

CSAV Reports Net Income of US\$ 347.5 Million for First Half of 2023

Santiago, August 18, 2023 | Compañía Sud Americana de Vapores (CSAV) reported net income of US\$ 347.5 million for the first half of 2023, representing a decrease of 88% compared to the same period of the previous year, mainly explained by weaker results from Hapag-Lloyd after an extraordinary year in 2022.

Results for the period were also impacted by the use of MMUS\$ 496.9 in deferred tax assets related to MMEUR 1,970.9 in dividends repatriated from Germany during the first half of 2023.

Hapag-Lloyd, the shipping company in which CSAV has a 30% stake, reported EBITDA of US\$ 3,775 million and EBIT of US\$ 2,762 million for the first half of 2023. Net income reached US\$ 3,133 million, down 67% compared to the same period in 2022, in line with projections from the beginning of the year.

The shipping industry is still in a cycle of normalization after an unprecedented rise in freight rates due to the effects of the pandemic. During the period, average freight rates dropped 38.3% (US\$1,761/TEU vs. US\$ 2,855/TEU), while transport volumes fell 3.4% (5,807 thousand TEUs vs. 6,012 thousand TEUs). Transport costs decreased by 9.3%, greater than the reduction in transport volumes, explained by the company's focus on operational management and the normalization of the supply chain.

"These results are a reflection of the economy: inventories remain high, which explains the lower demand for transportation, coupled with greater supply capacity as the logistics chain returns to normal, which pushes freight rates downward. Even in these challenging conditions, Hapag-Lloyd's annual projections have been confirmed," remarked CSAV CEO Óscar Hasbún.

Hapag-Lloyd's notable milestones for the period include closing its acquisition of SAAM's port business in the Americas, in addition to other acquisitions this year (Spinelli Group in Europe and JM Baxi Ports & Logistics in India). With these acquisitions, Hapag-Lloyd consolidates its strategy to make port activities its second business pillar.

Also during the period, Feller Rate upgraded CSAV's shares to "First Class Level 2" and confirmed the ratings assigned to its solvency and bond lines at BBB+.



About CSAV: Compañía Sud Americana de Vapores S.A. is one of the main shareholders of Hapag-Lloyd AG, a German shipping company and the fifth-largest container shipping line in the world.

About HLAG: Hapag-Lloyd has a fleet of 258 container ships and total hauling capacity of 1.9 million TEU. The German company has a portfolio of 115 regular services and a highly diversified, balanced logistics network with operations in 135 countries and along the main global trades. It is the largest member of THE Alliance, one of the shipping industry's leading operating alliances.