



# CSAV 9M 2023 Results

November 2023





## OPENING REMARKS

# CSAV



- 9M23 – US\$257 mn in net income driven by the results of Hapag-Lloyd (+ US\$ 1,019.9 mn), partly offset by income tax expenses provisions (- US\$ 698.2 mn)



- In August, CSAV Germany received a refund of MMEUR 487 associated with the Hapag-Lloyd dividend of the previous year. The net amount received in Chile reached MMEUR 353 (affecting the provision for income tax expenses in Chile).
- Redemption of the Series C Bond (US\$ 100mn + interests)



## Hapag-Lloyd, CSAV's main investment

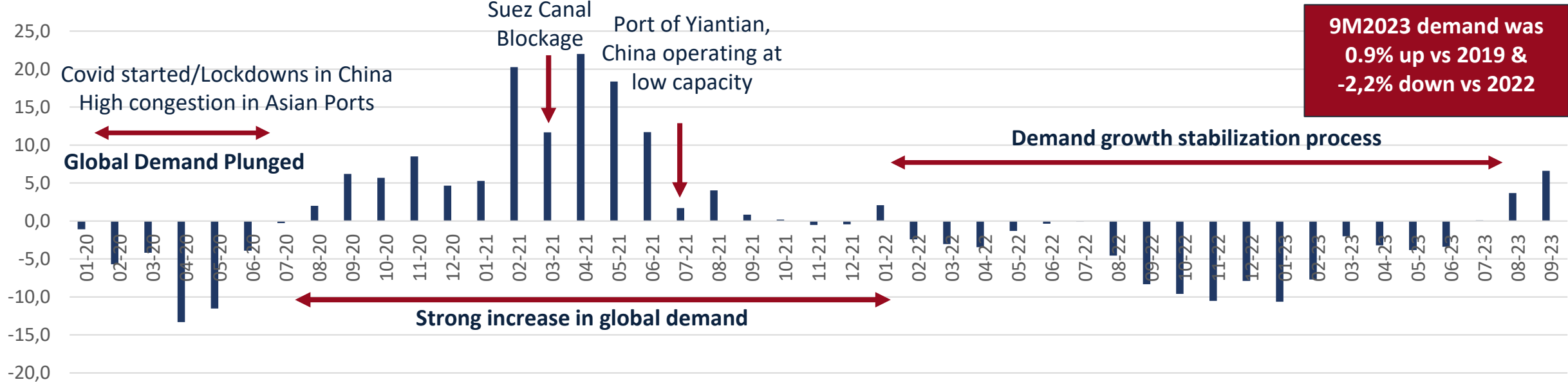
- + Weaker results after an extraordinary 2022, there is a challenging market environment. Revenues decreased (-46%yoy) due to lower freight rates (-45%yoy) and lower volumes (-1%yoy).
- + Transport expenses in 9M23 continue to decrease (-11%yoy) as a result of lower volume (-71 TTEU) and a lower cost per TEU (-9%yoy), mainly explained by lower bunker cost (-25%yoy) and lower handling and haulage (-12% yoy).
- + Although volumes picked up in 3Q23 and utilization has remained relatively high, average freight rates continue to decrease.
- + Financial KPIs and balance sheet remained strong in 9M23. Net liquidity position of US\$ 3bn.
- + Terminals & Infrastructure – new business segment reported separately.
- + 2023 Outlook updated incorporating 9M23 results and the difficult market conditions.



