



Compañía Sud Americana de Vapores

Corporate Presentation

October 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 **Quiñenco Group**, controlled by the local Luksic family, is CSAV's main shareholder (66.5%)

2Q21 LTM Financial Position

CSAV

3,774 mn Assets	44.2 mn Cash & Eq.
	3,504 mn Invest. in HLAG
	213 mn Tax Assets

463 mn Liabilities	155 mn Financial Liabilities
	292 mn Dividends Payable
	3,310 mn Equity

About Hapag-Lloyd

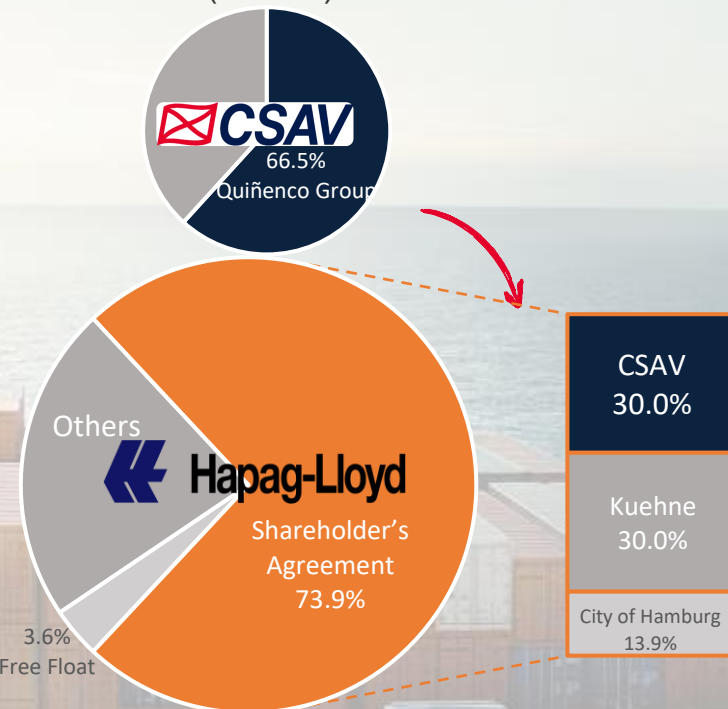
5th largest Shipping line

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



Global presence:
129 countries

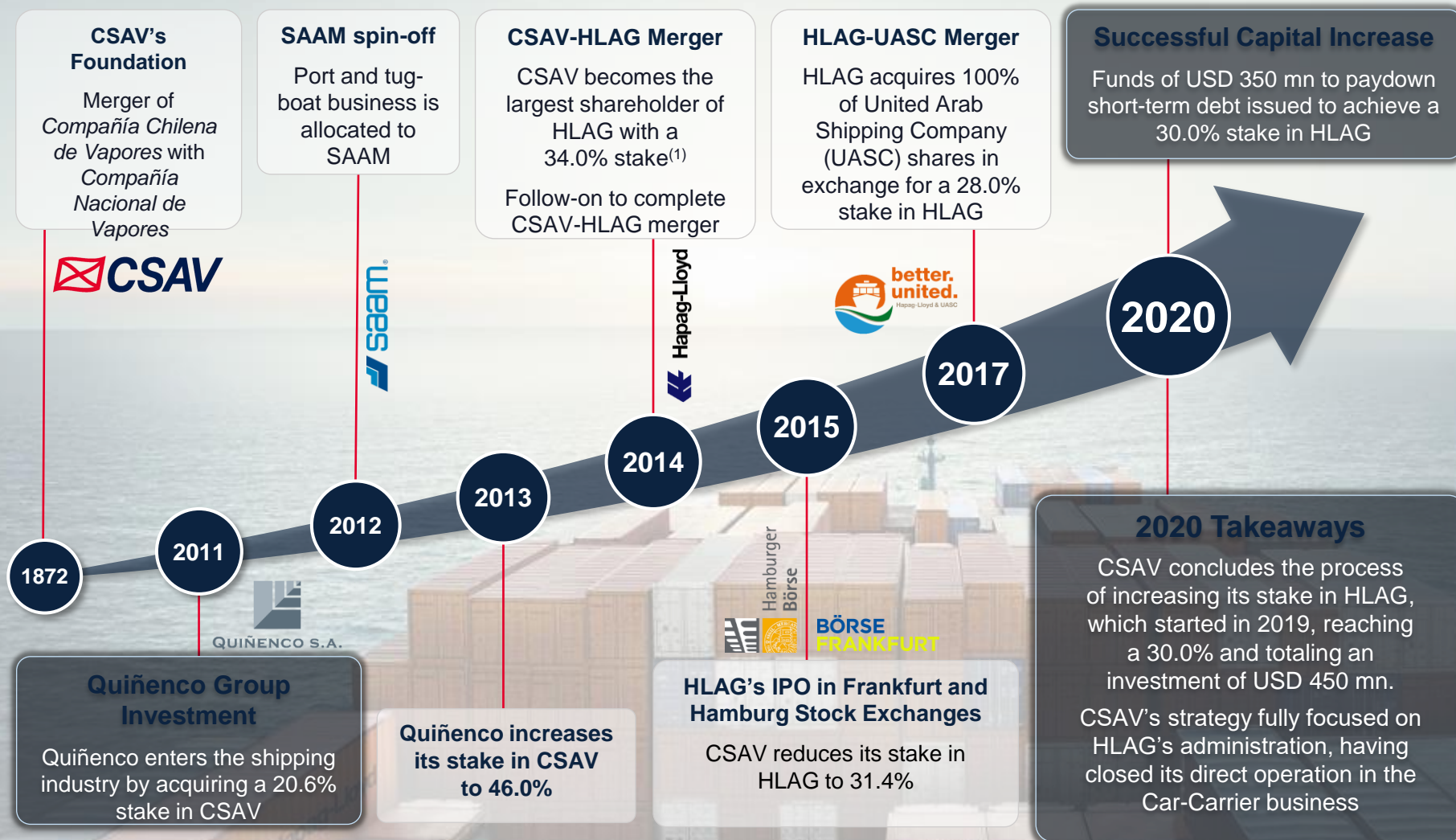
18,123 mn LTM Revenue	21,899 mn Assets
6,035 mn LTM EBITDA	2,392 mn Cash & Eq.
4,028 mn LTM Net Profit	0.7x Net debt/ LTM EBITDA



Joint control over Hapag-Lloyd is held via a **Shareholder Agreement** with other major shareholders

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

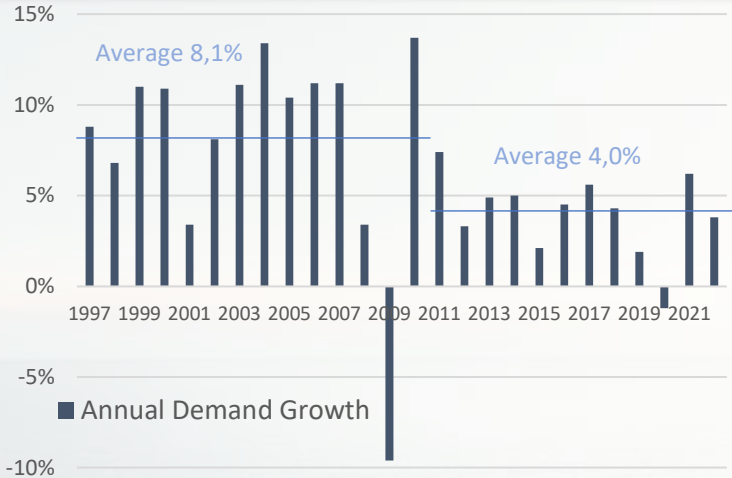


Source: CSAV's Annual Report 2019 and Public Offering Prospectus

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

A more mature industry

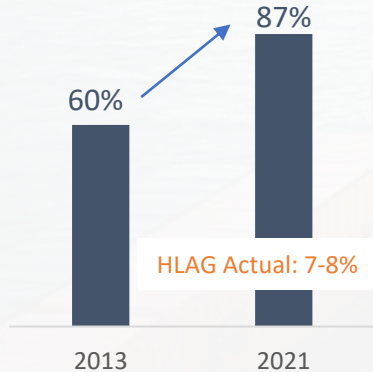


Non-Speculative Players

- Higher barriers to entry and non-speculative growth by carriers and alliances
- Restrictions on vessel financing and cost of capital increase
- Non-operators new order's have to a large extent a long-term contract from the start of the investment decision

