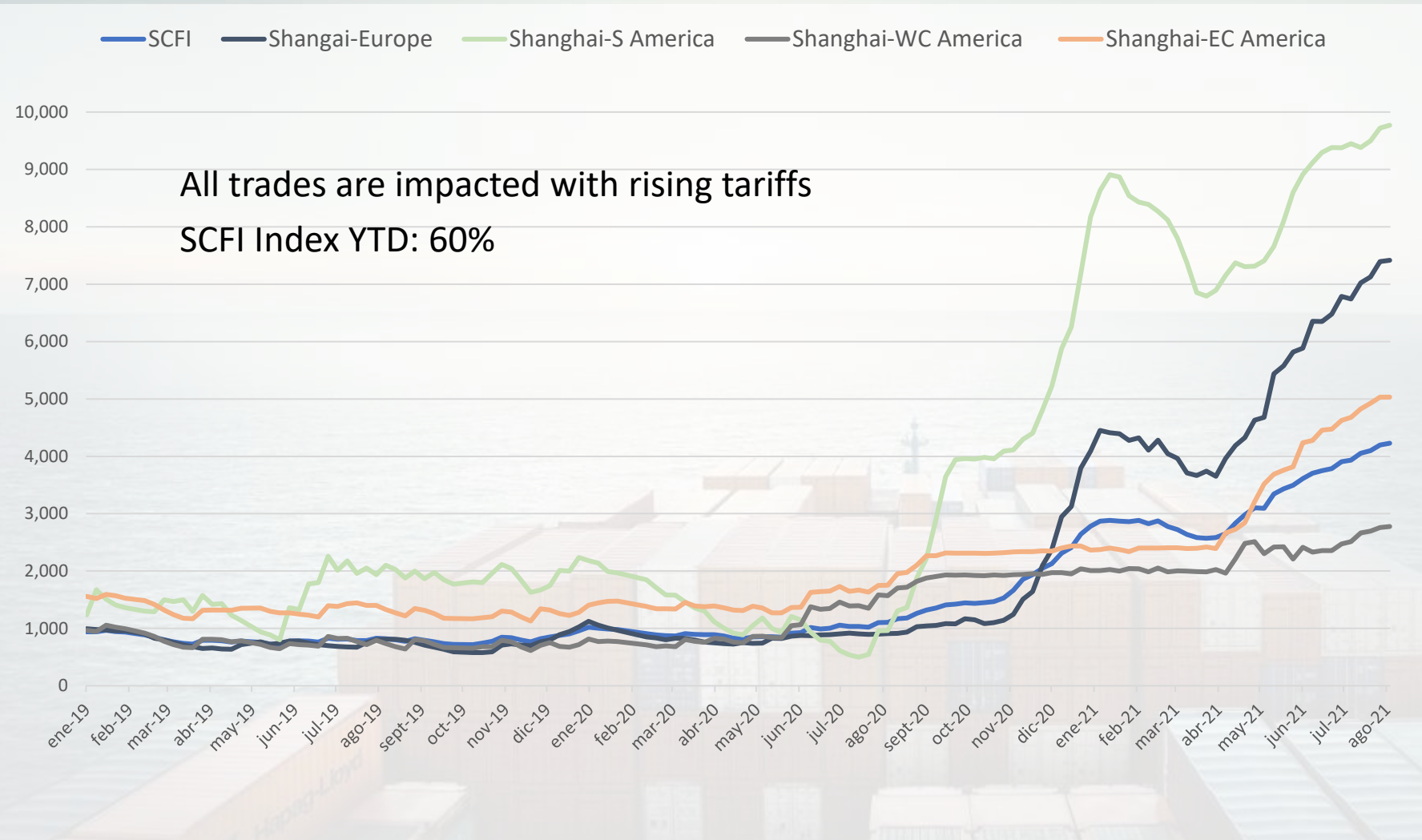


Absorption of Global Fleet due to Delays



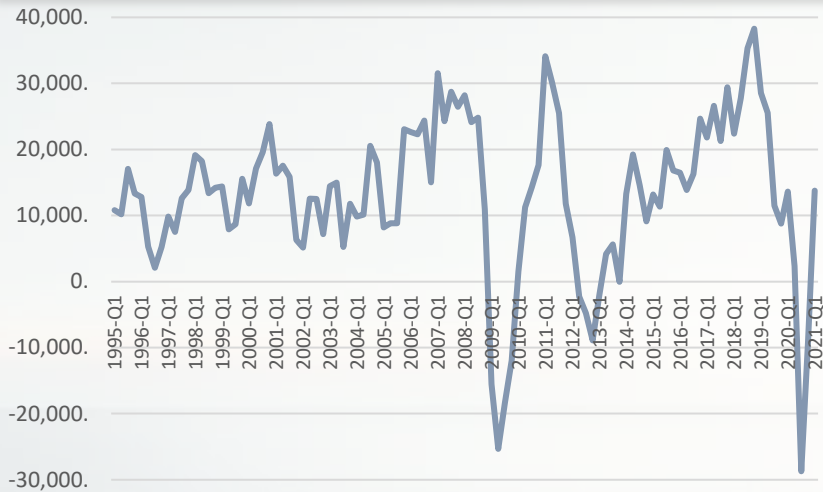
Idle Fleet is at its lowest level, however 10% of the Ships have “disappeared” in traffic jams waiting to be served in ports

Freight Rates Evolution (US\$/TEU)