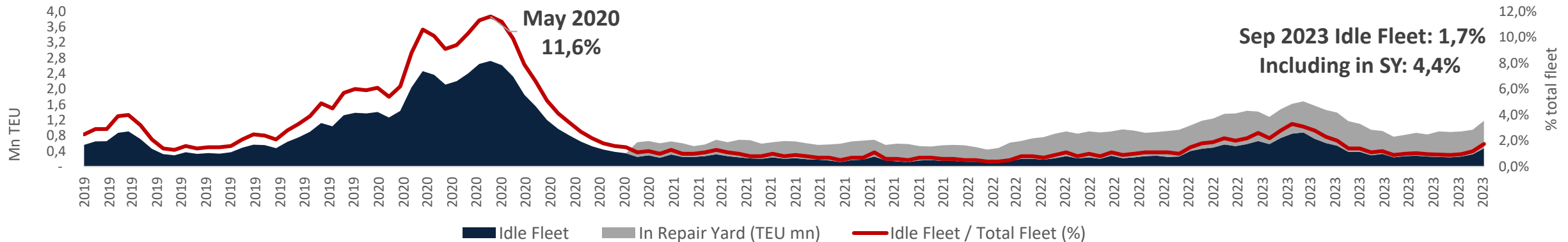
# DEMAND EVOLUTION 2020-2023

## CHALLENGING MARKET ENVIRONMENT

### Global Demand Growth (%YoY)



### Inactive Fleet Evolution: Includes fleet in shipyards since 2020



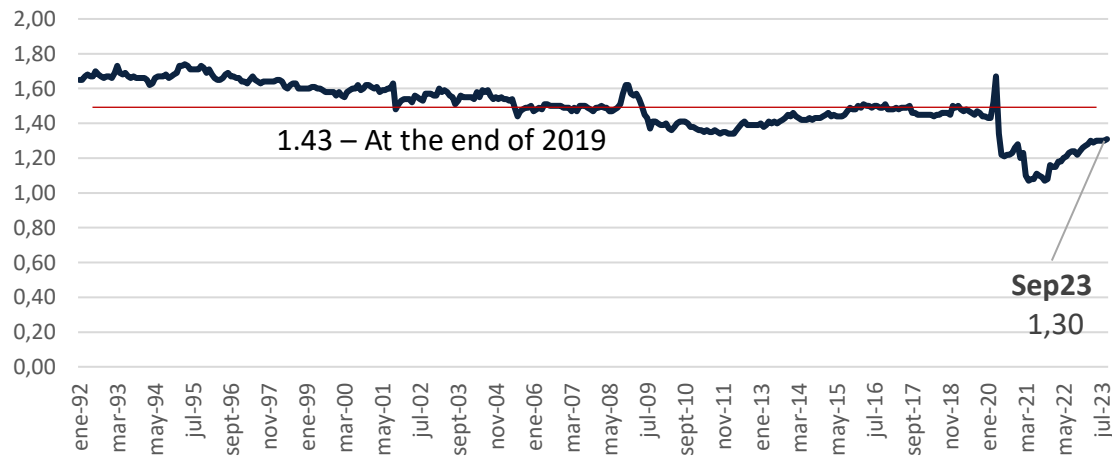
 **INDUSTRY**

**INVENTORY STOCK LEVELS**

**EU Inventory Variation QoQ (mn euros)**



**Retail Inventory / Sales Ratio in the US (%)**

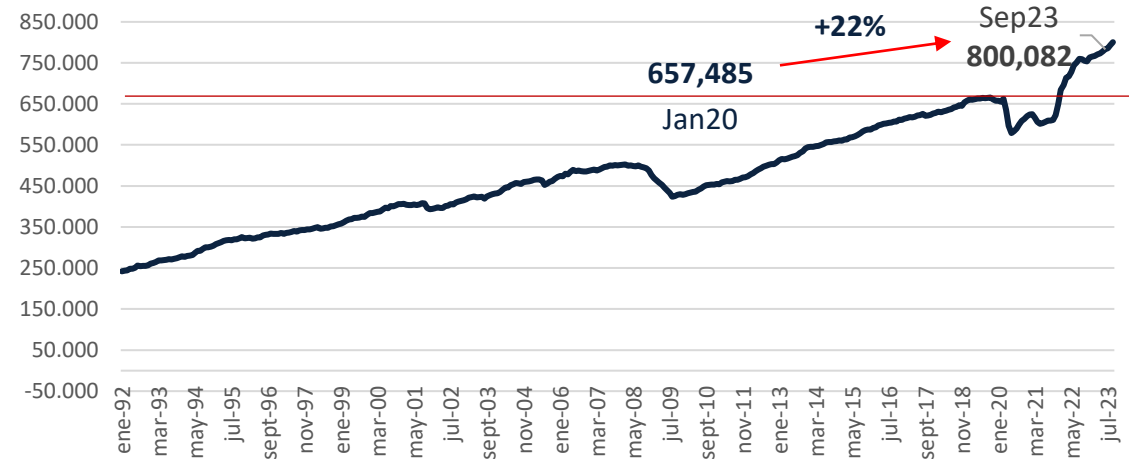


Source: US bureau of statistics EU statistics



**EU - destocking period**  
**US – retail inventory / sales ratio**  
 still below 2019, sign of still  
 dynamic economic activity