Consolidation Process: Alliances

■ Mkt Share of Top 10 Players



THE Alliance

- Hapag-Lloyd
- ONE HMM
- YANG MING

Ocean Alliance

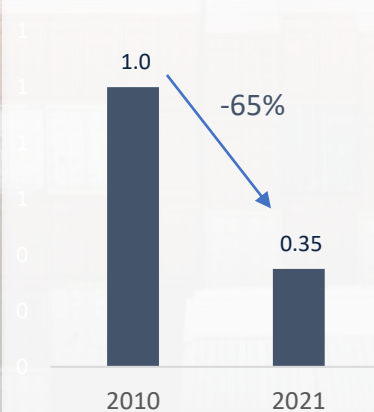
- COSCO SHIPPING
- CMA CGM
- EVERGREEN

2M

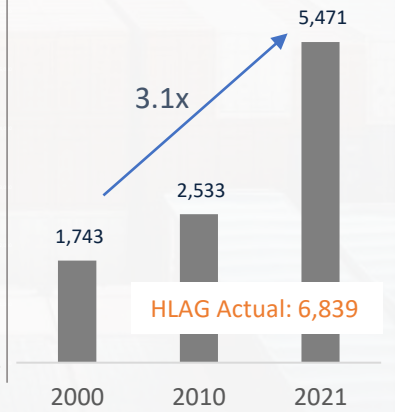
- MAERSK
- MSC

Taking advantage of economies of scale

■ Tons of Fuel Oil Consumption/TEU*



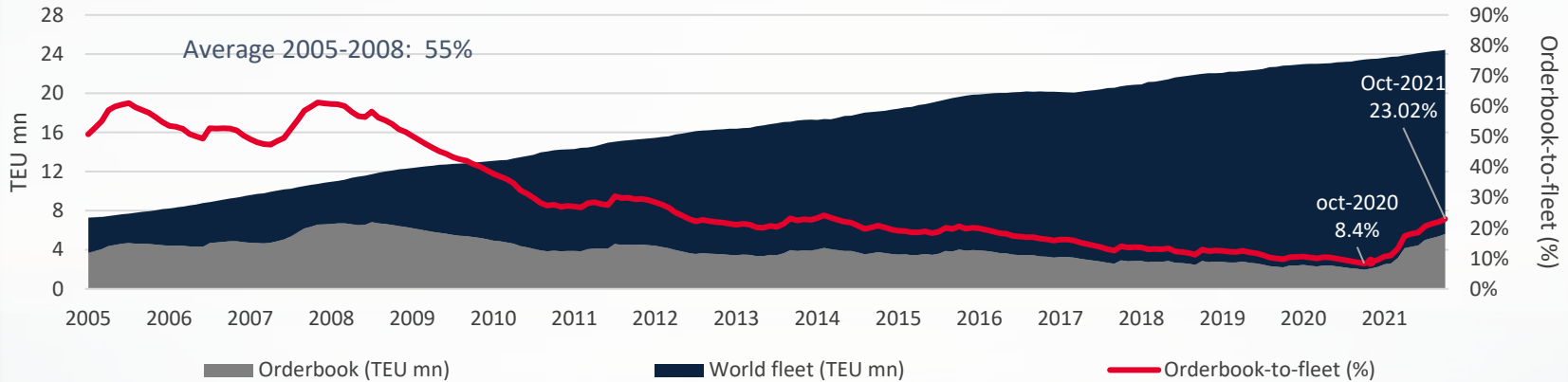
■ Average Global Fleet Size (TEU)



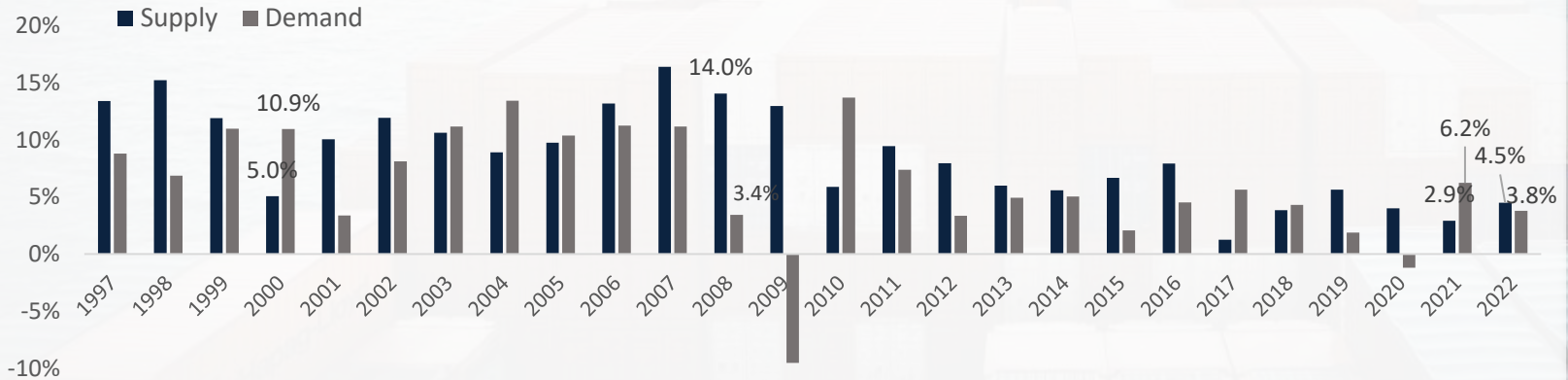
*CSAV as reference for 2010 and HLAG as a reference for 2021

AN INDUSTRY THAT HAS EVOLVED FAVORABLY DURING THE LAST DECADE AND SO HAS CSAV

A more Conservative approach on Investments

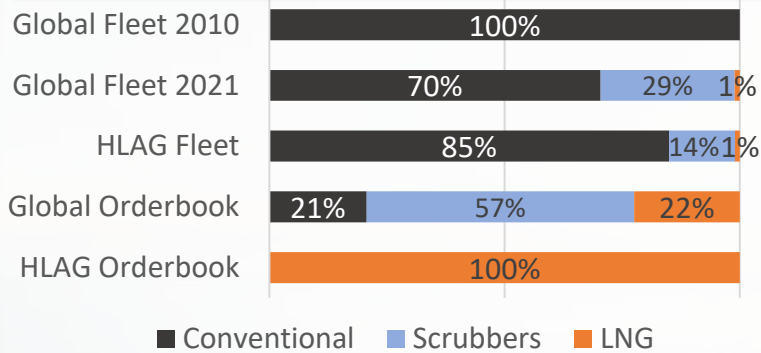


Better Balance between Supply and Demand



Sustainability at the core of the Business

Decarbonization: LNG & Scrubbers



Emission Targets

- IMO Target: -40% in carbon intensity by 2030 compared to 2008
- HLAG Target: -60% in carbon intensity by 2030 compared to 2008
- EU – Plan Fit for 55 – ETS: Emission Trading System - -55% by 2030 compared to 1990

HLAG Performance

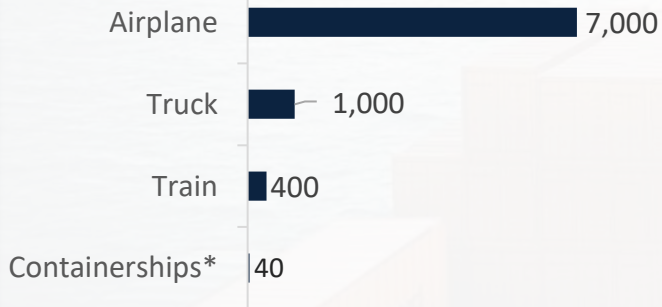
■ Grams of CO2 per TEU-km



- New bulbous bows and optimized propellers for lower emissions
- Cleaning and paints on the bows
- Lighter Containers
- Responsible ship recycling
- Strict ballast water management
- Zero Plastic, 100% Clean Energy for the offices...

