



Compañía Sud Americana de Vapores

3Q21 Financial Results

November 2021

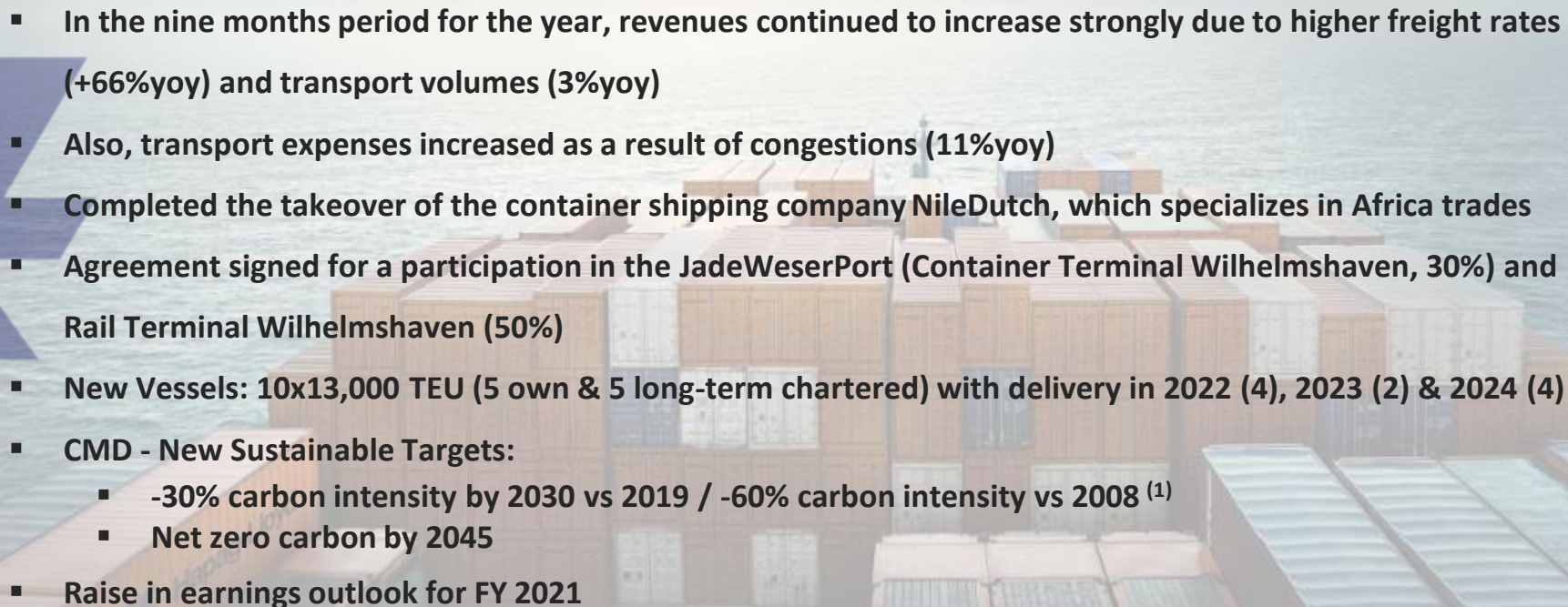




CSAV

- Solid 3Q – US\$1bn in Profits driven by the positive performance of Hapag-Lloyd
- US\$450mn interim dividend was distributed in Oct21

Hapag-Lloyd, CSAV's main investment

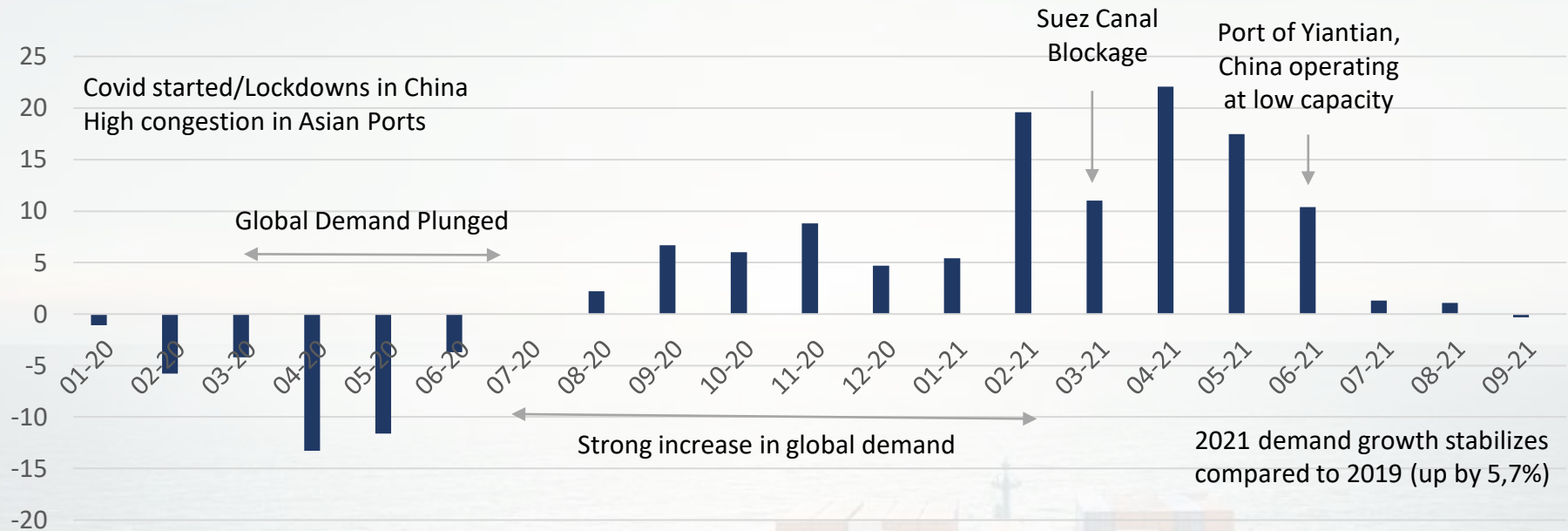
- 
- In the nine months period for the year, revenues continued to increase strongly due to higher freight rates (+66%yoy) and transport volumes (3%yoy)
 - Also, transport expenses increased as a result of congestions (11%yoy)
 - Completed the takeover of the container shipping company NileDutch, which specializes in Africa trades
 - Agreement signed for a participation in the JadeWeserPort (Container Terminal Wilhelmshaven, 30%) and Rail Terminal Wilhelmshaven (50%)
 - New Vessels: 10x13,000 TEU (5 own & 5 long-term chartered) with delivery in 2022 (4), 2023 (2) & 2024 (4)
 - CMD - New Sustainable Targets:
 - -30% carbon intensity by 2030 vs 2019 / -60% carbon intensity vs 2008 ⁽¹⁾
 - Net zero carbon by 2045
 - Raise in earnings outlook for FY 2021