**Total Retail Inventory in the US (mn usd)**

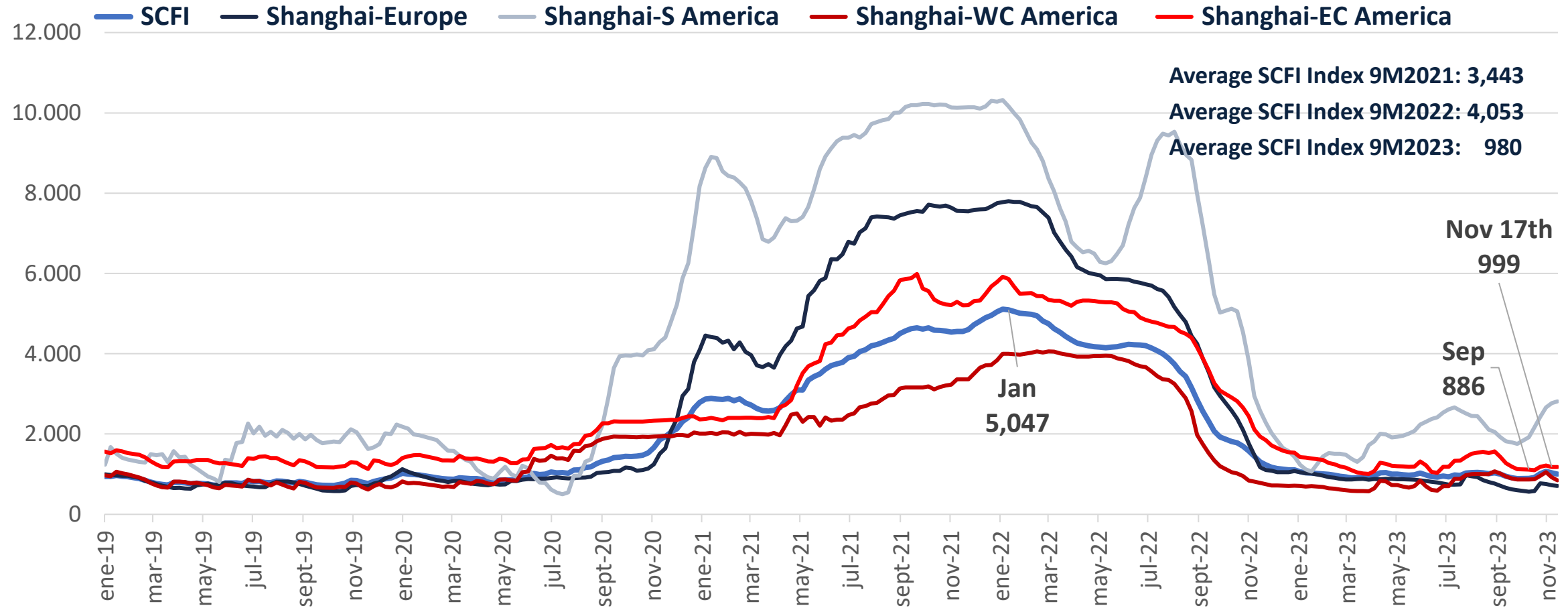




# INDUSTRY

**FREIGHT RATES RELATIVELY STABLE, BUT UNSUSTAINABLE