Shipping compared to alternative transportations

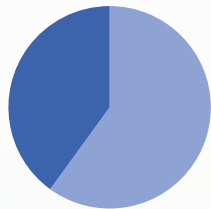
■ Grams of CO2e per TEU-km



*Reference: HLAG grams of CO2 per TEU km as of the end of 2019

HLAG has a Solid Commercial Strategy

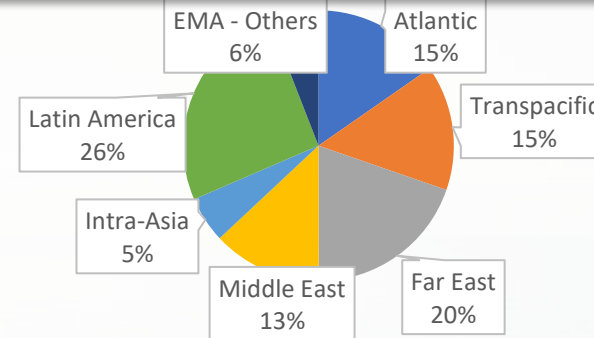
High % of Own Fleet



Own Fleet Leasings

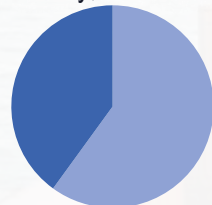
- 60% of own fleet
- 2nd in the Industry

Geographically Diversified



Well balanced portafolio of clients

- Over 30,000 clients per year
- Long term Profitability, less variability

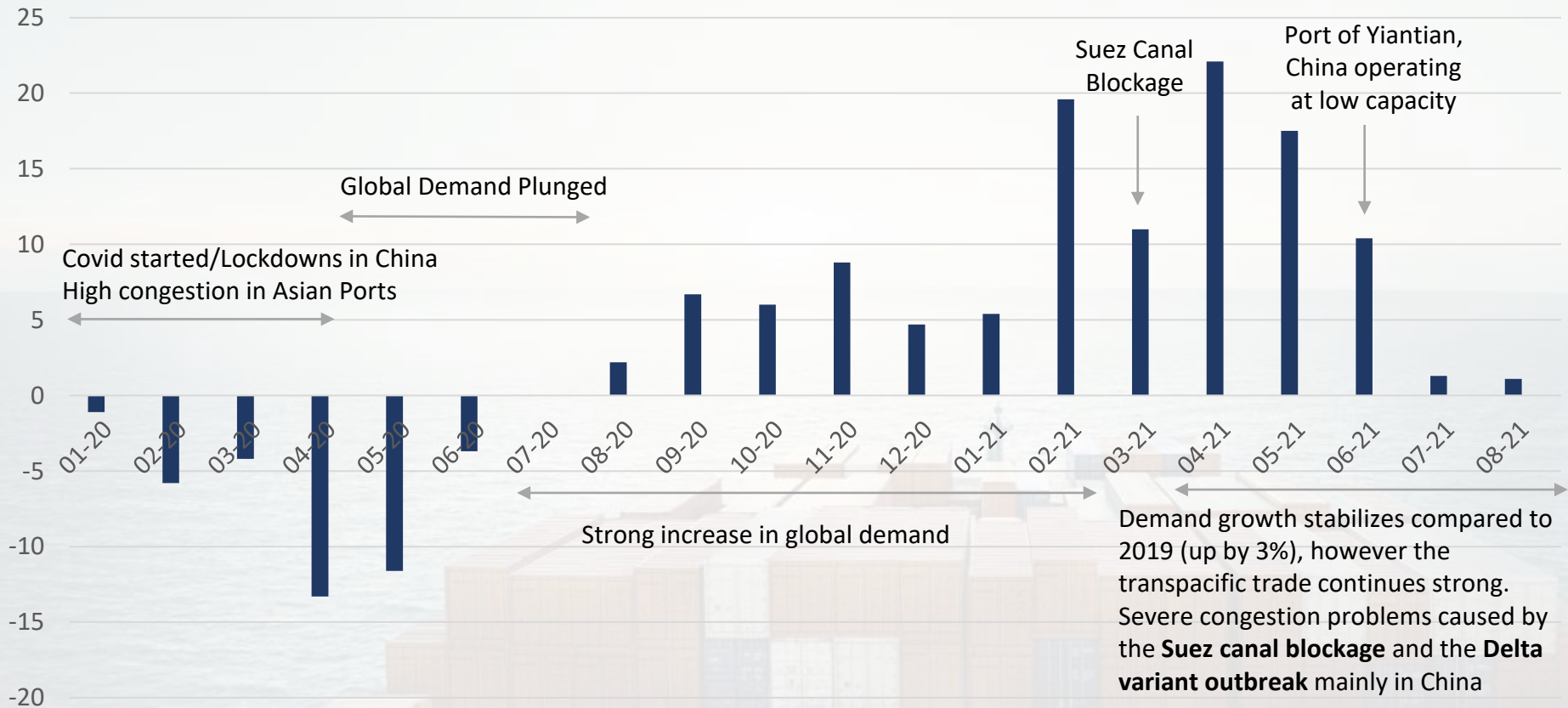


Spot Contracts

Strategy 2023

- Focused on the container shipping business
- To be a global player and find attractive new markets
- Number one for quality – digitalization, focused in the client
- Differentiation: Special cargo, Reefer, high value goods

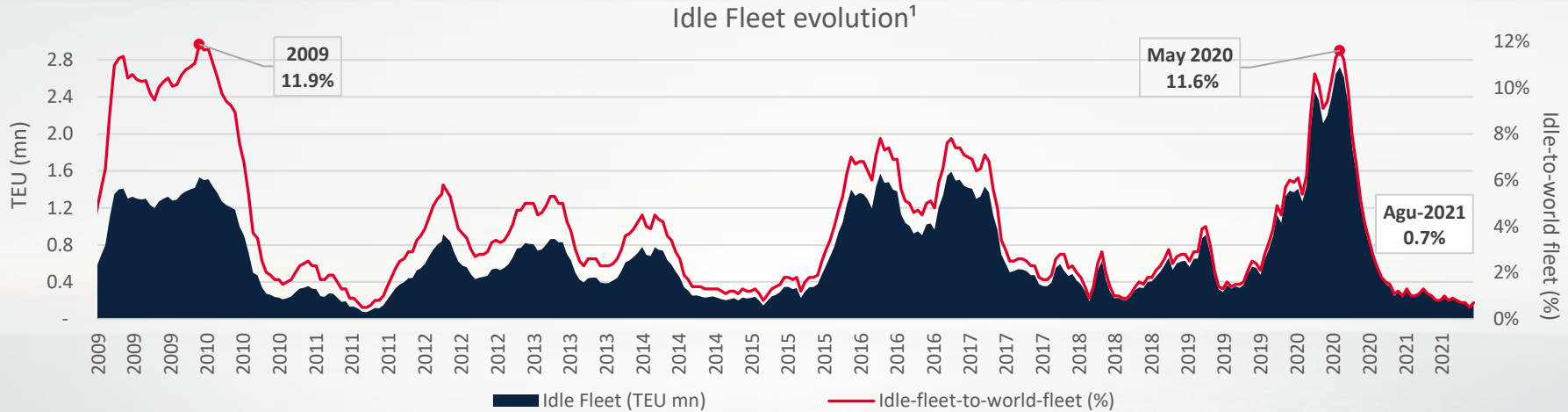
Global Demand Growth (%YoY)



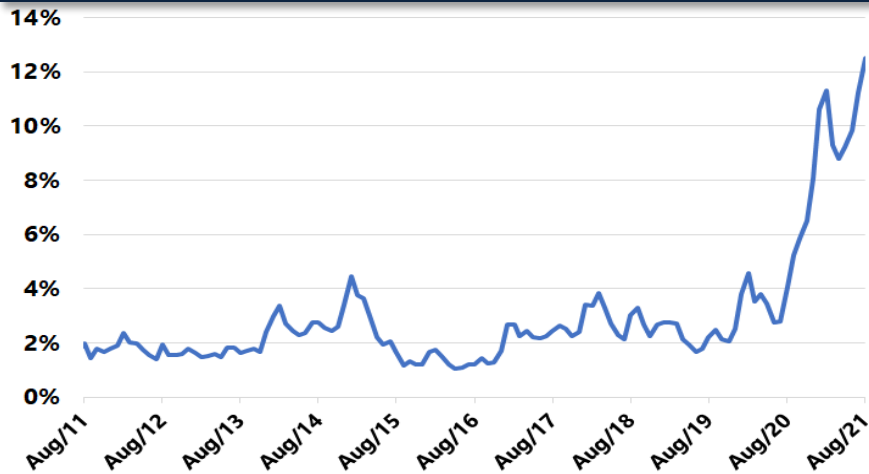
Demand was initially impacted by uncertainty, but since 2H20 resumed rapidly, generating strong bottlenecks.