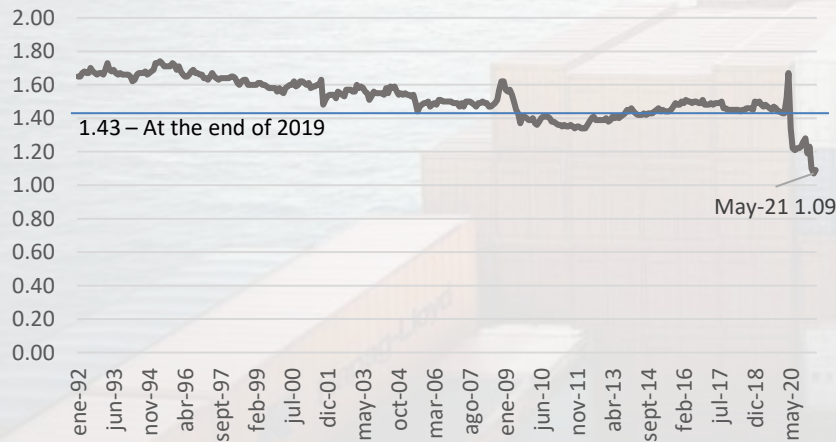
“HEALTHY” INVENTORY STOCK LEVELS ARE YET TO BE RESTORED

EU Inventory Variation QoQ (mn euros)

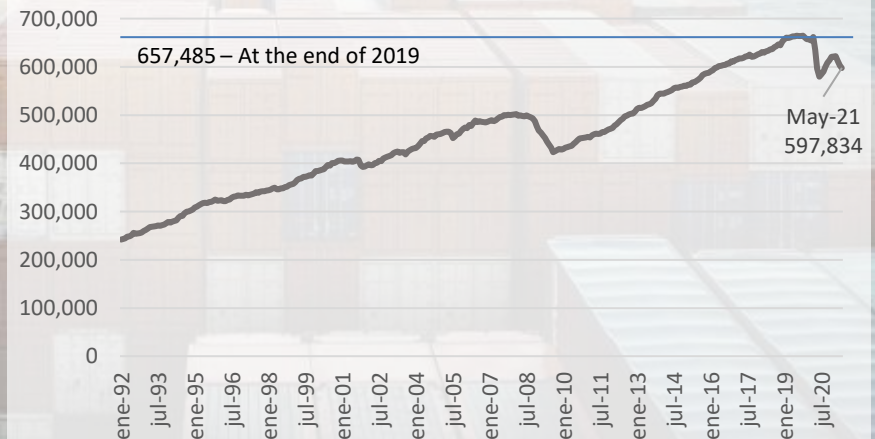


The EU is recovering inventories, while the US has a very low inventory level and a high demand for goods continues.

Retail Inventory / Sales Ratio in the US (%)



Total Retail Inventory in the US (mn usd)