LEVELS IN MANY TRADELANES**

## Freight Rate Evolution (US\$/TEU)



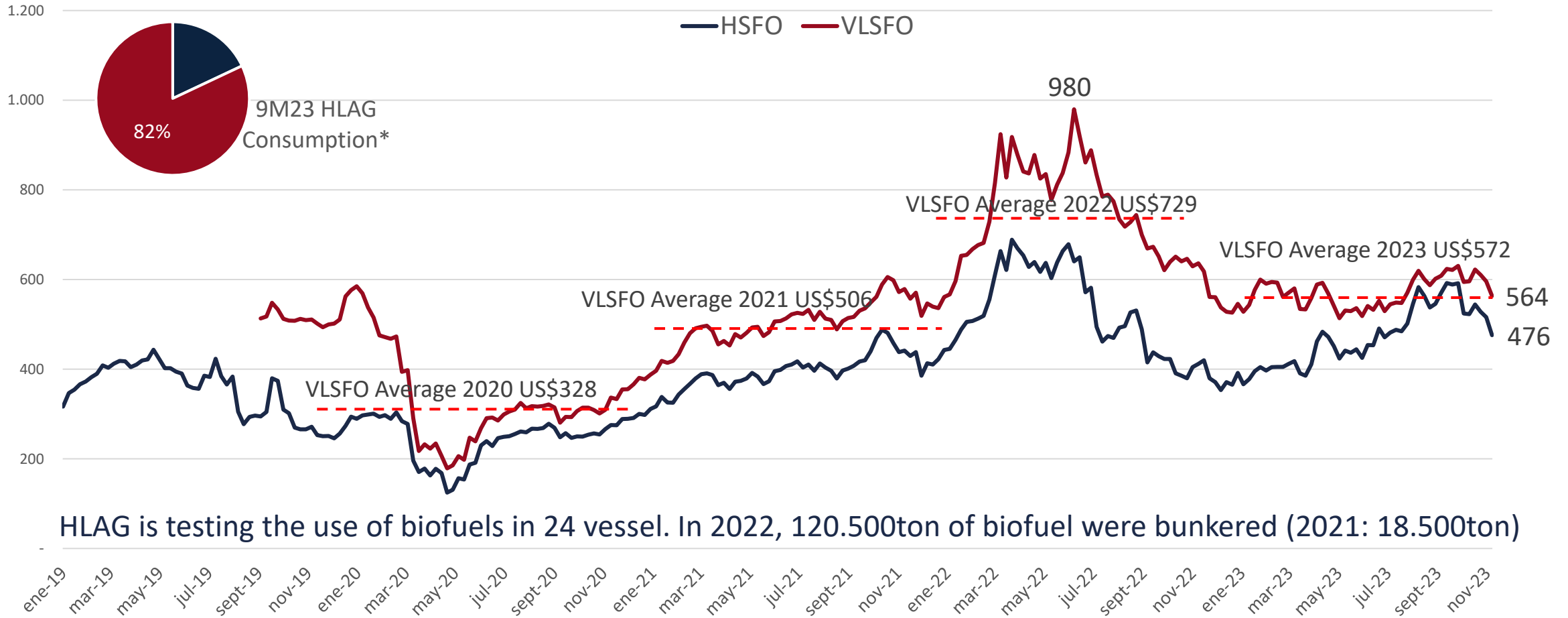
Source: Clarksons Research (November 2023)