DEMAND EVOLUTION AMID COVID

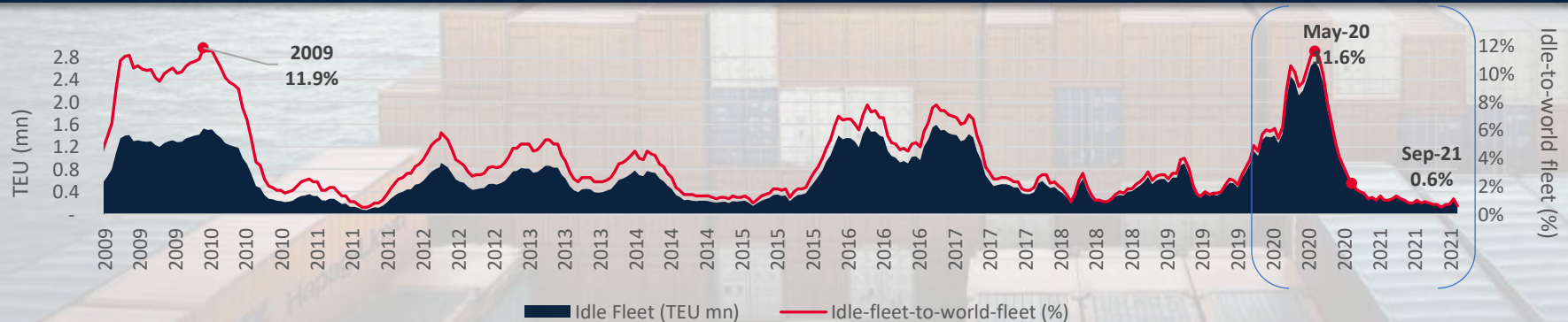
VOLATILE DEMAND GROWTH DURING THE COVID PANDEMIC



Global Demand Growth (%YoY)



Idle Fleet Evolution: in the last's quarters at minimum levels



SUPPLY CHAIN DISRUPTIONS

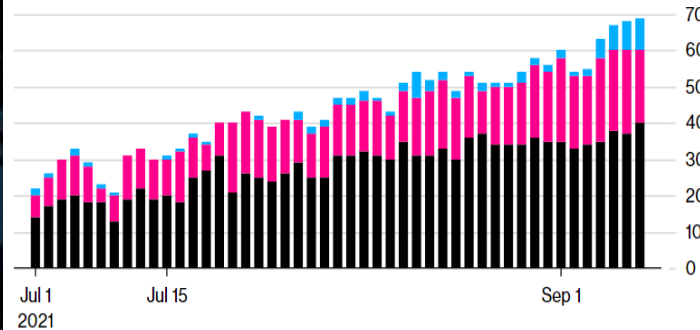
MAIN FOCUS OF CONGESTION IS IN THE **TRANSPACIFIC TRADE**



Time Is Money

Waiting container ships are on the rise at America's top three ports

■ Los Angeles_Long Beach ■ Savannah ■ New York_New Jersey



In California, there have been record-breaking queues of container ships outside major ports, reaching 83 vessels in Nov12

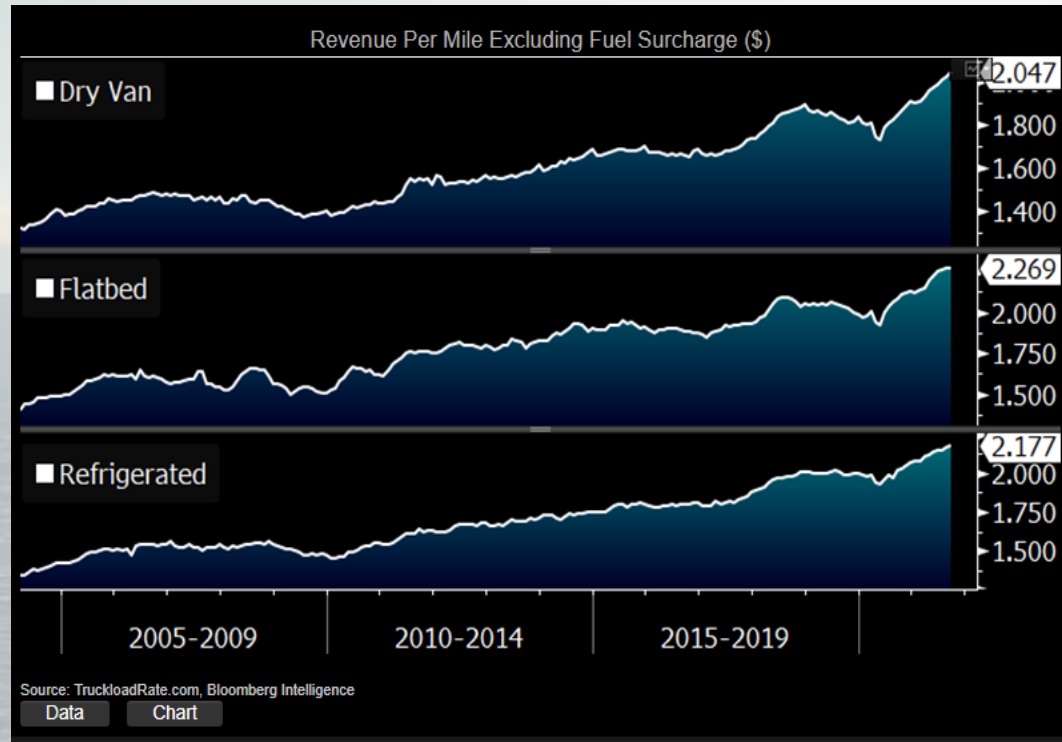
Sources: Bloomberg, IHS Markit, Genscape

- Source: <https://www.bbc.com/news/58926842> / Sources: Bloomberg, IHS Markit, Genscape
- Note: Data based on daily counts of anchored container ships from April to September.

Bloomberg CARTO Mapbox OpenStreetMap

SUPPLY CHAIN DISRUPTIONS

INLAND PRODUCTIVITY **PROBLEMS**



■ Some of the main problems:

- Lack of personnel
- Third shift – 24/7 limitations
- Safety and Security
- Inland mobility restrictions
- Higher costs related

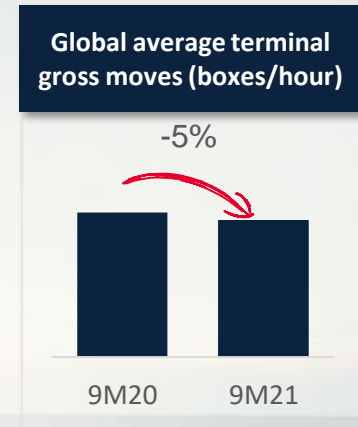
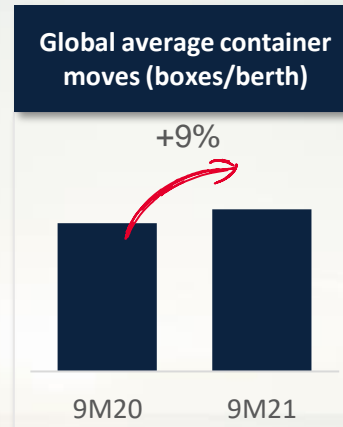
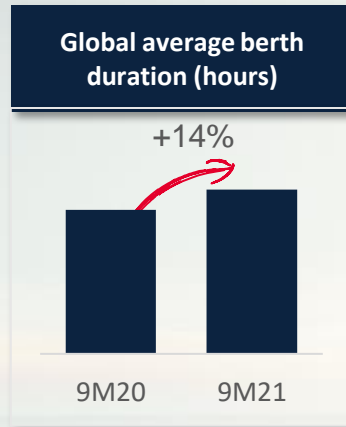
■ Facts in the US:

- Truckload contractual rates rose 9.2% in September from 2020
- Truck driver shortage is now estimated at 80,000
- ATA estimates the sector will have to hire a million new drivers in the next nine years to replace those who are in the process of retiring