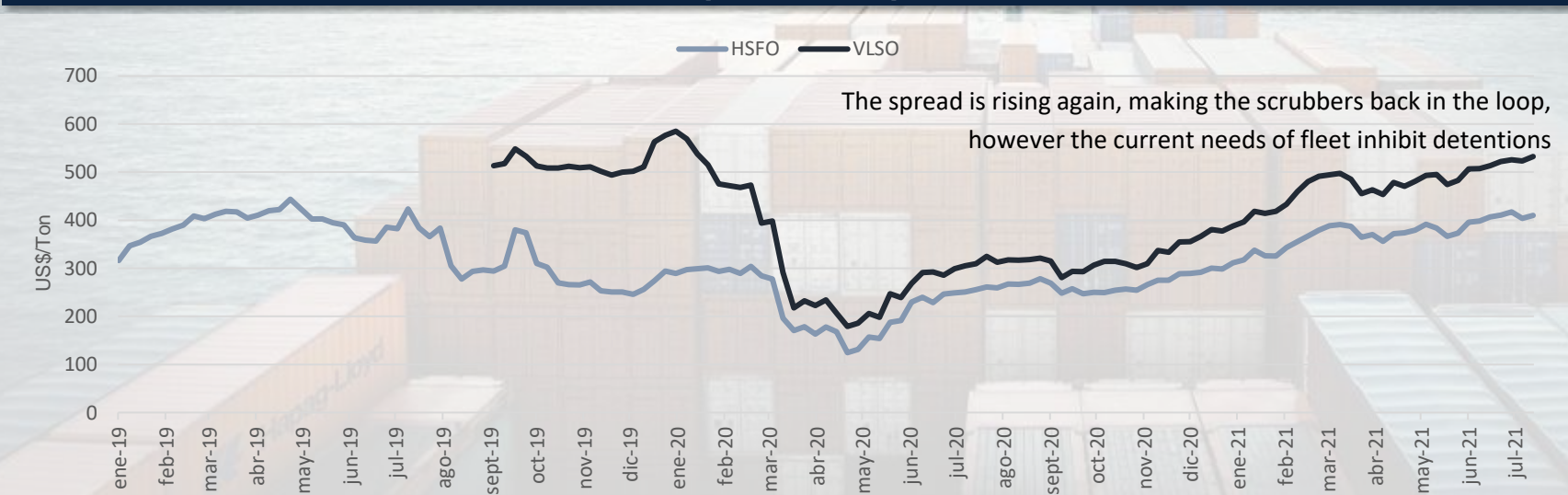


CURRENT CHALLENGES DRIVEN BY SEVERAL FACTORS

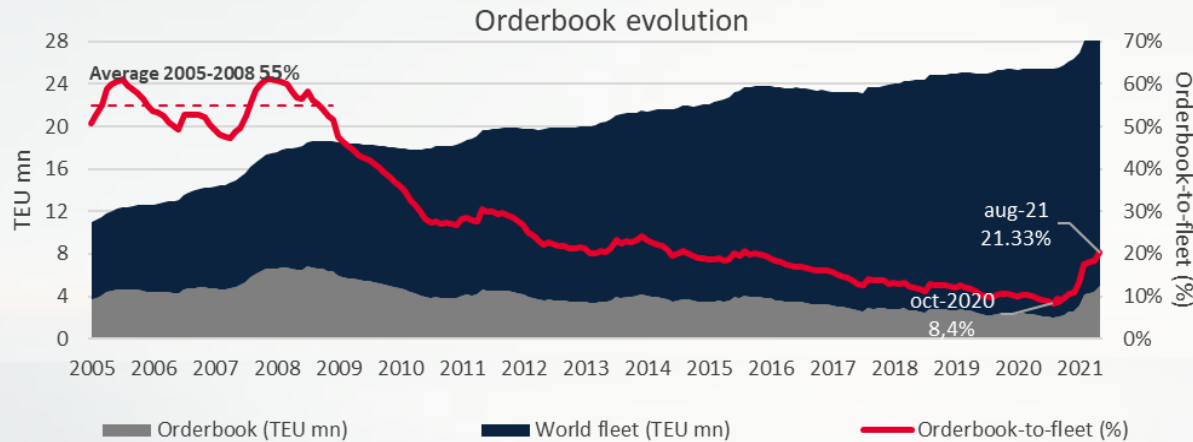
Charter Rate Index and Freight Rate Index evolution



Bunker price development

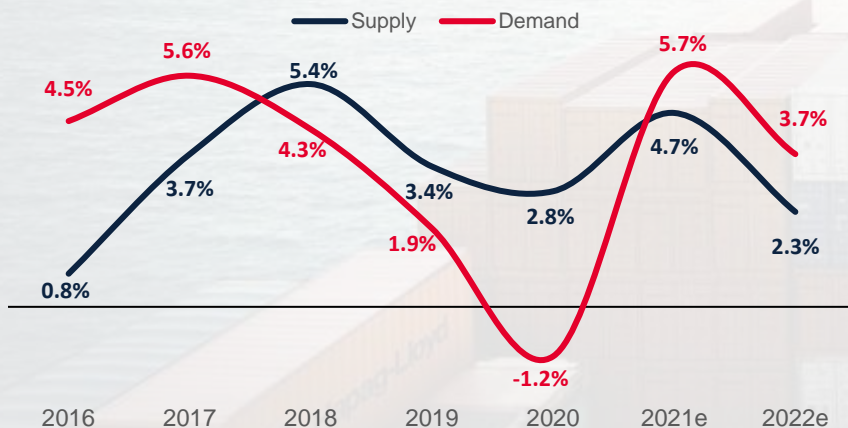


Healthier Orderbook to Fleet (%), though increasing during 2021 to better supply customers

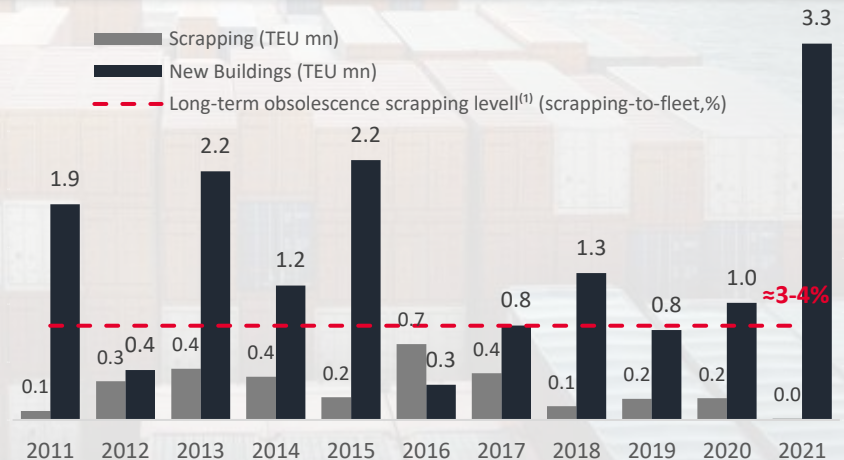