# INDUSTRY

**LOWER** BUNKER COSTS IN 9M23 COMPARED TO 9M22

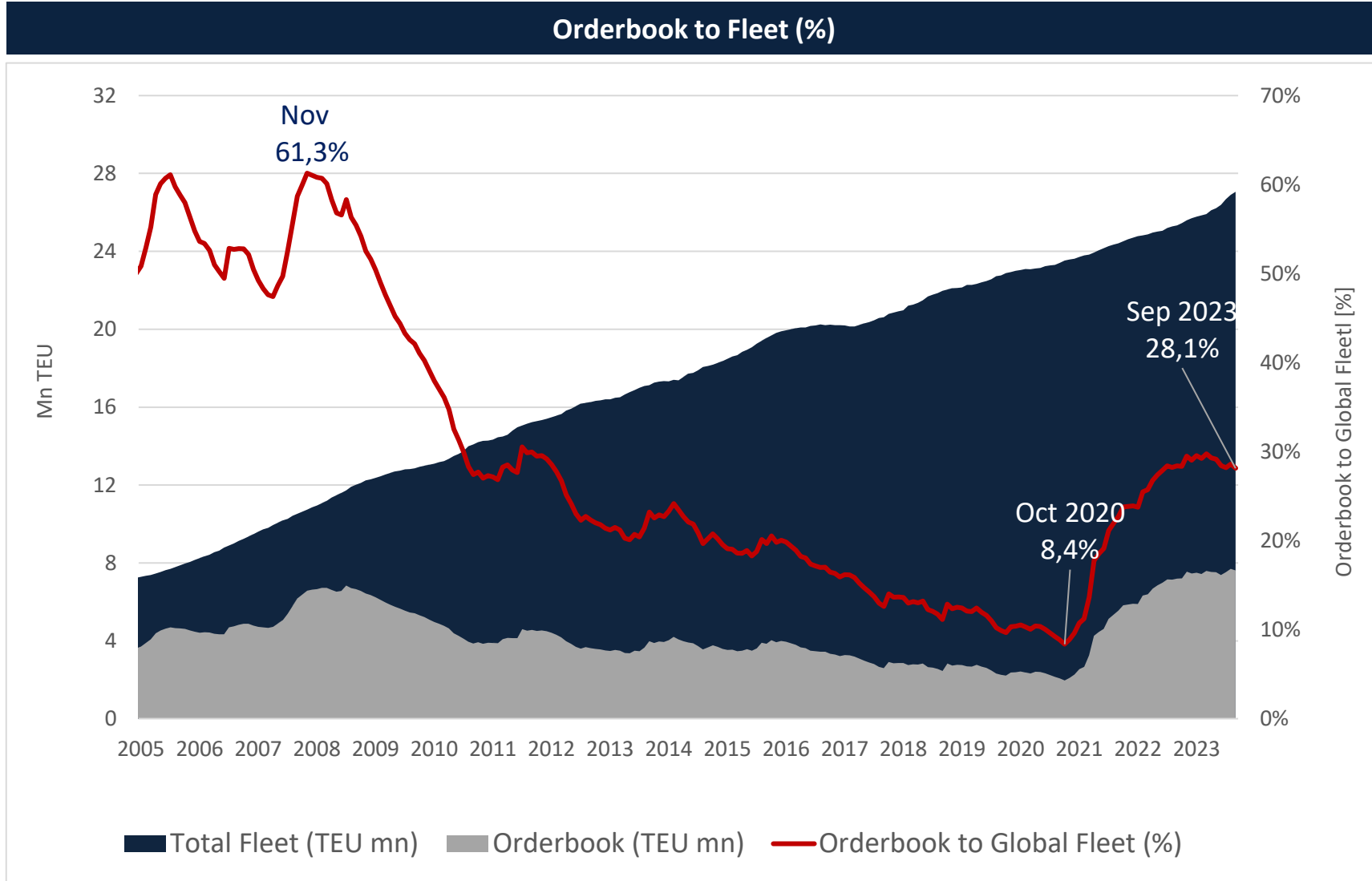
## Bunker Price Development (US\$/Ton)