Global Port

Operation

9M21 vs 9M20⁽¹⁾

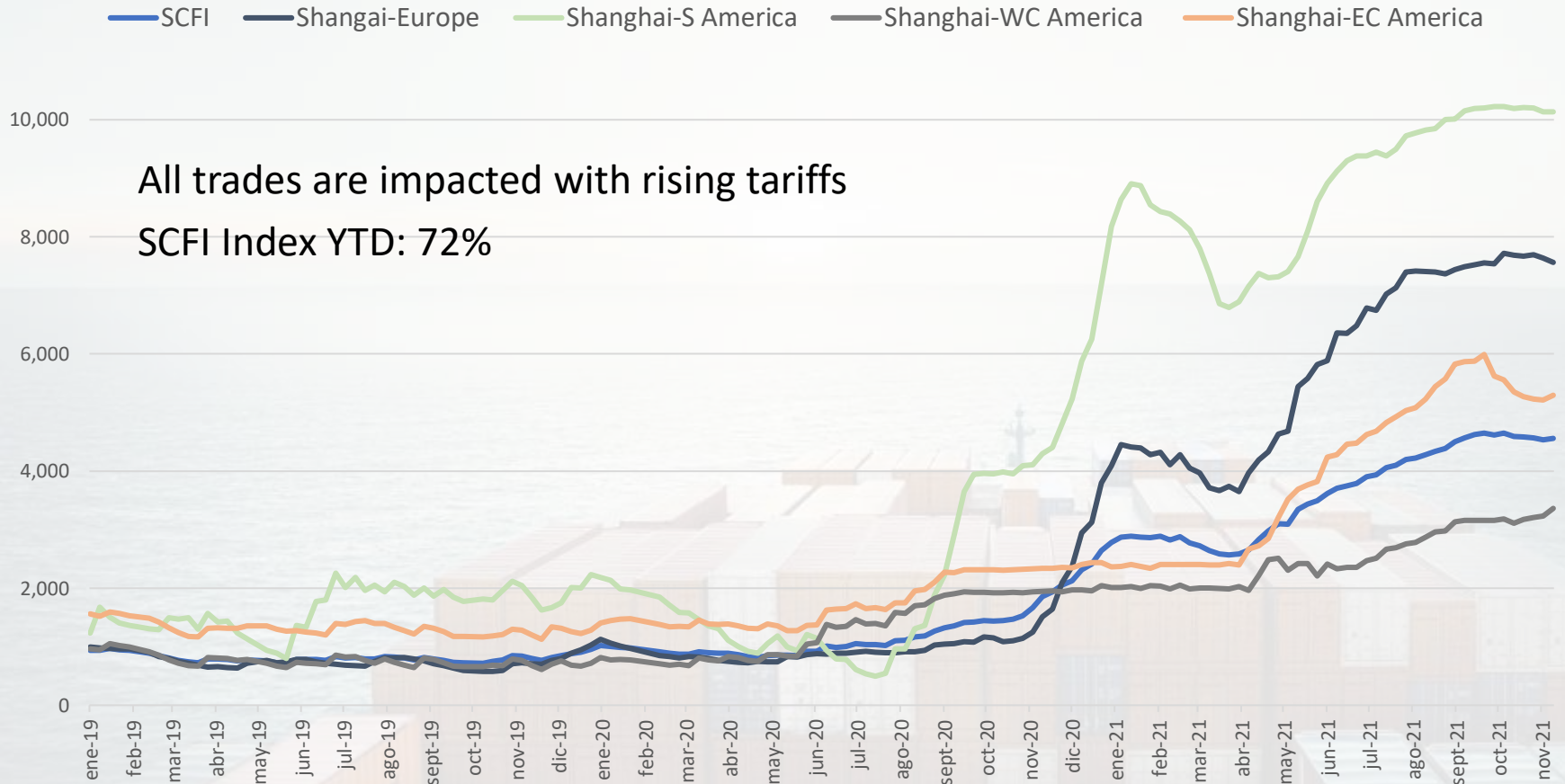


Taking Action

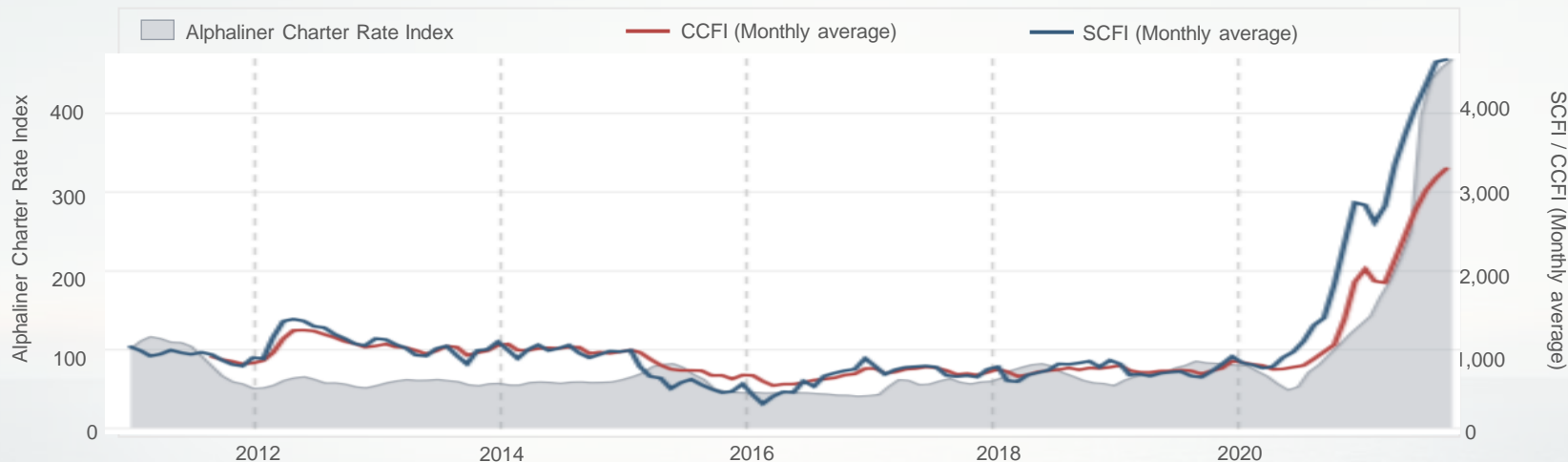
- ✓ Network Optimization and moving capacity to high-demand trades
- ✓ Bypassing congested ports and re-routing of cargo to alternative gate-ways
- ✓ More Vessels: Second-hand tonnage, chartered additional vessels and deployed extra-loaders
- ✓ Ordered additional containers and repair older ones
- ✓ Additional workforce, IT capacity, new digital solutions to improve customer satisfaction and quality

FREIGHT RATES, A CONSEQUENCE OF THE CONGESTION PROBLEMS

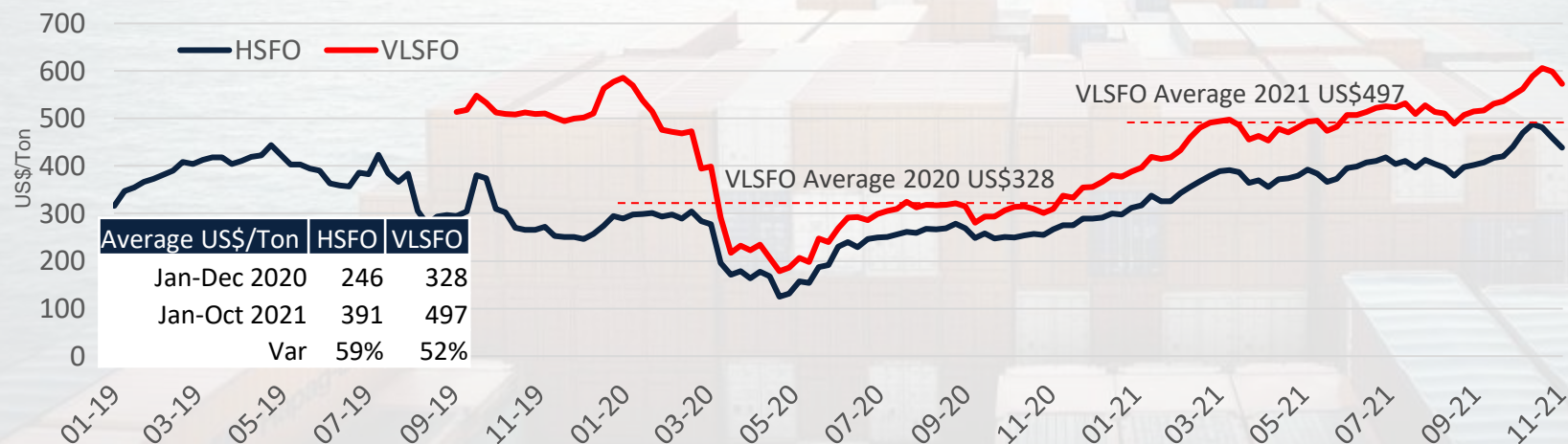
Freight Rates Evolution (US\$/TEU)