Increased Orderbook/Fleet, though is stagnating in the last's months. Higher scrapping and dry docking are expected when the situation stabilizes

Demand will slightly outgrow supply in 2021e & 2022e






~55% of the orderbook placed during '21, scrapping still at low levels



Source: Clarksons Research (August 2021)

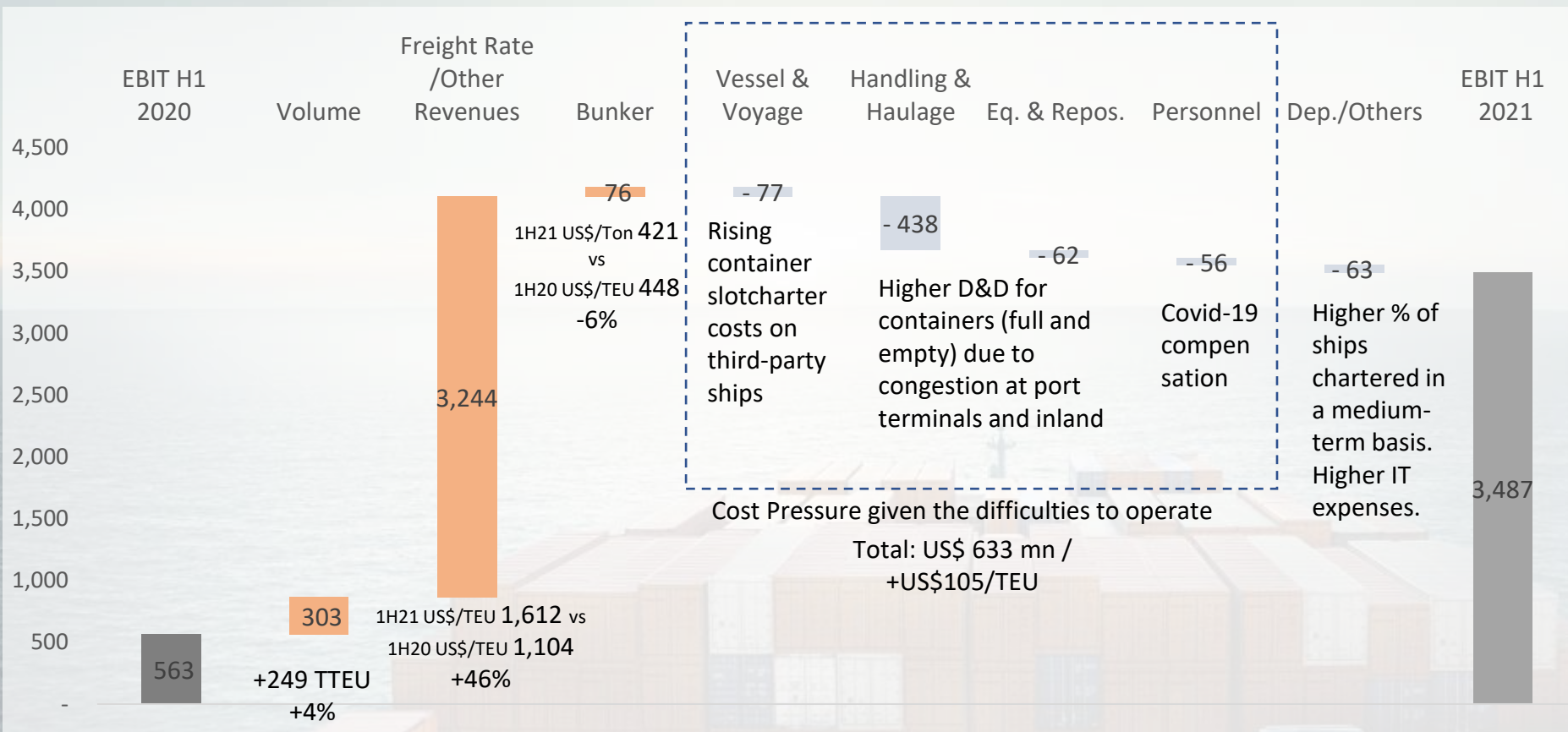
Notes:
 (1) Assumes a useful life of 25 ≈ 33 years for vessels