# INDUSTRY

## SUPPLY **EVOLUTION** THROUGHOUT THE YEARS



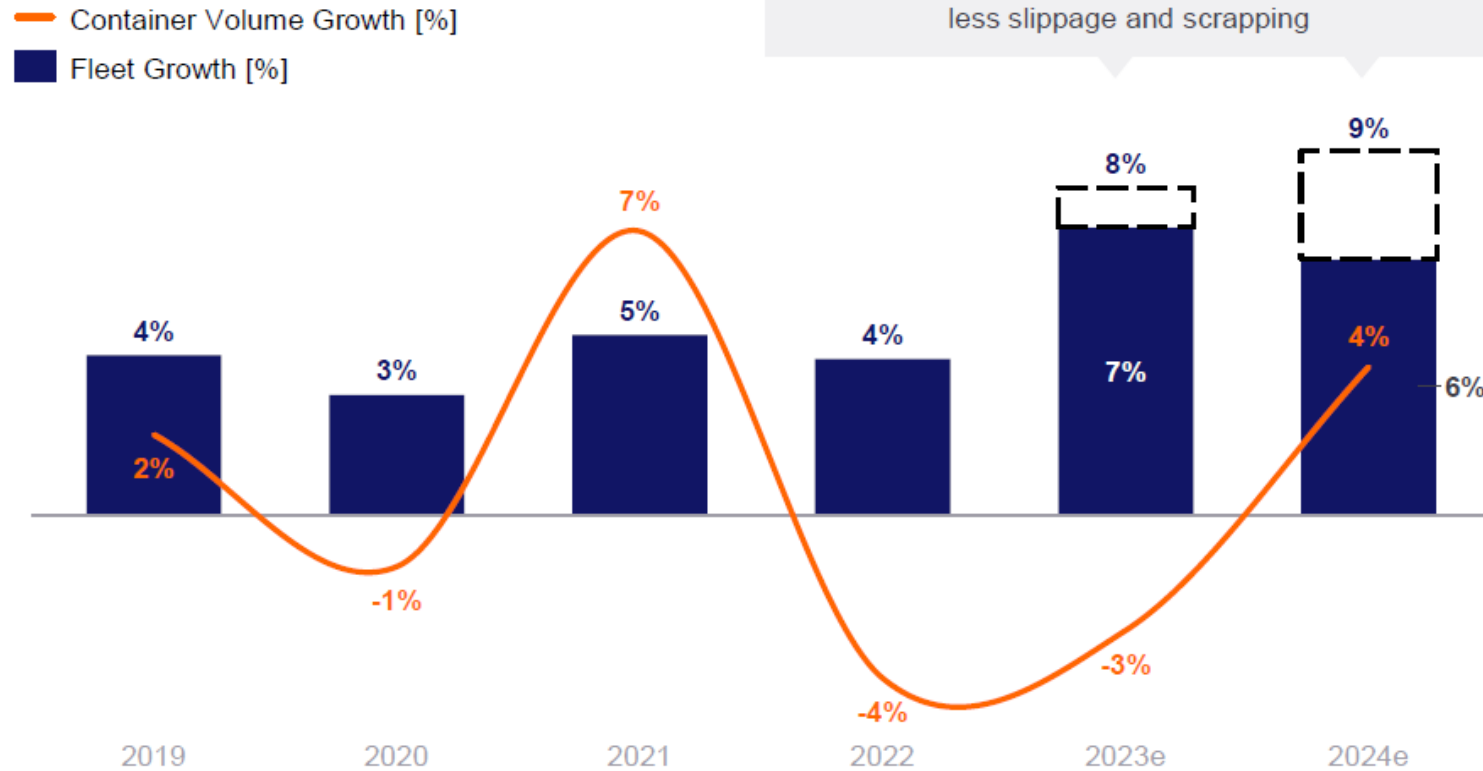
- + Demand activity yet to be seen
- + New capacity will likely exceed demand in the next quarters
- + Scrapping, slippage and slow steaming might offset newbuild supply partly