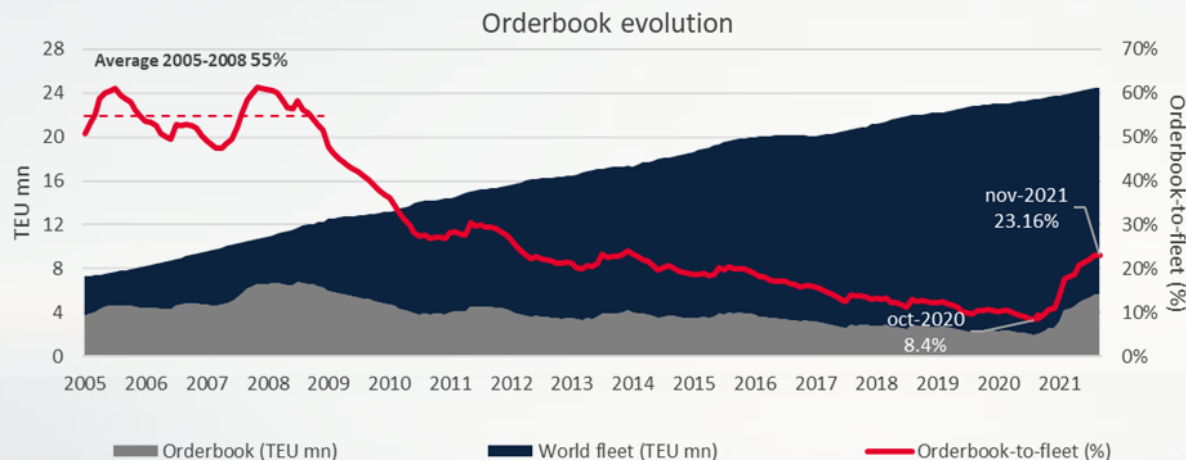
Charter Rate Index and Freight Rate Index evolution



Bunker price development

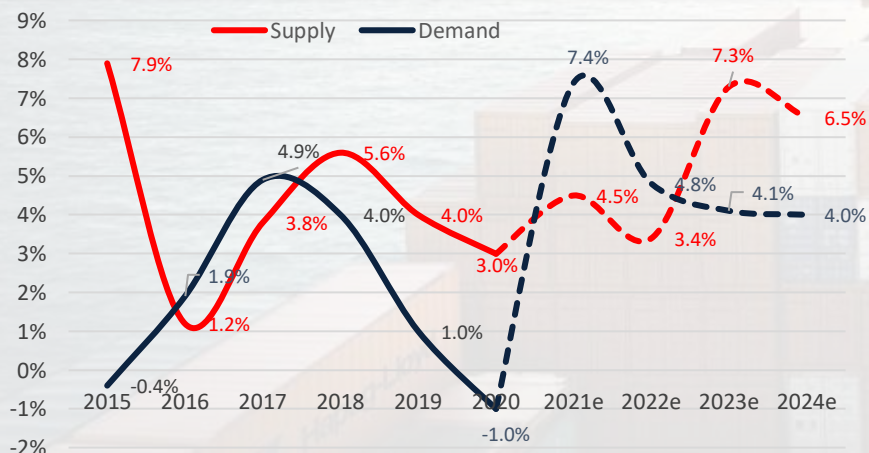


Healthier Orderbook to Fleet (%), though increasing during 2021 to better supply customers

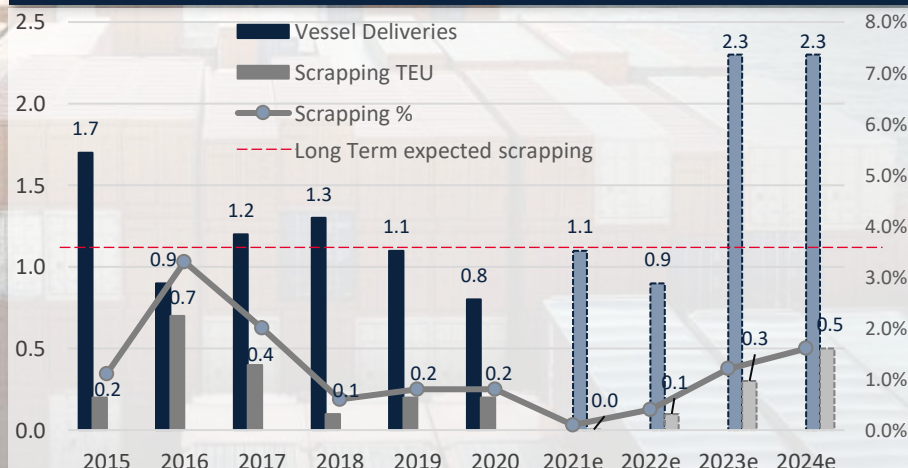


Increased Orderbook/Fleet, though is stagnating in the last's months. Higher scrapping and dry docking are expected in the coming years