1H2021 Capacity	Financial result 1H 2021				
 250 Total vessels		1H21	1H20	Δ%	
	Transported volume (TTEU)	6,004	5,755	4%	↑
 1,761 TTEU Vessels' aggregate capacity		1,612	1,104	46%	↑
	Average freight rate (USD/TEU)	1,612	1,104	46%	↑
 2,822 TTEU Containers' aggregate capacity		10,551	7,005	51%	↑
	Revenue (USD mm)	10,551	7,005	51%	↑
	Transport expenses + D,A & I (USD/TEU)	(1,081)	(1,031)	5%	↑
	Avg. bunker price (USD/ton)	421	448	(6%)	↓
	EBITDA (USD mn)	4,240	1,287	229%	↑
	EBIT (USD mn)	3,487	563	519%	↑
	Net profit (USD mm)	3,284	324	914%	↑

HLAG's Results



EXTRAORDINARY RESULTS MAINLY DUE TO FREIGHT RATES, COST PRESSURE IS ARISING



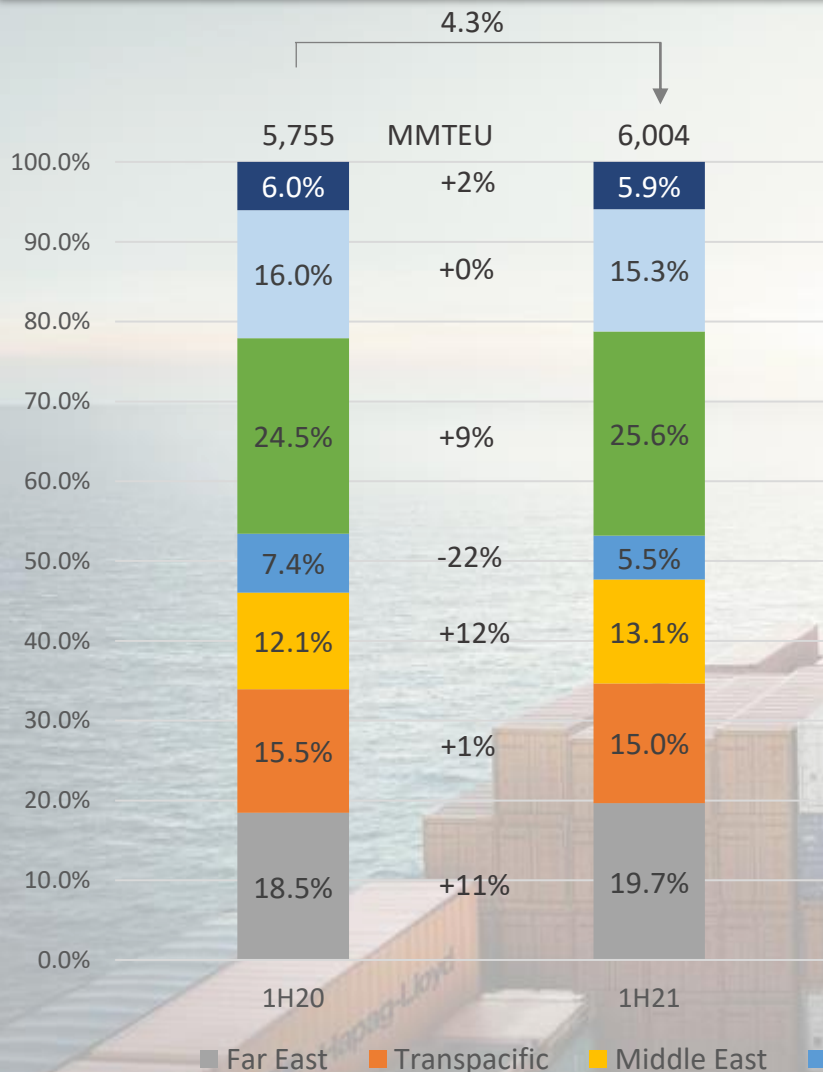
Note:
Hapag-Lloyd Investor Report 1H21

HLAG's operational results

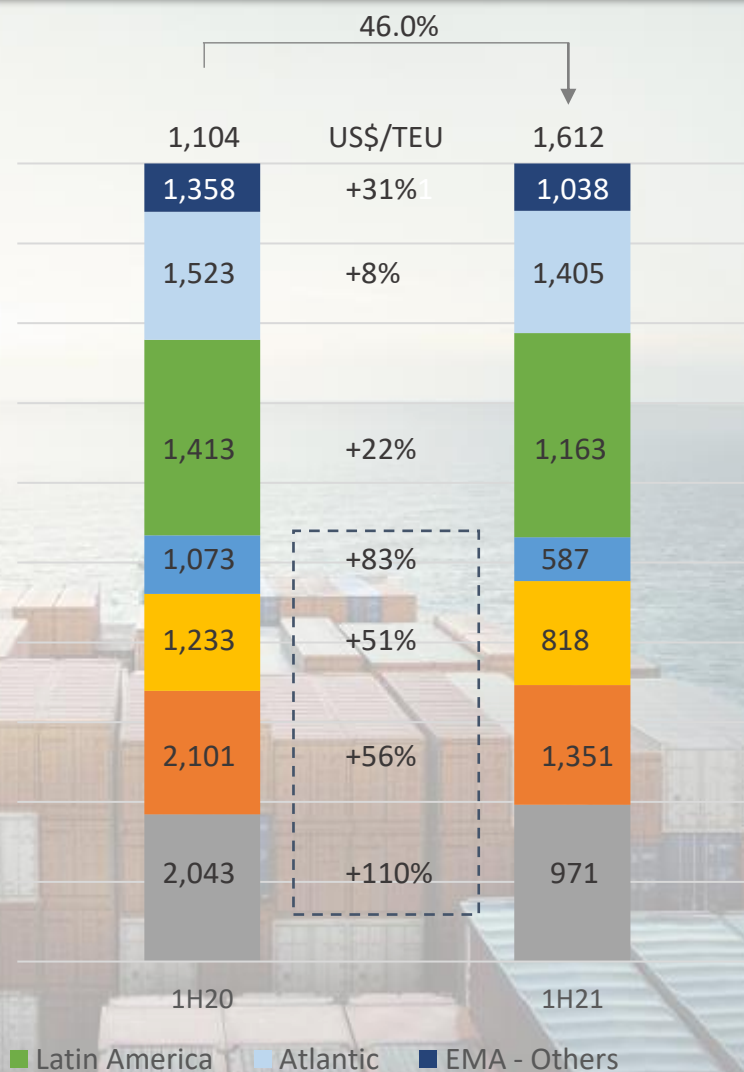
STABLE **VOLUMES**, FREIGHT **RATES** INCREASING UNEVENLY



Transport Volume per Trade 1H21vs1H20 (TEUm)



Freight Rate per Trade 1H21vs1H20 (US\$/TEU)