# INDUSTRY

## ZOOM TO THE SUPPLY/DEMAND BALANCE

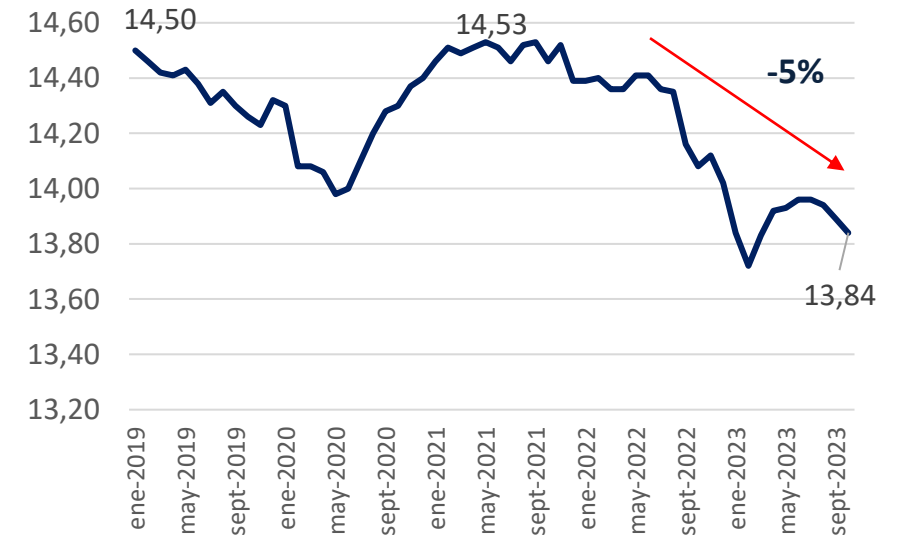
### Supply & Demand Balance



### Considerations

Fleet Average Age in 2010	10.0 years
Fleet Average Age today:	14.2 years
Scrapping 2019-today	1.9%