During 2021 demand has started normalizing, but with a tight logistic 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

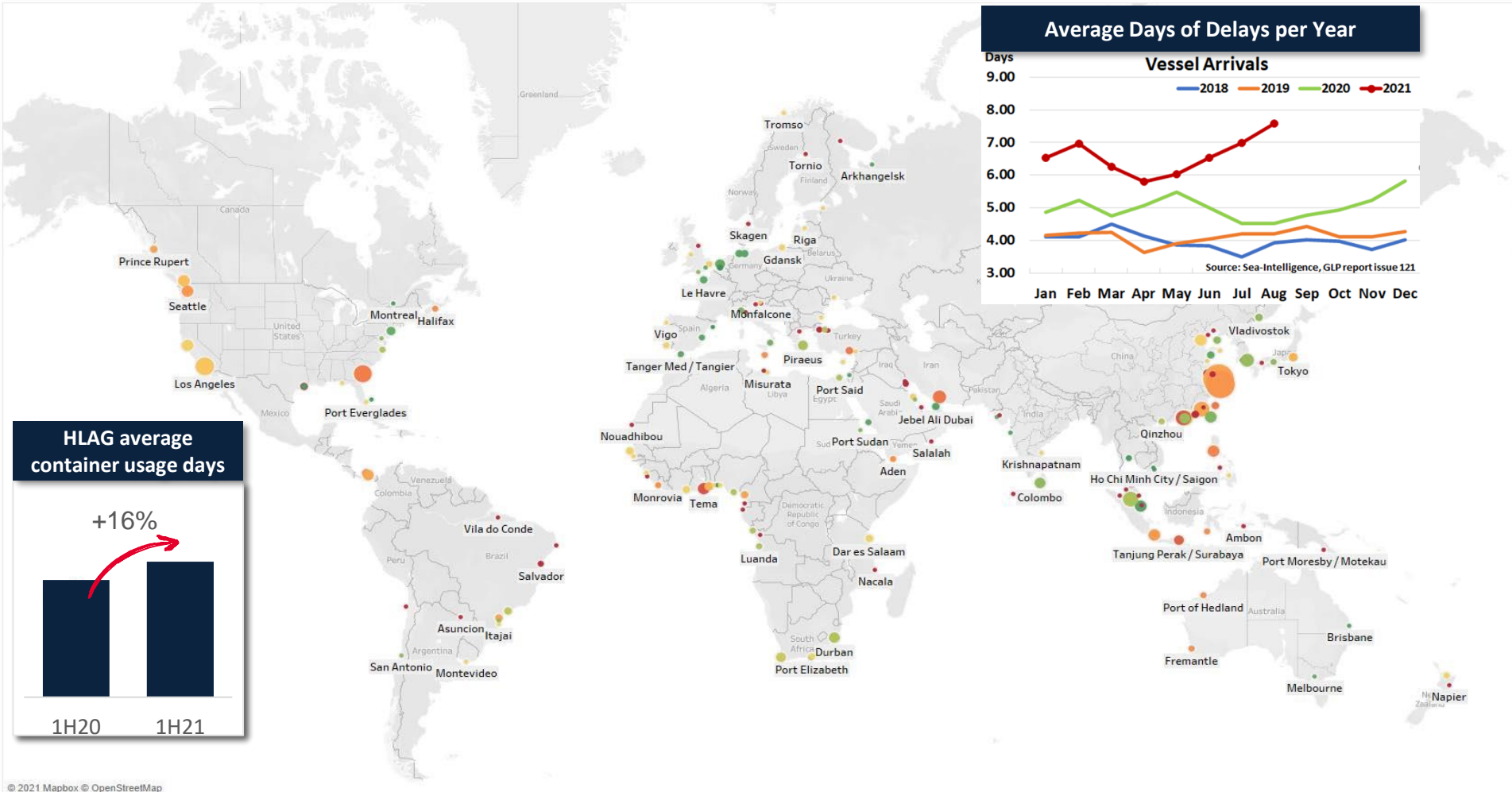
Source: Clarksons Research (August 2021), Sea- Intelligence

Vessel positions & port events (AIS)

Congestion measure: vessels in port vs vessels waiting outside (bubble map) | Color (percentage) and size (number of vessels waiting)

Coastal region(s): All

Port(s): All



© 2021 Mapbox © OpenStreetMap

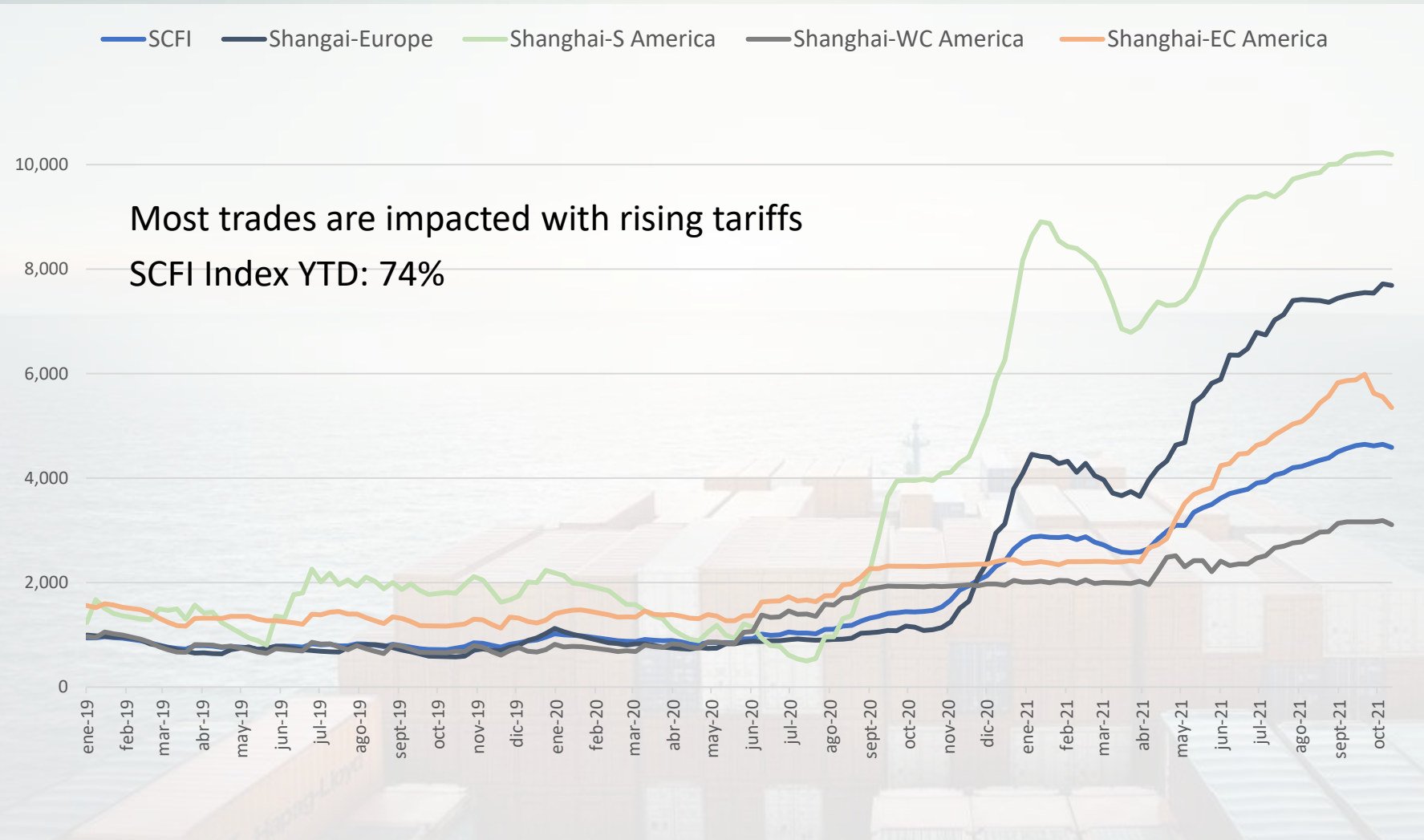
Avg. Percentage - AIS - waiting vs in port