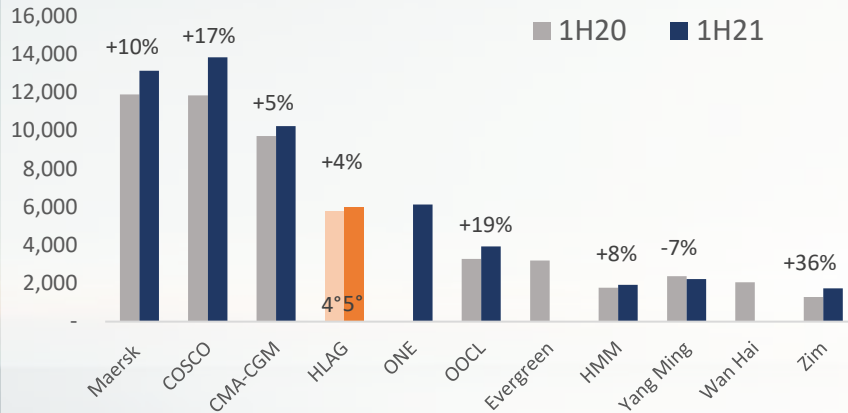
Note:
Hapag-Lloyd Investor Report 1H21

Industry's Results

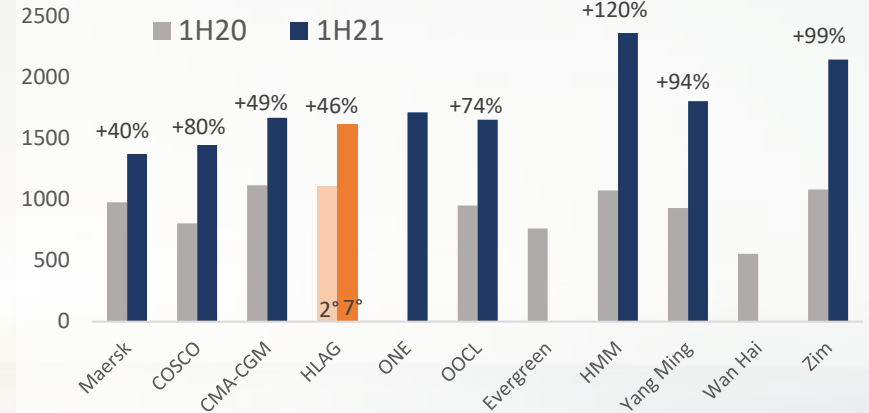
STRONG RESULTS CONSIDERING **GEOGRAPHICAL MIX & SPOT EXPOSURE**



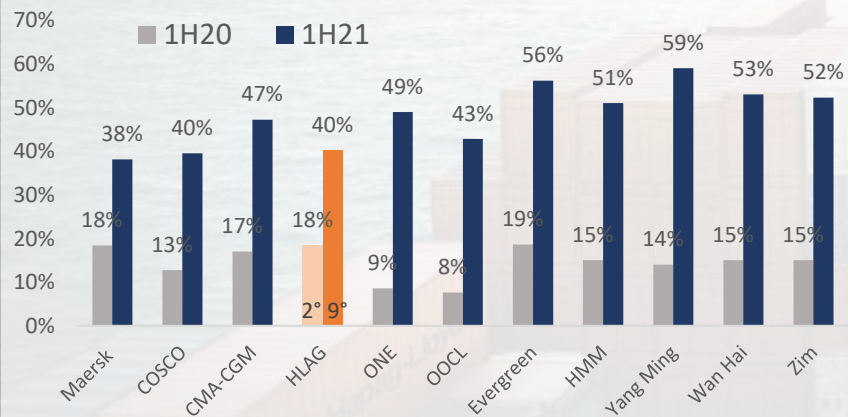
Transport Volume 1H20 vs 1H21 (TEUm)



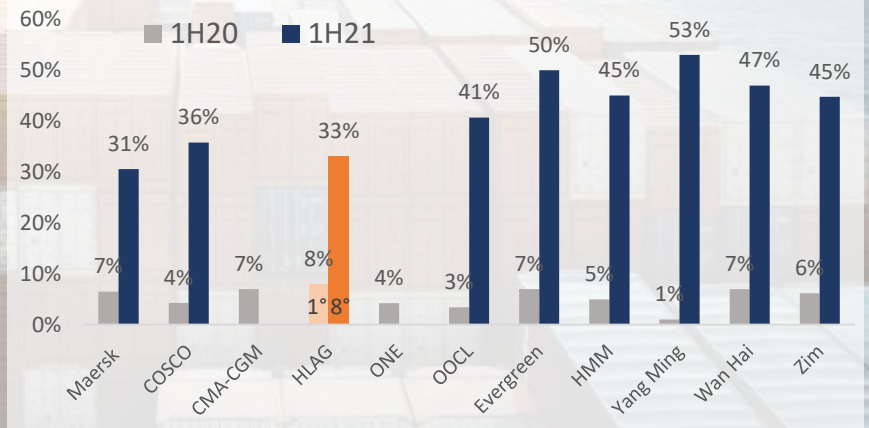
Freight Rate 1H20s 1H21 (US\$/TEU)



EBITDA Mg 1H20 vs 1H21 (%)



EBIT Mg 1H20 vs 1H21 (%)



The outlook for the FY 2021 has been updated

	2020	Guidance FY 2021 (*)
 Transport volume	11,838 TTEU	Increasing slightly
 Avg. freight rate	1,115 USD/TEU	Increasing clearly
 Avg. bunker consumption price	379 USD/mt	Increasing clearly
 EBITDA	USD 3,082 m	USD 9.200-11.200 m
 EBIT	USD 1,501 m	USD 7.500 – 9.500 m

Strong global demand for container transports and continued supply-chain disruptions, are leading to a shortage of available transport capacity, earnings momentum is likely to remain very strong

(*) Subject to considerable uncertainty due to a number of factors, including:

- the above average volatility of freight rates at this time;
- operational challenges caused by existing infrastructural bottlenecks, among other things;
- and the inability to predict the further course or economic impacts of the coronavirus pandemic.