Demand will slightly outgrow supply in 2021e & 2022e



More vessels will come in 2023-2024 and will encourage scrapping



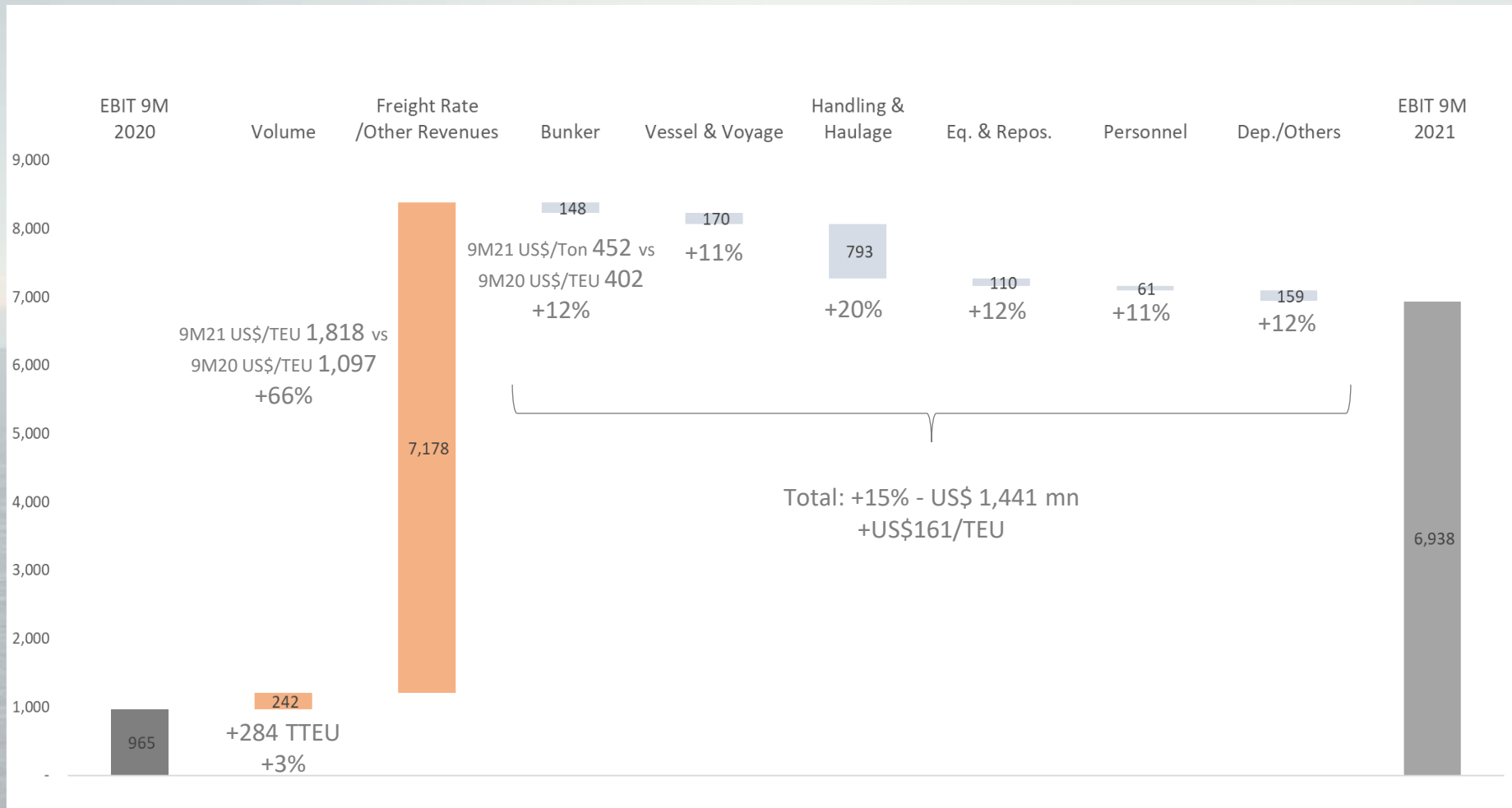
Source: Clarksons Research (November 2021), Hapag-Lloyd Investor Presentation 3rd quarter




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

HLAG'S RESULTS



EXTRAORDINARY RESULTS MAINLY DUE TO FREIGHT RATES, PARTIALLY OFFSET BY COST PRESSURE



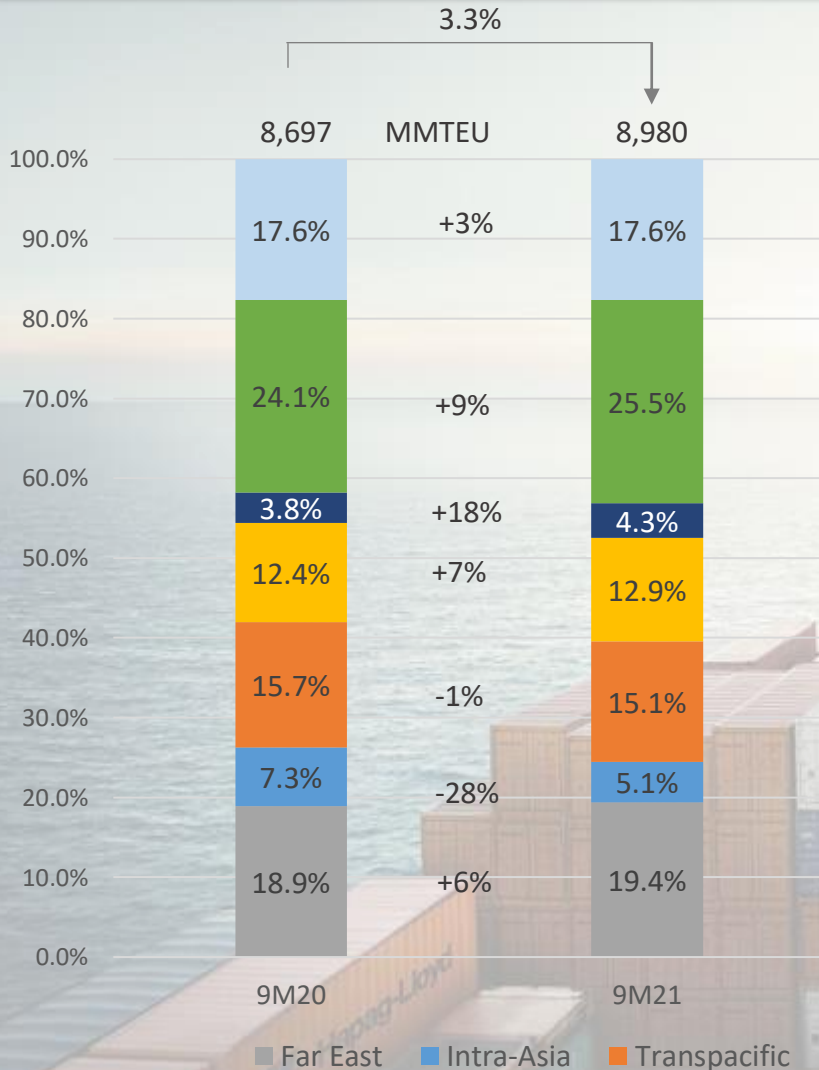
Capacity	9M 2021 Financial Results				
 257 Total vessels		9M21	9M20	Δ%	
	Transported volume (TTEU)	8,980	8,696	3.3%	↑
	Average freight rate (USD/TEU)	1,818	1,097	66%	↑
 1,779 TTEU Vessels' aggregate capacity	Revenue (USD mm)	17,945	10,525	71%	↑
	Transport expenses + D,A & I (USD/TEU)	(1,228)	(1,103)	11%	↑
	Avg. bunker price (USD/ton)	452	402	12%	↑
 2,971 TTEU Containers' aggregate capacity	EBITDA (USD mn)	8,163	2,044	299%	↑
	EBIT (USD mn)	6,938	965	619%	↑
	Net profit (USD mm)	6,655	605	1,000%	↑