Count - AIS - waiting

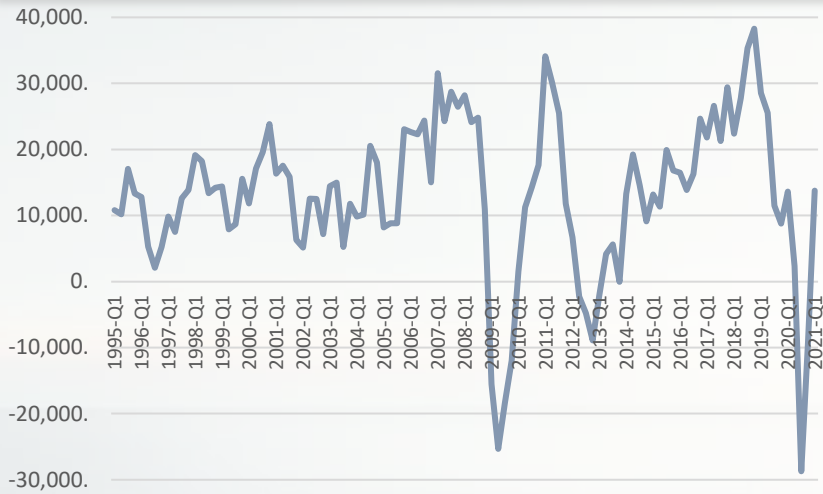


Freight Rates Evolution (US\$/TEU)



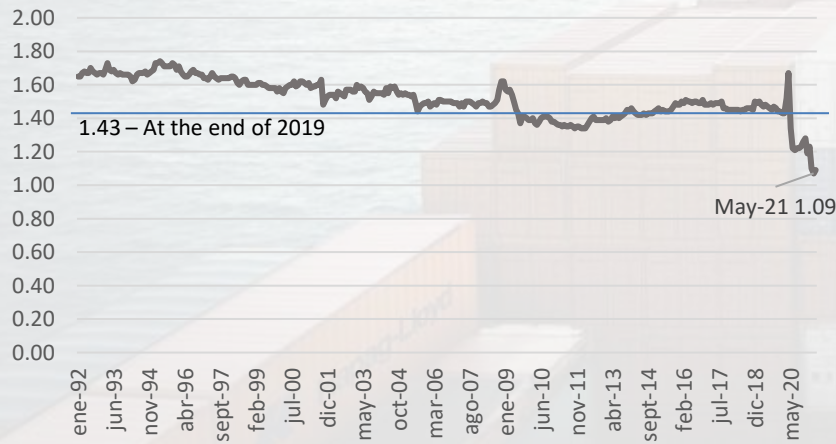
“HEALTHY” INVENTORY STOCK LEVELS ARE YET TO BE RESTORED

EU Inventory Variation QoQ (mn euros)

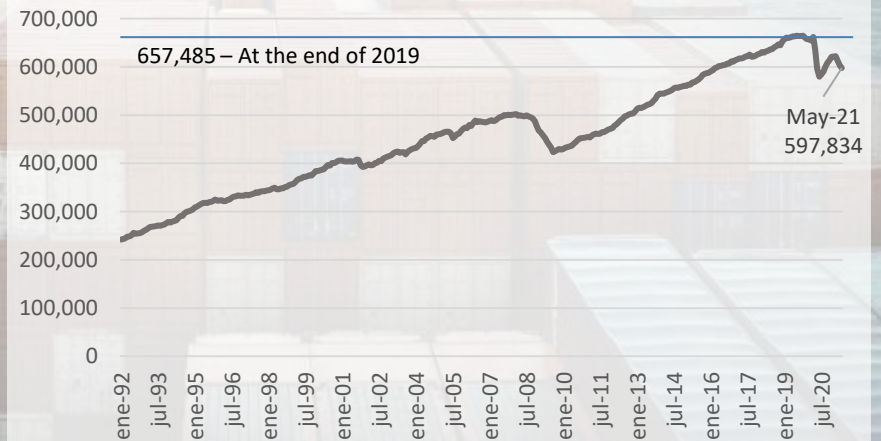


The EU is recovering inventories, while the US has a very low inventory level and a high demand for goods continues.

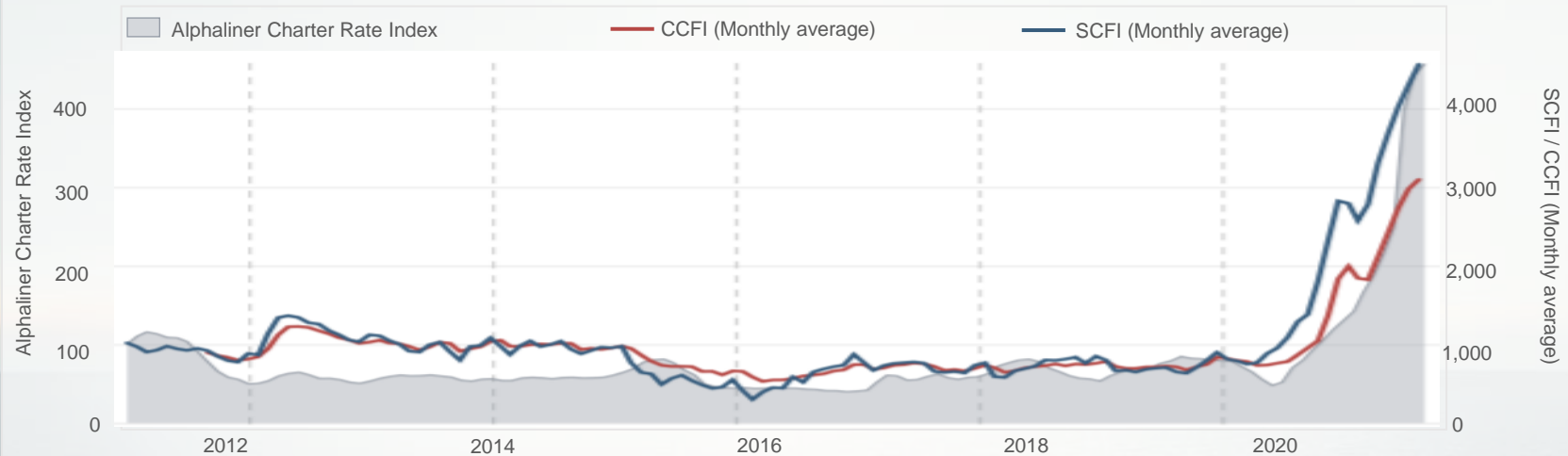
Retail Inventory / Sales Ratio in the US (%)



Total Retail Inventory in the US (mn usd)






Charter Rate Index and Freight Rate Index evolution



Bunker price development



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%	↑

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
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 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.