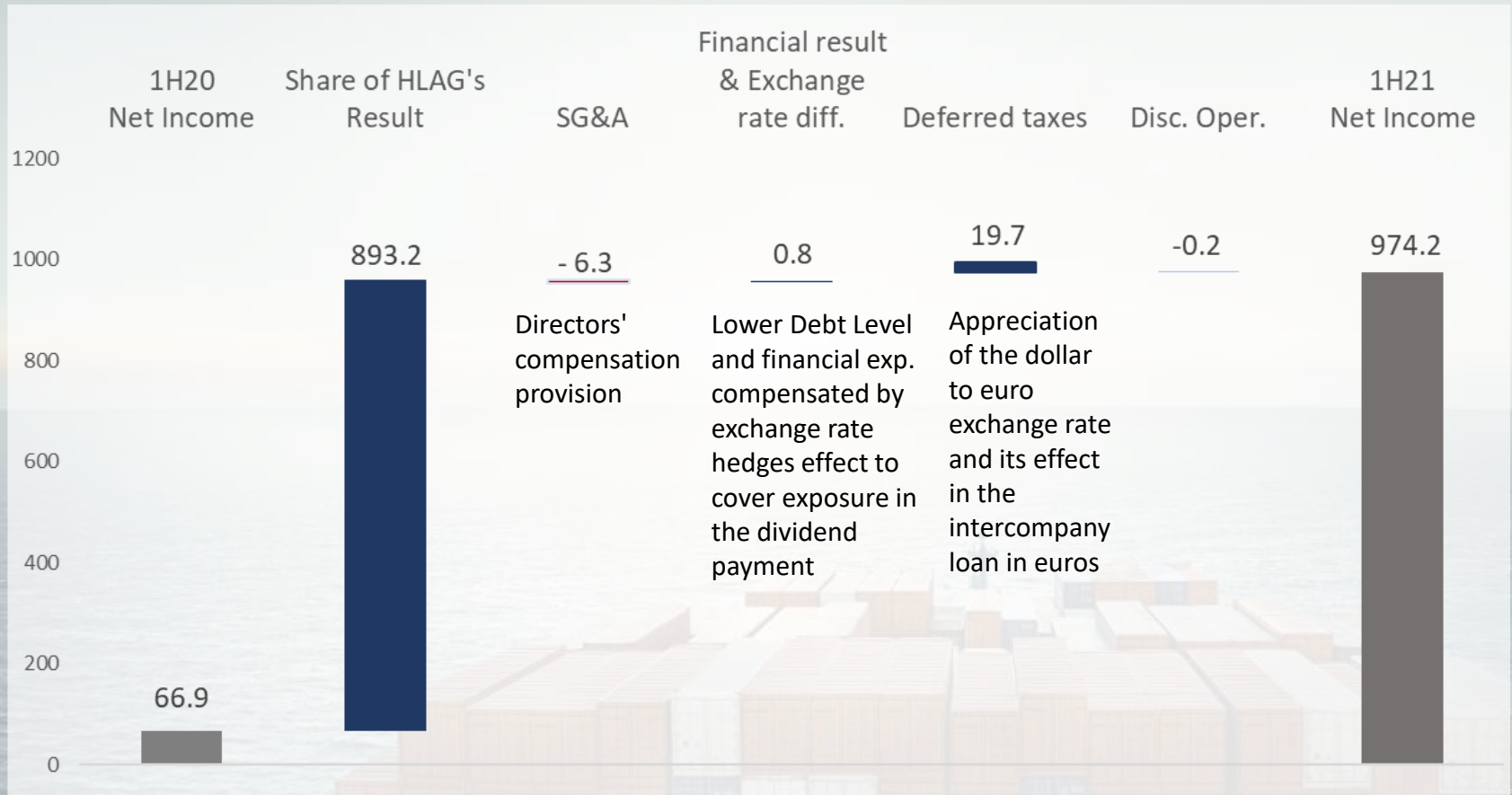
Figures in USD million

Result	1H21	1H20	Y-o-Y
Equity-accounted investees	982.8	89.6	893.2
SG&A and Other Op. Income	-9.0	-2.8	-6.2
EBITDA (with equity-accounted investees)	973.8	86.8	887.0
Financial result & ex. rate diff.	-14.0	-14.8	0.8
Taxes	14.3	-5.4	19.7
Discontinued operations	0.004	0.2	-0.2
Net income	974.2	66.9	907.3

The historical profits of the company are the result to a project of more than 10 years, which has involved capital increases of US\$3,270 million, a complete restructuring of the company including two mergers (HLAG-CSAV & HLAG-UASC)

Note:

EBITDA = Equity-accounted investees - Operating loss + Depreciation + Amortization



The improved performance comes after accrued losses (net of accounting effects) of over US\$1,700 million during the last ten years

Statements of Cash Flow	As of June 30,		Change
	2021	2020	
Cash and cash eq. at the beginning of the period	81.7	53.6	28.0
Cash flows from operating activities	(7.5)	1.5	(8.9)
Proceeds from operating activities	0.3	25.0	(24.7)
Payments from operating activities	(7.6)	(22.3)	14.8
Income taxes and other	(0.2)	(1.1)	0.9
Cash flows from investing activities	218.9	(261.5)	480.4
Payments to acquire interests in joint ventures	0.0	(329.1)	329.1
Dividends received, net	218.7	65.8	153.0
Interest received and other	0.1	1.8	(1.7)
Cash flows from financing activities	(248.4)	334.5	(582.9)
Loans obtained to non-related parties	1.0	55.0	(54.0)
Loans obtained from and paid to related parties	0.0	300.0	(300.0)
Loans paid to non-related parties	(76.0)	(5.0)	(71.0)
Interest paid and other payments	(5.8)	(7.6)	1.8
Repayment of finance lease liabilities	0.0	(7.9)	7.9
Dividends paid	(167.6)	0.0	(167.6)
Exchange rate effect	(0.5)	(1.0)	0.6
Increase (decrease) in cash and cash eq.	(37.4)	73.4	(110.9)
Cash and cash eq. at the end of the period	44.2	127.1	(82.8)

Main reasons in MMUS\$

2021:

- Board Compensation: -3.7mn
- G&A expenses: -3.8mn

2020:

- Car Carrier: +1.2mn
- IFRS16 – RoU: +7.9mn
- SG&A expenses: -6.9mn
- Leases: +0.4mn
- Tax Penalty: -1.1mn

2021:

- Dividends Received: +218.7mn
- Interests on time deposits: +0.1mn

2020:

- HLAG Stake: -329.1mn
- Tecnopacífico Sale: +1.7mn
- Interests on time deposits: +0.1mn
- Dividends Received: +65.8mn

2021:

- Itaú: +1.0mn
- Loans & interests Paid: -27.9mn
- Serie B Bond Paid incl. int.: -53.9mn
- Dividends Paid: -167.6mn

2020:

- Quiñenco Loan: +300.0mn
- Loans Received: +55.0mn
- Loans Paid: -5.0mn
- Interests Paid: -4.9mn
- Chartered Vessels: -7.9mn

ASSETS	2Q21	4Q20	Change
	MM US\$	MM US\$	MM US\$
Current assets	45.0	82.2	(37.2)
Cash and cash equivalents	44.2	81.7	(37.4)
Other	0.8	0.5	0.3
Non-current assets	3,729.2	2,953.8	775.4
Equity method investments	3,504.1	2,738.1	765.9
Deferred tax assets	213.2	203.7	9.5
Investment property and Other	11.9	12.0	(0.1)
Total assets	3,774.2	3,036.0	738.2
LIABILITIES AND EQUITY	2Q21	4Q20	Change
	MM US\$	MM US\$	MM US\$
Current liabilities	312.4	135.2	177.2
Financial liabilities, current	10.9	64.9	(54.0)
Other	301.5	70.3	231.2
Non-current liabilities	151.5	177.9	(26.4)
Financial liabilities, non-current	144.2	165.1	(20.9)
Other	7.3	12.8	(5.5)
Total equity	3,310.3	2,722.9	587.4
Total liabilities and equity	3,774.2	3,036.0	738.2