HLAG'S OPERATIONAL RESULTS

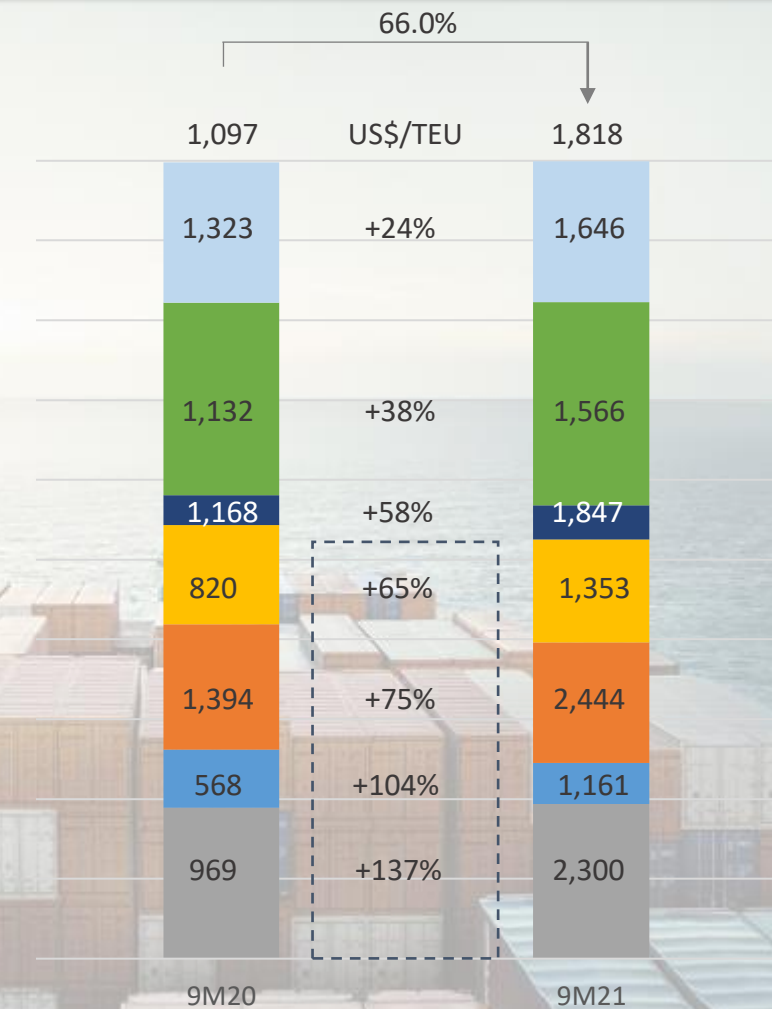
FLEXIBLE CAPACITY MANAGEMENT TO OVERCOME CONGESTION PROBLEMS



Transport Volume per Trade 9M20vs9M21 (TEUm)



Freight Rate per Trade 9M20vs9M21 (US\$/TEU)



Source: Hapag-Lloyd Investor Report 9M21

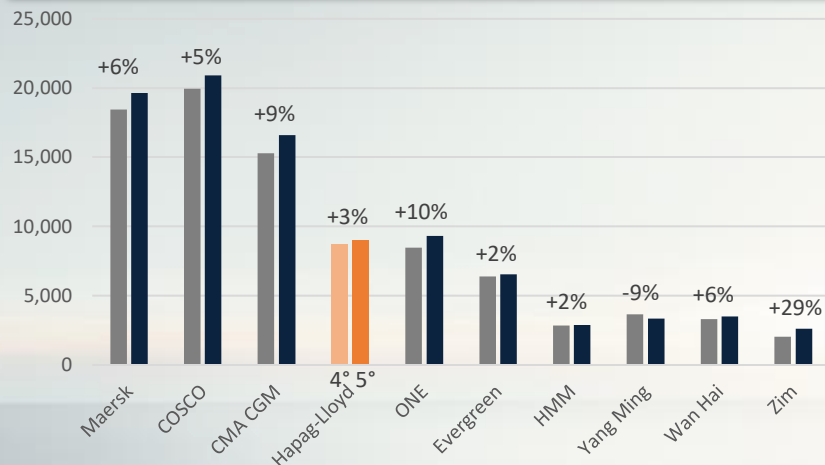
Note: As part of the integration of NileDutch in the third quarter of 2021, the EMA trade (Europe – Mediterranean – Africa) was renamed the Africa trade. Transport volumes within Europe are now added to the Atlantic trade. The previous year's values have been adjusted accordingly.

Industry's Results

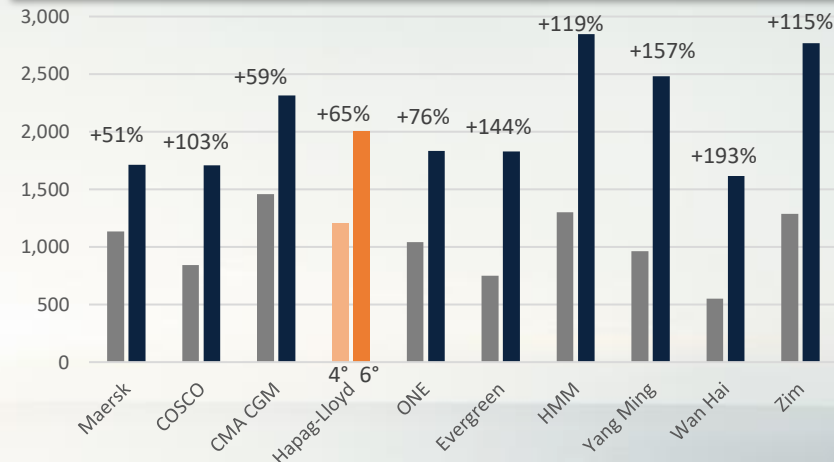
STRONG RESULTS CONSIDERING **GEOGRAPHICAL MIX** & **SPOT EXPOSURE**



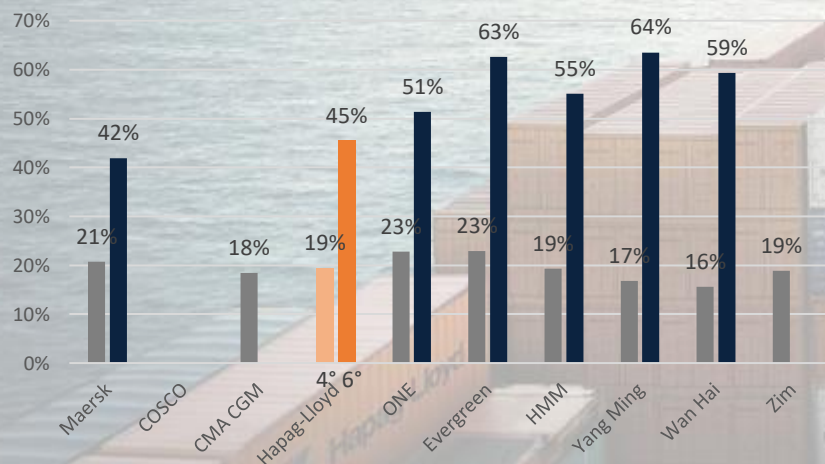
Transported Volume 9M20 vs 9M21 (TEUm)



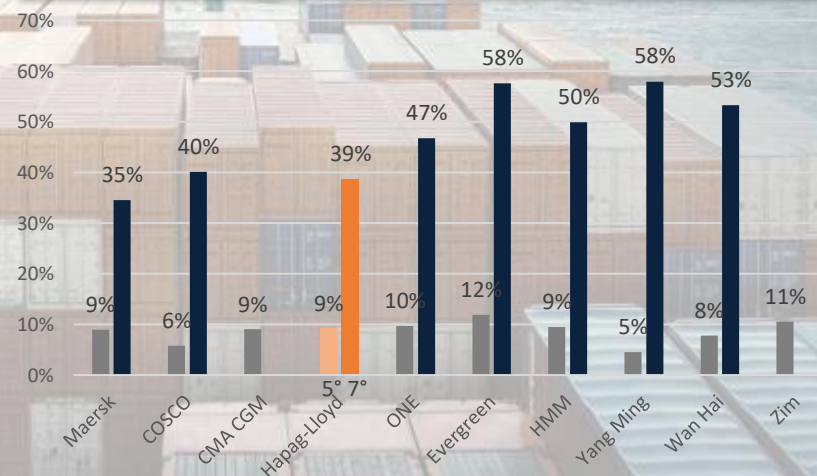
Freight Rate 9M20 vs 9M21 (US\$/TEU)








EBITDA Mg 9M20 vs 9M21 (%)



EBIT Mg 9M20 vs 9M21 (%)



The outlook for the FY 2021 was updated on the 29th of October

	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 12,000-13,000 m Previously 9,200-10,200
 EBIT	USD 1,501 m	USD 10.300 – 11.300 m Previously 7,500-9,500