CSAV

- Is a clean pass-through vehicle to obtain exposure to Hapag-Lloyd (30%)
- Has an exclusively focus on the world trade
- Simple & efficient structure enabling dividend payments
- Liquid pass-through vehicle, with higher free float than HLAG

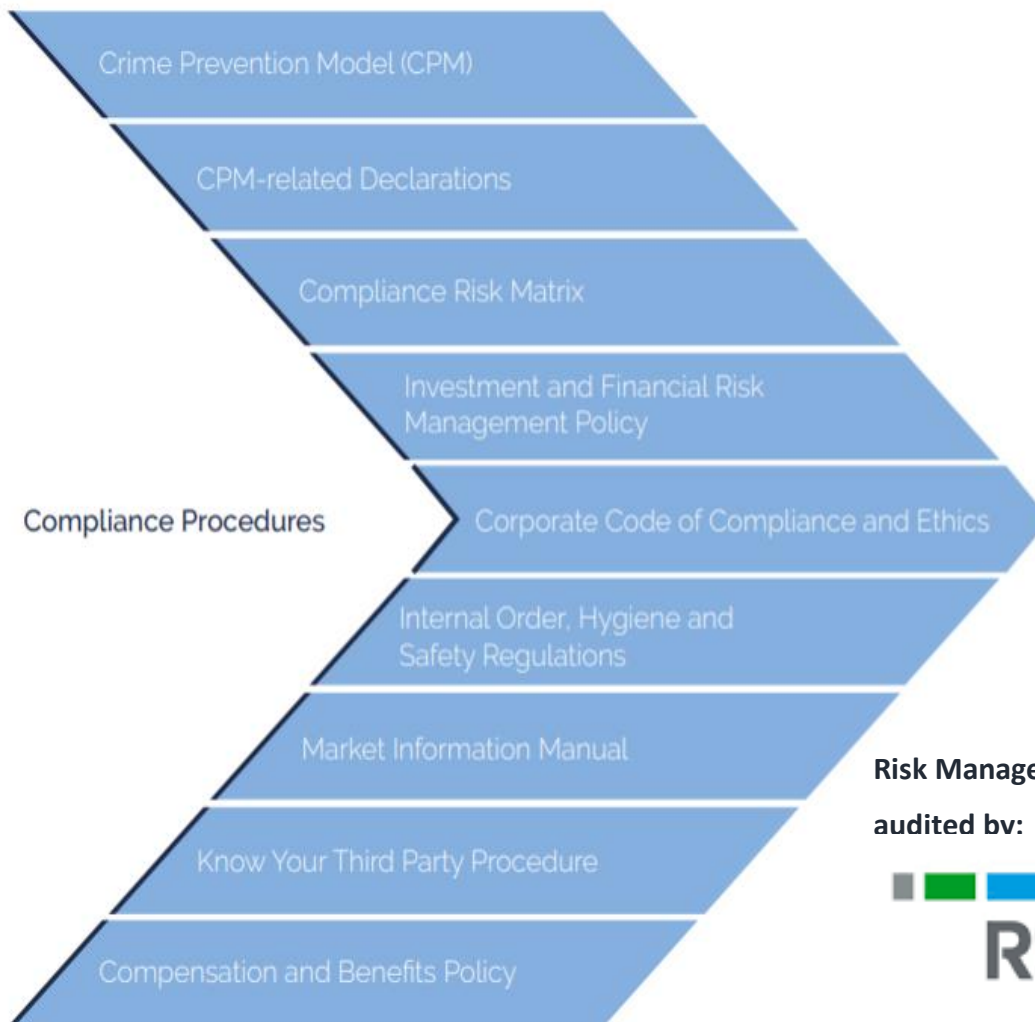
Hapag-Lloyd, CSAV's main investment

- HLAG is a leading global shipping player recognized for its profitability and service-quality
- 5th largest player and consolidated global presence
- Largest member of THE Alliance
- Relevant ownership of one of the most efficient and modern fleets
- Highest profitability and with a tangible strategy to upkeep it

Annexes



Solid Corporate Governance and pushing for further initiatives



In continuous process to evaluate and create sustainable value

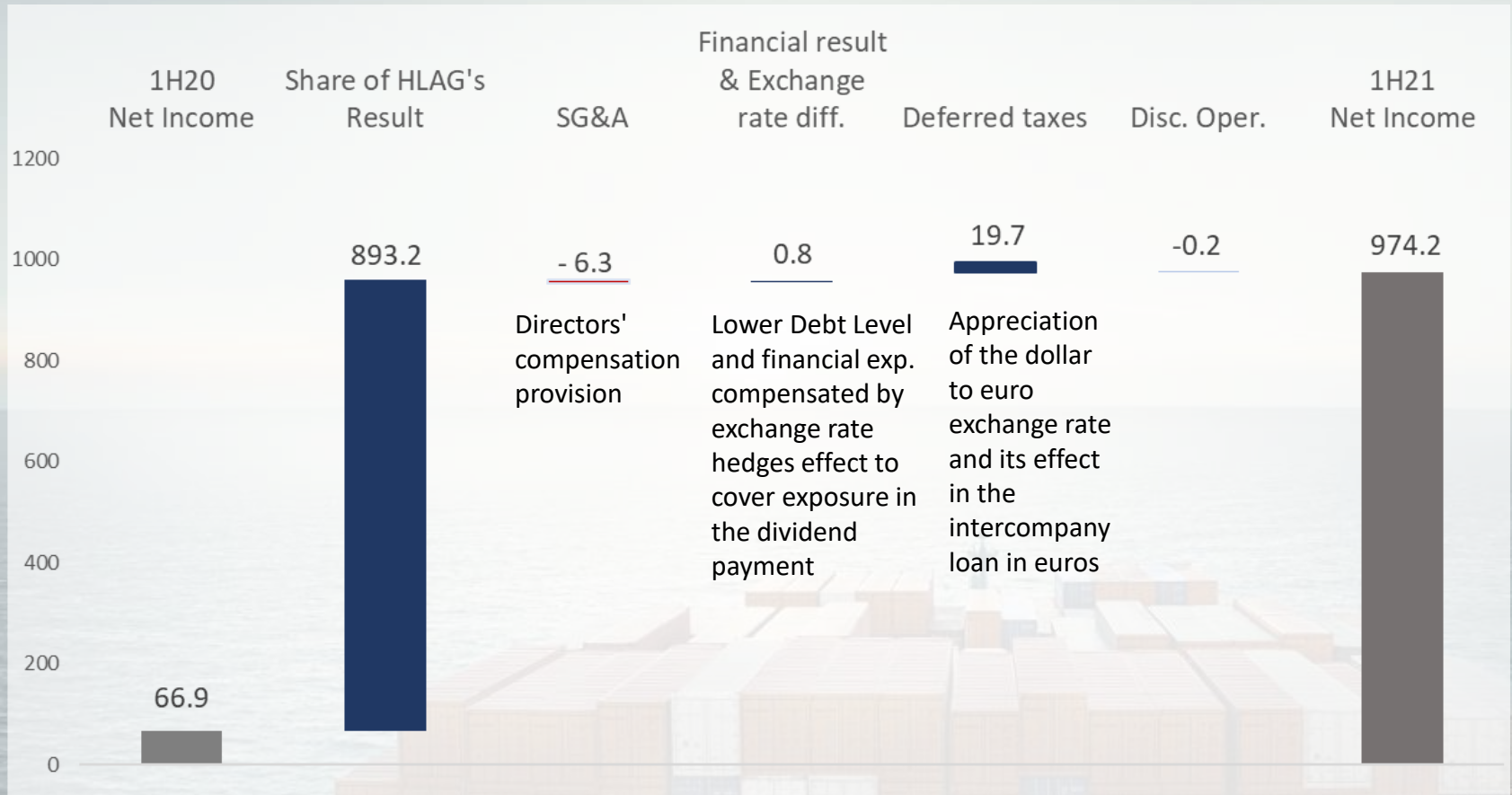


Risk Management audited by:

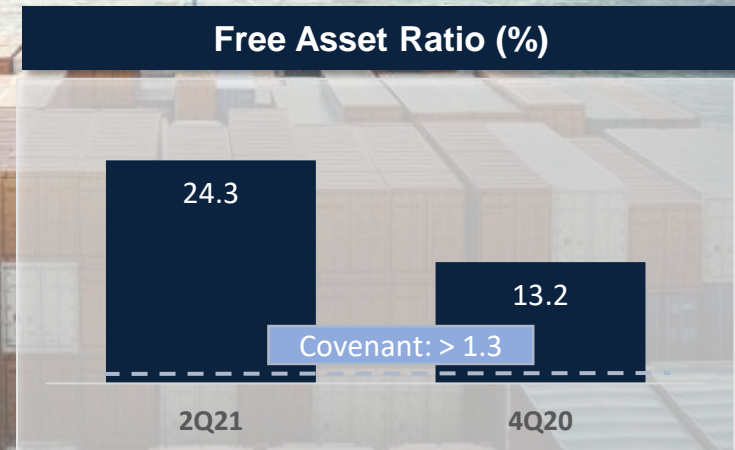
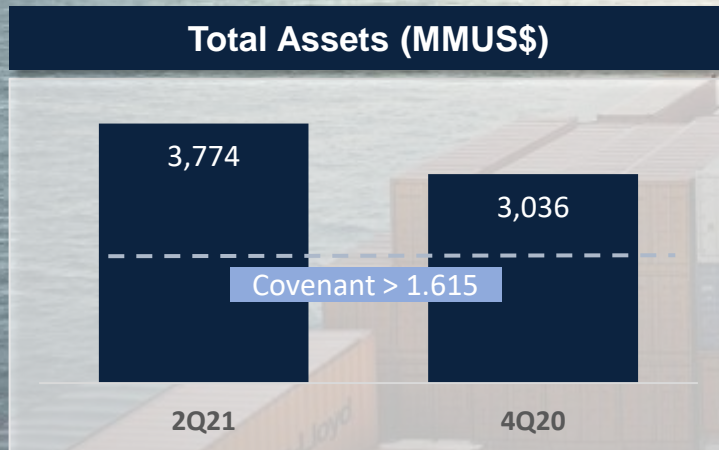
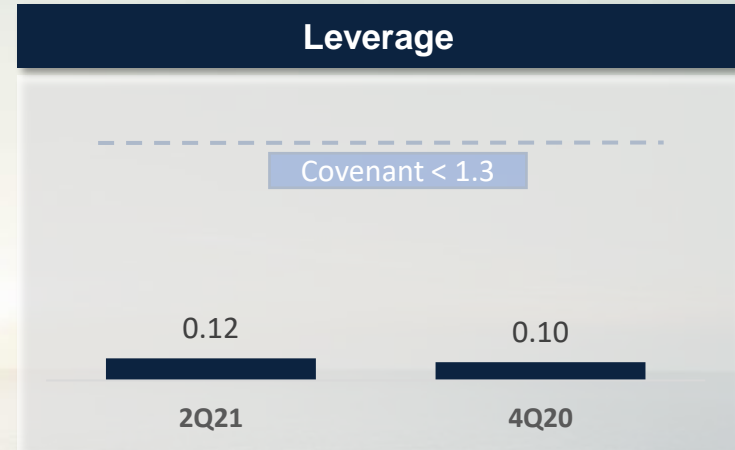
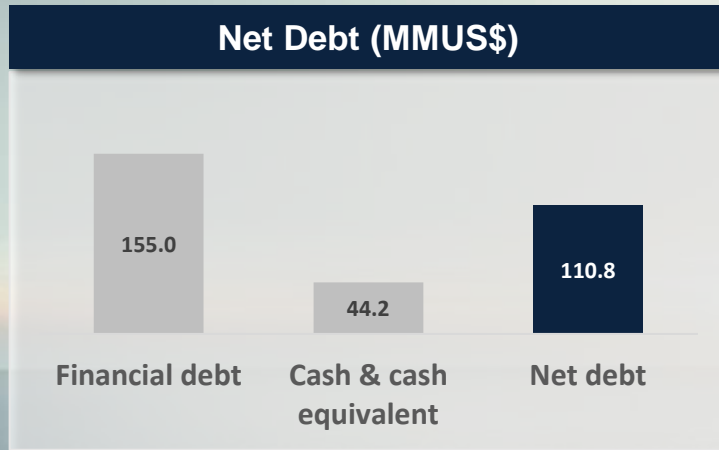


CPM certified by:

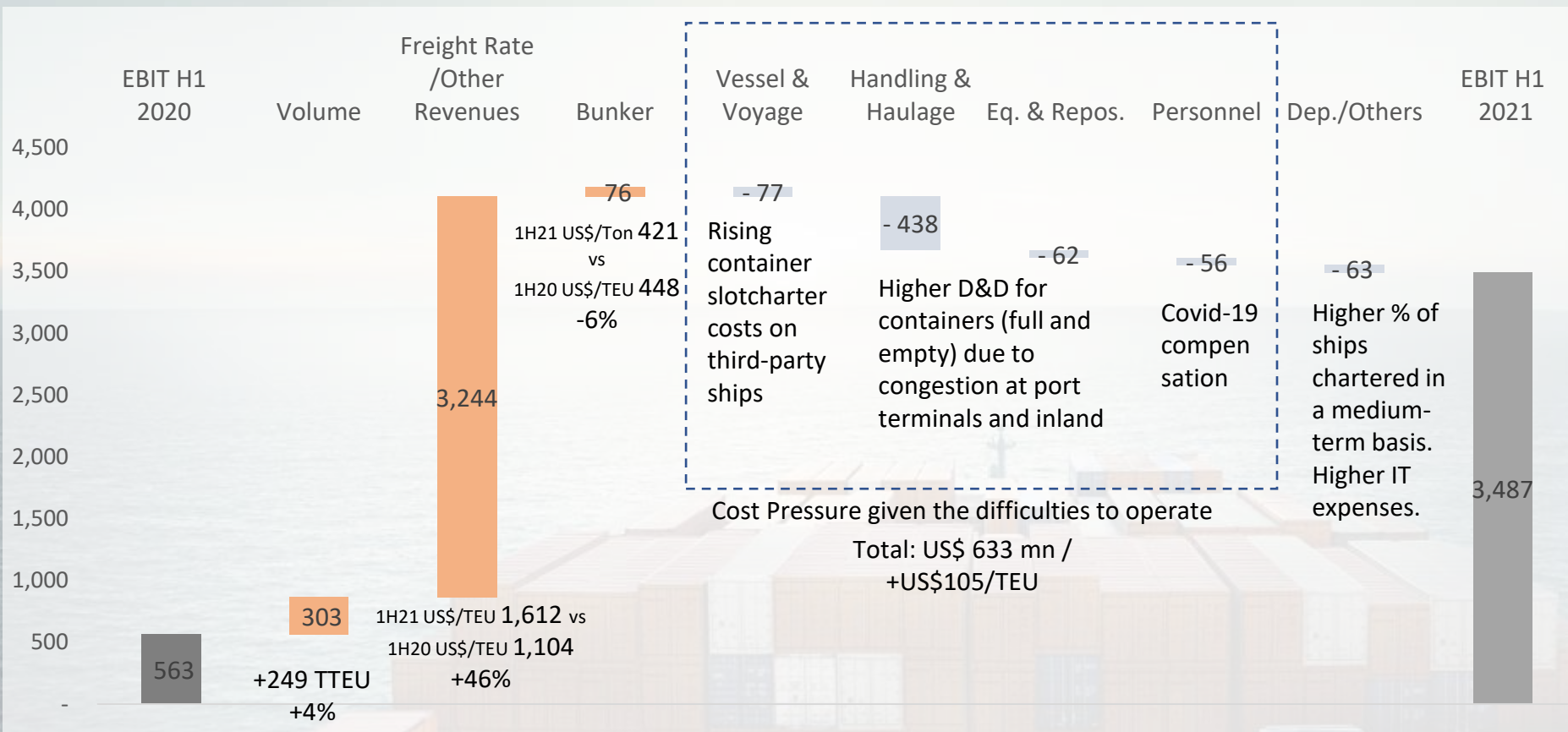




The improved performance comes after accrued losses (net of accounting effects) of over US\$1,700 million during the last ten years