Main reasons in MMUS\$

- HLAG Stake (w/PPA) : +982.8mn
- Other Reserves: +8.8mn
- HLAG Div. -225.7mn

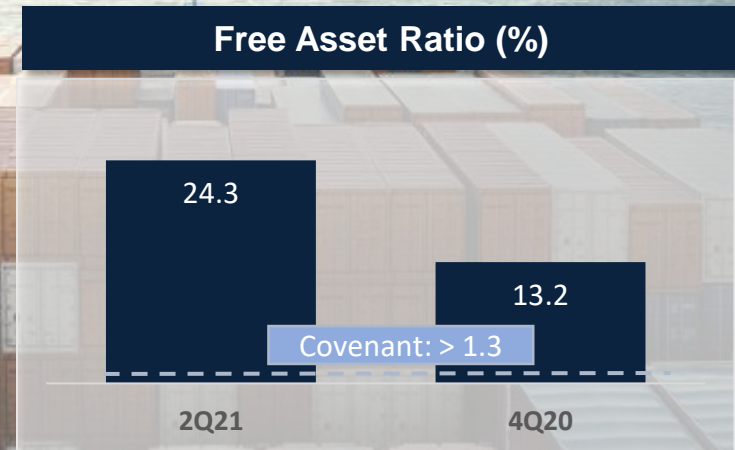
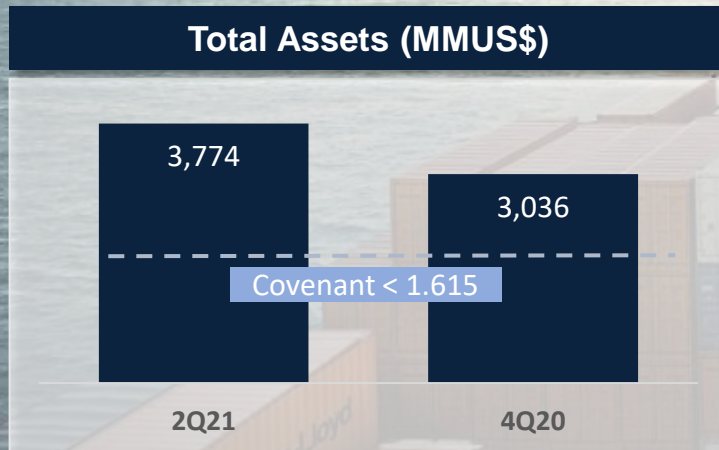
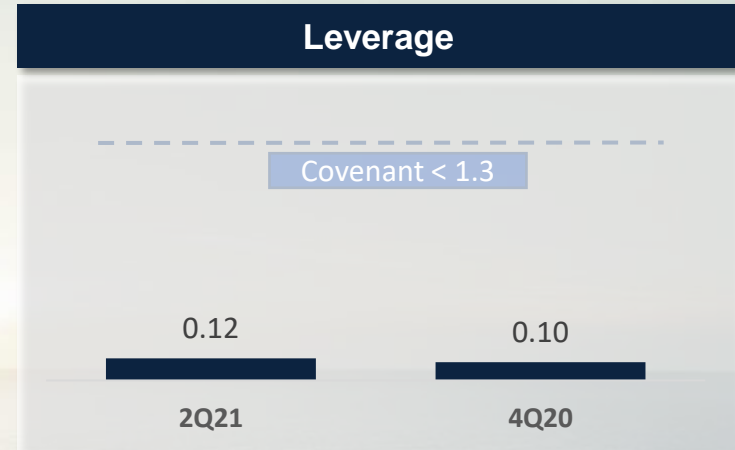
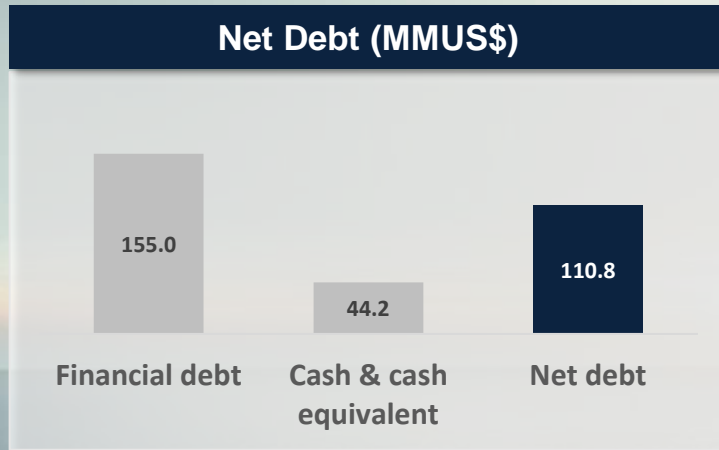
- Effect due to interests received from CGHO: -14.2mn
- Effect due to loan from CGHO (exch. Rate in receivables): +17.5mn
- Exchange Rate Hedges: +1.9mn
- Others +4.3mn

- Itaú: +1mn
- Accrued Interests: +5.8mn
- Loan Payments: -11.9mn
- Serie B Bond Payment: -53.9mn
- Non-current to current: +5.0mn

- 2021 Dividend Provision : +292.2mn
- 2020 Dividend Provision: -66.6mn

- BTG Payment: -16.0mn
- Non-current to current: -5.0mn

- Net Income of the period: +974.2mn
- Additional Dividend Paid: -103.4 mn
- 2021 Dividend Provision: -292.2mn
- Other Reserves: +8.8mn



CSAV

- Net income of US\$ 974.2 million for the 1H21 (US\$ 66.9 million in 1H20)
- This strong performance is a result of a plan that has been deployed since 2011, involving several capital increases, a complete restructuring and two mergers (HLAG-CSAV & HLAG-UASC)

Hapag-Lloyd, CSAV's main investment

- Net income of US\$ 3,284 million for the 1H21 (US\$ 324 million in 1H20)
- Disruptions in the supply-chain will continue probably until 1Q22
- Outlook for FY 2021 has been updated, increasing significantly
- NileDutch acquisition was closed in July 2021
- 6x23,500 TEU vessel order was placed in the 2Q21, total orderbook now stands in 12x23,500 TEU / 282,000 TEU / 16% of the current fleet