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

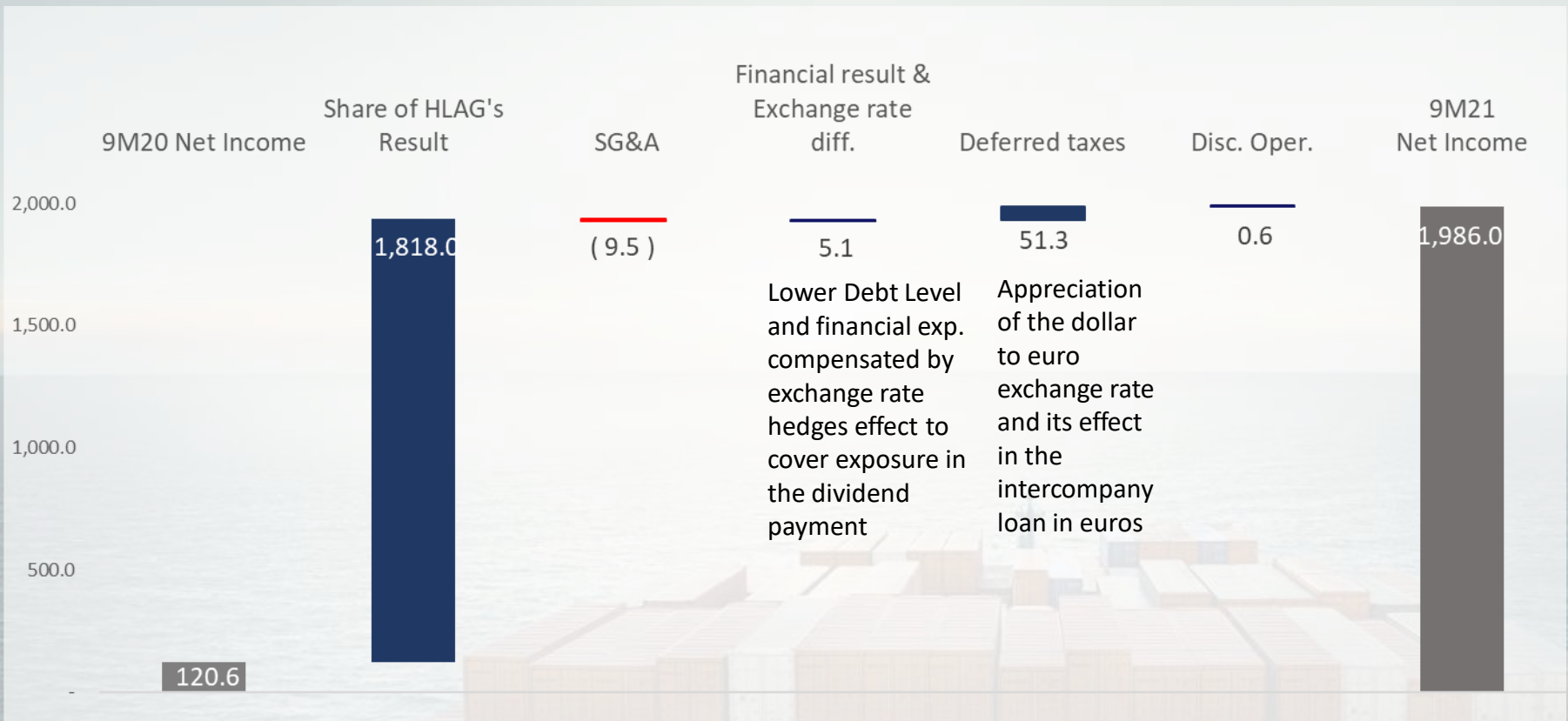
(*) Subject to considerable uncertainty due to a number of factors, including:

- 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	9M21	9M20	Y-o-Y
Equity-accounted investees	1,992.9	174.9	1,818.0
SG&A and Other Op. Income	(14.1)	(4.6)	(9.5)
Operational Result (with equity-accounted investees)	1,978.8	170.3	1,808.6
Financial result & ex. rate diff.	(15.9)	(21.0)	5.1
Taxes	23.1	(28.2)	51.3
Discontinued operations	0.005	(0.5)	0.6
Net income	1,986.0	120.6	1,865.4

Record profits for the nine months period.
Results were driven by the good performance of Hapag-Lloyd.



These extraordinary results led the Board of Directors to approve an interim dividend in October, which amounted to CLP\$ 7 per share, totalling US\$ 450 million, which will be charged to the profits of 2021

Main reasons in MMUS\$

2021:

- Board Compensation: -4.1mn
- G&A expenses: -6.2mn
- Lease and asset sale: 0.7mn
- Taxes: +0.9mn

2020:

- Car Carrier: +1.9mn
- IFRS16 – RoU: +7.9mn
- SG&A expenses: -11.9mn
- Leases: +0.6mn
- 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: +0.2mn
- Dividends Received: +65.8mn

2021:

- Itaú: +1.0mn
- Loans & interests Paid: -33.1mn
- Serie B Bond Paid incl. int.: -53.9mn
- Dividends Paid: -169.4mn

2020:

- Capital Increase: +343.8mn
- Quiñenco Loan: +300.0mn
- Loans Received: +55.0mn
- Loans Paid: -11.5mn
- Interests Paid: -4.9mn
- Chartered Vessels: -7.9mn

Statements of Cash Flow	As of September 30,		Change	
	2021	2020		
Cash and cash equivalents at the beginning of the period	81.7	53.6	52.3%	28.0
Cash flows from operating activities	(9.6)	(2.6)	271%	(7.0)
Proceeds from operating activities	0.7	25.5	(97%)	(24.8)
Payments from operating activities	(10.1)	(26.9)	(62%)	16.8
Income taxes and other	(0.2)	(1.1)	(83%)	0.9
Cash flows from investing activities	219.0	(261.4)	(184%)	480.4
Payments to acquire interests in joint ventures	0.0	(329.1)	(100%)	329.1
Dividends received, net	218.7	65.8	232%	152.9
Interest received and other	0.2	1.8	(89%)	(1.6)
Cash flows from financing activities	(255.4)	605.9	(142%)	(861.3)
Capital increases	0.0	343.8	(100%)	(343.8)
Loans obtained to non-related parties	1.0	55.0	(98%)	(54.0)
Loans obtained from and paid to related parties	0.0	240.0	(100%)	(240.0)
Loans paid to non-related parties	(81.0)	(10.0)	710%	(71.0)
Interest paid and other payments	(6.1)	(15.0)	(60%)	8.9
Repayment of finance lease liabilities	0.0	(7.9)	(100%)	7.9
Dividends paid	(169.4)	0.0	-	(169.4)
Exchange rate effect	(0.5)	(1.5)	(68%)	1.0
Increase (decrease) in cash and cash equivalents	(46.6)	340.4	(114%)	(387.0)
Cash and cash equivalents at the end of the period	35.1	394.0	(91%)	(359.0)

ASSETS	As of September 30, 2021	As of December 31, 2020	Change	
	MM US\$	MM US\$	%	MM US\$
Current assets	35.5	82.2	(56.8%)	(46.7)
Cash and cash equivalents	35.1	81.7	(57.1%)	(46.6)
Other	0.5	0.5	(12.5%)	(0.1)
Non-current assets	4,753.7	2,953.8	60.9%	1,799.8
Equity method investments	4,515.7	2,738.1	64.9%	1,777.6
Deferred tax assets	226.1	203.7	11.0%	22.3
Investment property and Other	11.9	12.0	(0.8%)	(0.1)
Total assets	4,789.2	3,036.0	57.7%	1,753.2