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

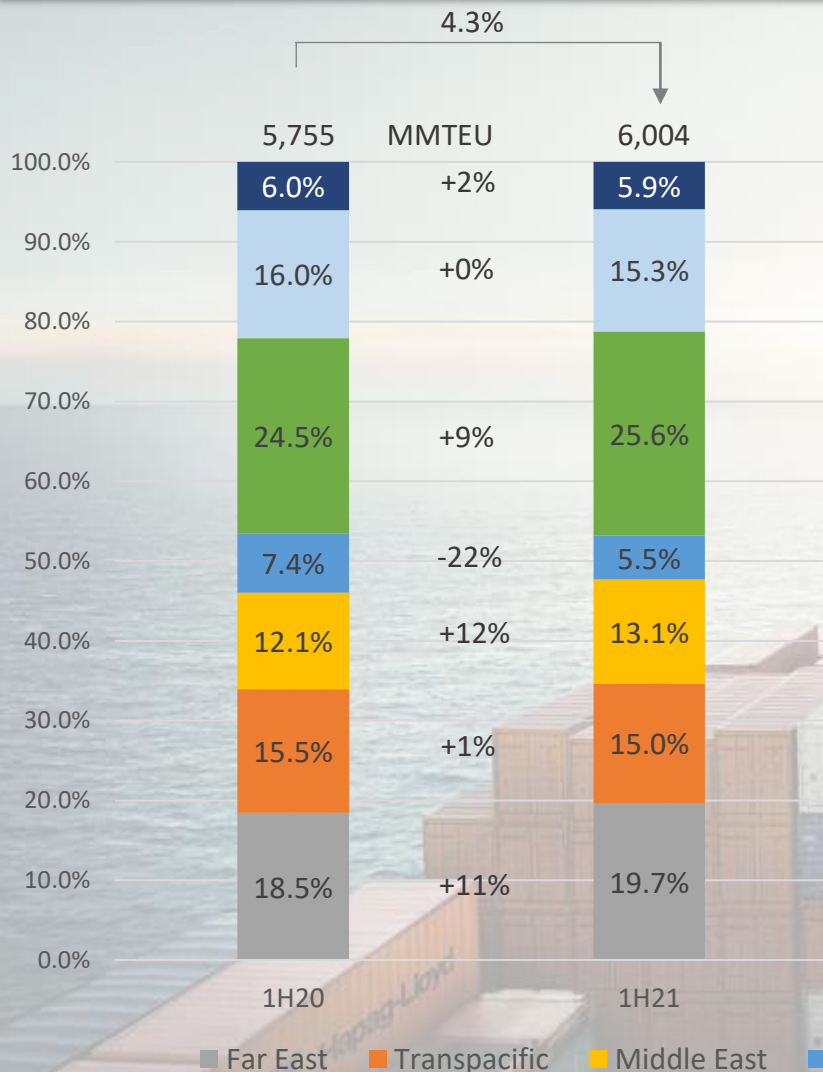


HLAG's operational results

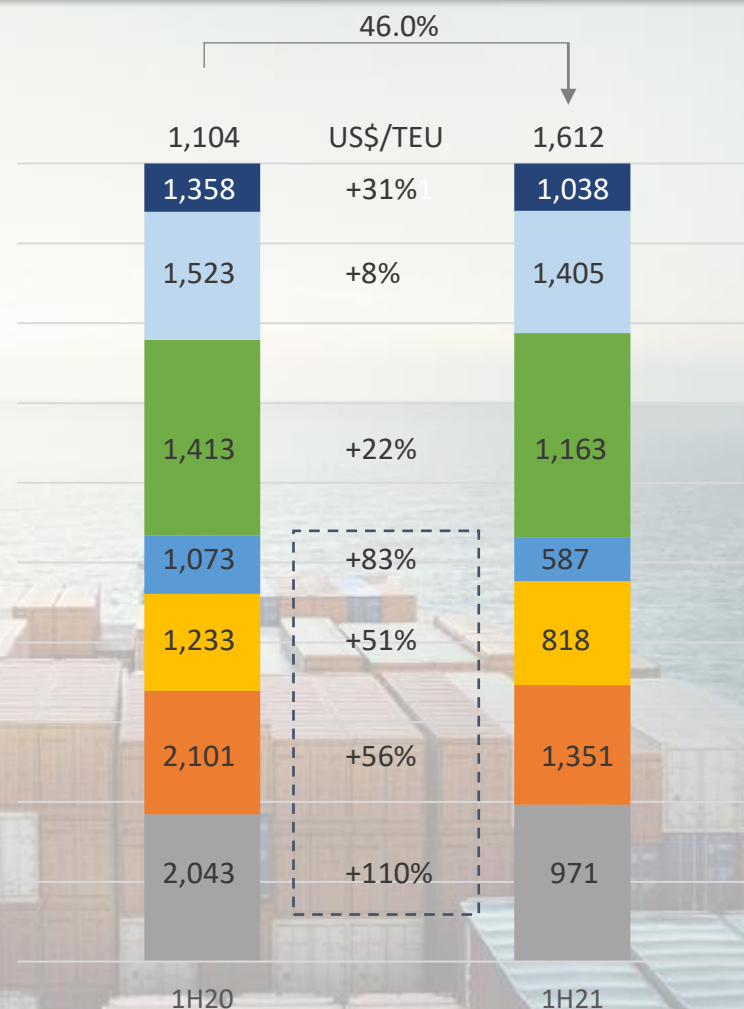
STABLE **VOLUMES**, FREIGHT **RATES** INCREASING UNEVENLY



Transport Volume per Trade 1H21vs1H20 (TEUm)



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



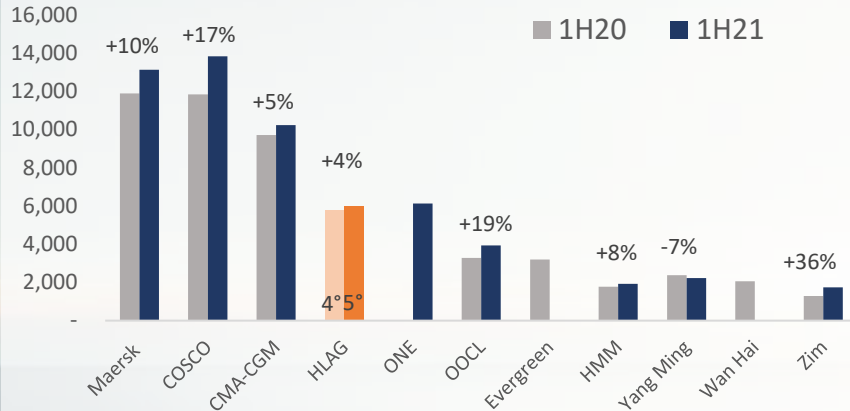
Note:
Hapag-Lloyd Investor Report 1H21

Industry's Results

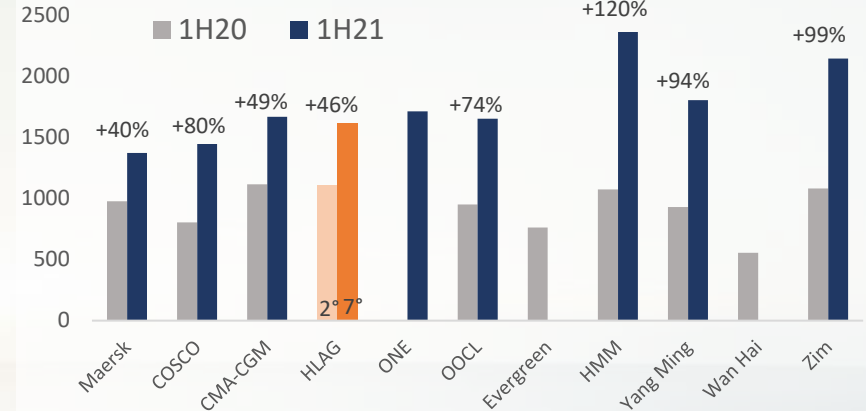
STRONG RESULTS CONSIDERING **GEOGRAPHICAL MIX & SPOT EXPOSURE**



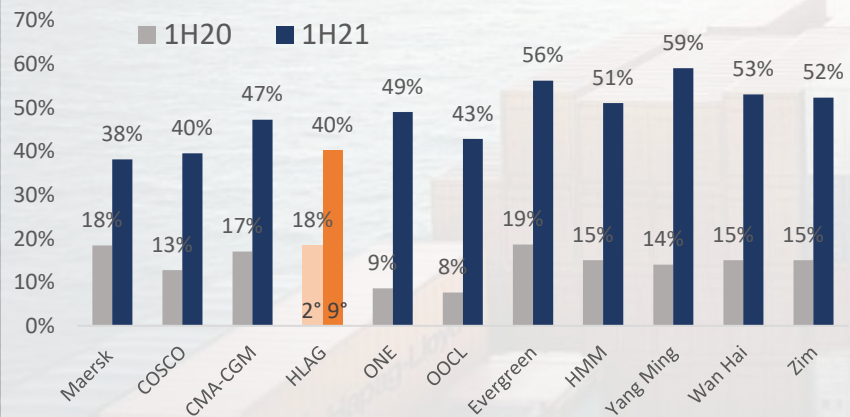
Transport Volume 1H20 vs 1H21 (TEUm)



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



EBITDA Mg 1H20 vs 1H21 (%)



EBIT Mg 1H20 vs 1H21 (%)