LIABILITIES AND EQUITY	As of September 30, 2021	As of December 31, 2020	Change	
	MM US\$	MM US\$	%	MM US\$
Current liabilities	618.8	135.2	357.6%	483.6
Financial liabilities, current	12.4	64.9	(80.9%)	(52.5)
Other	606.4	70.3	762.5%	536.1
Non-current liabilities	150.2	177.9	(15.6%)	(27.7)
Financial liabilities, non-current	139.3	165.1	(15.6%)	(25.8)
Other	10.9	12.8	(14.9%)	(1.9)
Total equity	4,020.2	2,722.9	47.6%	1,297.3
Total liabilities and equity	4,789.2	3,036.0	57.7%	1,753.2

Main reasons in MMUS\$

- HLAG Stake (w/PPA) : +1992.9mn
- Other Reserves: +10.4mn
- HLAG Div. -225.7mn

- Effect due to interests received from CGHO: -14.2mn
- Effect due to loan from CGHO (exch. Rate in receivables): +28.6mn
- Exchange Rate Hedges: +1.9mn
- Others +6.0mn

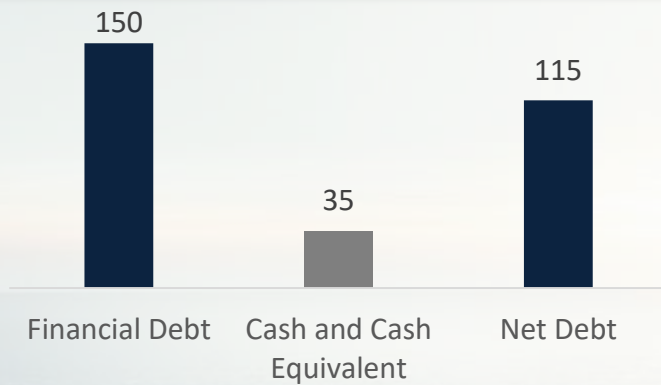
- Itaú: -10mn
- Accrued Interests: +1.5mn
- Loan Payments: -4mn
- Serie B Bond Payment: -50mn
- Non-current to current: +10mn

- 2021 Dividend Provision : +596mn
- 2020 Dividend Provision: -67mn

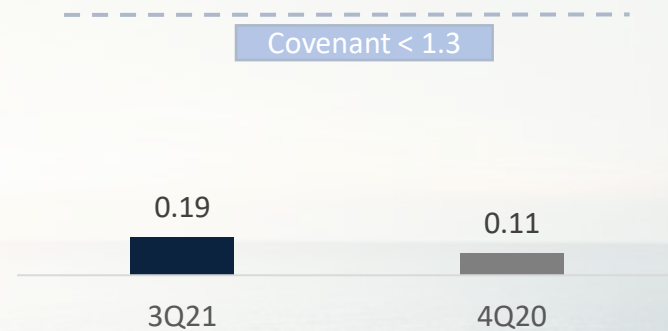
- BTG Payment: -16mn
- Non-current to current: -10mn

- Net Income of the period: +1,986mn
- Additional Dividend Paid: -103.4 mn
- 2021 Dividend Provision: -585.8mn
- Other Reserves: +10.4mn

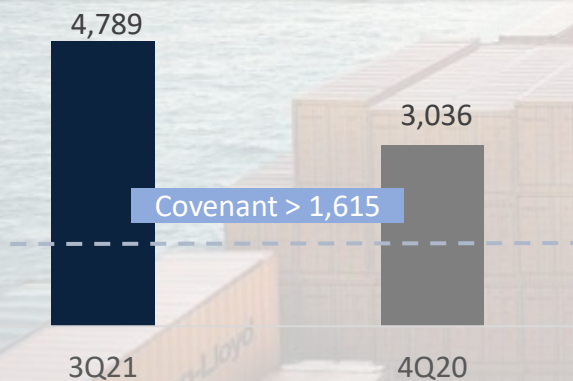
Net Debt (MMUS\$)



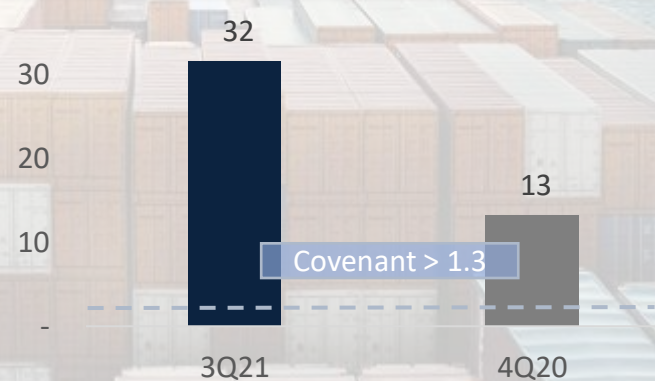
Leverage



Total Assets (MMUS\$)



Free Asset Ratio (%)



Annexes



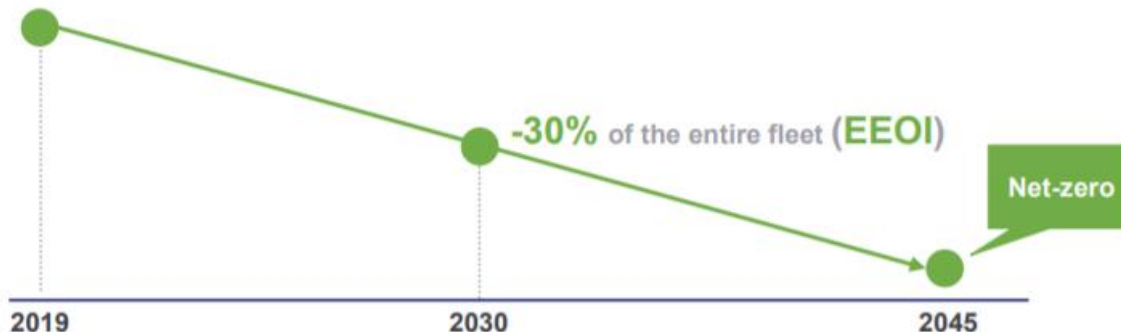
Pursuing decarbonization with determination

We have set ourselves ambitious targets to

reduce emissions & advance propulsion technologies.



Reduction of CO₂ intensity



Targets

- **Reduce CO₂ intensity** of the entire fleet **by 30% by 2030 EEOI** vs. 2019; in line with reduction of 60% AER¹ vs. 2008
- **Net-zero carbon by 2045**
Operate our ships in a climate-neutral manner **using alternative fuels**

AER = Annual Efficiency Ratio, ratio of a ship's carbon emissions per actual capacity-distance; based on maximum transport work (i.e., deadweight tonnage)

22 EEOI = Energy Efficiency Operational Indicator, ratio of a ship's carbon emissions per unit of actual transport work (i.e., real cargo weight)

1) As defined in our Sustainability Linked Bond Framework

Measures to achieve our GHG reduction targets

Operational efficiency improvements
will be accompanied by long-term Fleet & Fuel related measures



Fleet Portfolio

New vessels

- 10 new fuel efficient 13k TEU vessels
- 12 new dual-fuel 23k TEU vessels
- Zero-emission technologies

Existing vessels

- Phase-out of old and inefficient vessels
- Efficiency measures:

Hull coating

Bulbous bow

Main engine improvements

- Retrofits to dual-fuel propulsion technology



Fuels

Transition from fossil fuels to bio-/e-fuels

- Biofuels for existing vessels (e.g. FAME)
- Bio-Methane for LNG new builds as of delivery
- Alternative Fuels (bio/e-fuels) (e.g., Methanol, Ammonia, etc.)

Operational efficiency within network

- Speed profile
- Port rotation
- Vessel & cargo utilization
- Weather routing

Operations