### Average Speed (knots)

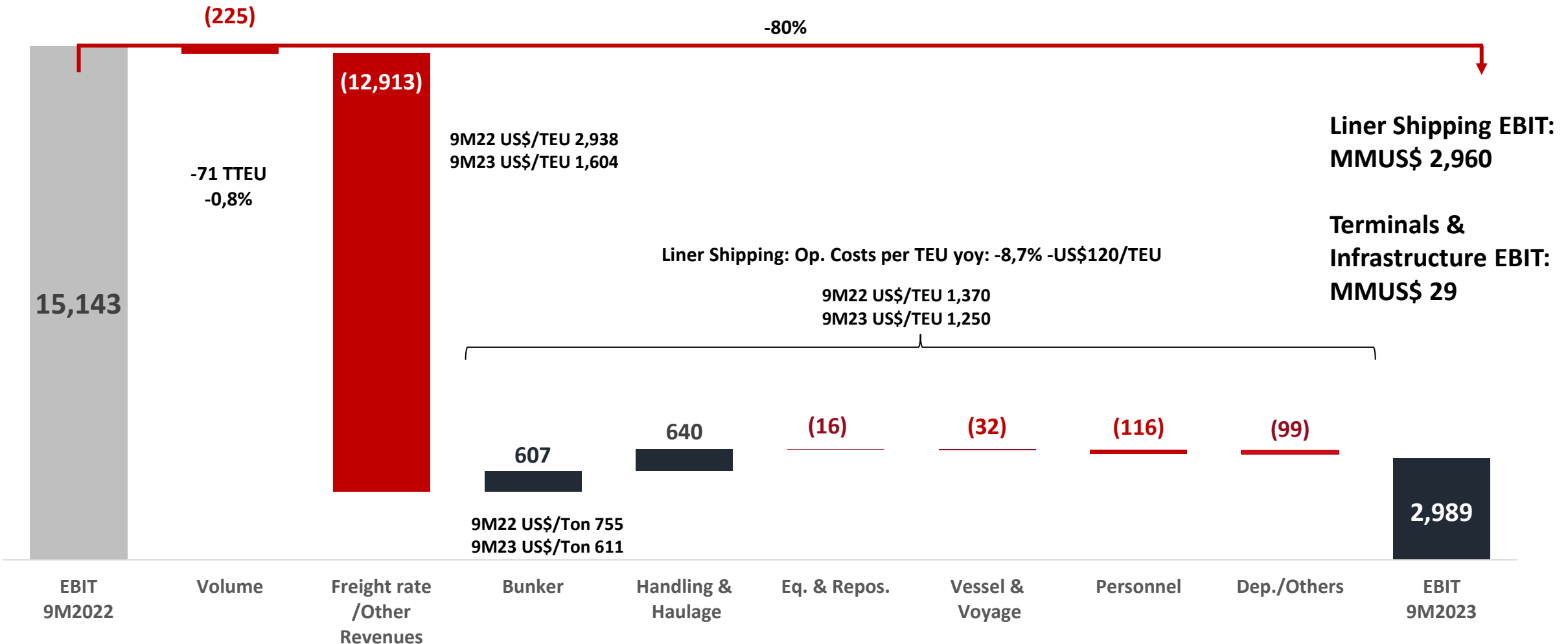




# HLAG'S RESULTS

FREIGHT RATES ACCOUNT FOR MOST OF THE DECLINE, PARTLY OFFSET BY BUNKER AND HANDLING AND HAULAGE COSTS

## 9M22 EBIT vs 9M23 EBIT MMUS\$



Note: Hapag-Lloyd Investor Report 1H23

# HLAG'S RESULTS BY SEGMENT

TERMINAL CONTRIBUTION CONSIDERED SINCE: SPINELLI AS OF 01/23, JM BAXI AS OF 04/23 SAAM AS OF 08/23



**Dheeraj Bhatia**



## Terminal & Infrastructure<sup>1</sup>

USD m	9M 2023
Revenue	92.1
<b>EBITDA</b>	<b>38.4</b>
EBITDA margin	41.7%
<b>EBIT</b>	<b>29.4</b>
EBIT margin	31.9%

## SEGMENT PERFORMANCE



## Liner Shipping

USD m	9M 2023	9M 2022
Revenue	15,230	28,424
<b>EBITDA</b>	<b>4,481</b>	<b>16,557</b>
EBITDA margin	29.4%	58.3%
<b>EBIT</b>	<b>2,960</b>	<b>15,052</b>
EBIT margin	19.4%	53.0%



# LAUNCH OF A NEW CABOTAGE JOINT VENTURE IN BRAZIL

NORCOAST – 50-50 JV WITH NORSUL STARTING IN 2024

## NEW PLAYER NORCOAST



Founded by Hapag-Lloyd and Norsul as a 50-50 partnership



Weekly service offering for cabotage & feeder cargo



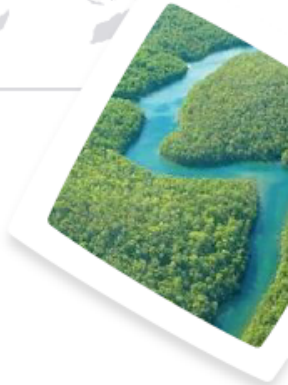
Integrated container transport and inland services

## STRATEGIC RATIONALE



- Brazil is the largest economy in South America with a constantly growing coastal transport sector
- Improved connectivity for deep-sea cargo to and from secondary ports in Brazil
- High synergy potential, such as added volumes and terminal cost savings

# Norcoast





**Jan 2024**  
First sailing



**NORSUL**  
JV partner



OUTLOOK FOR THE FULL YEAR **2023 WAS NARROWED TO CONFIRM THE 9M23 AND CHALLENGING MARKET CONDITIONS**

	FY 2022	Original Guidance FY 2023 (*)	Updated Guidance FY 2023 (*)
 <b>Transport volume</b>	11,843 TTEU	Increasing slightly	Increasing slightly
 <b>Avg. freight rate</b>	2,863 USD/TEU	Decreasing clearly	Decreasing clearly
 <b>Avg. bunker consumption price</b>	753 USD/mt	Decreasing clearly	Decreasing clearly
 <b>EBITDA</b>	USD 20,474 m	USD 4,300-6,500 m	USD 4,500-5,500 m
 <b>EBIT</b>	USD 18,467 m	USD 2,100-4,300 m	USD 2,400-3,400 m

(\*) In view of the current situation in Ukraine and Israel and the current inflation the forecast is subject to considerable uncertainty.

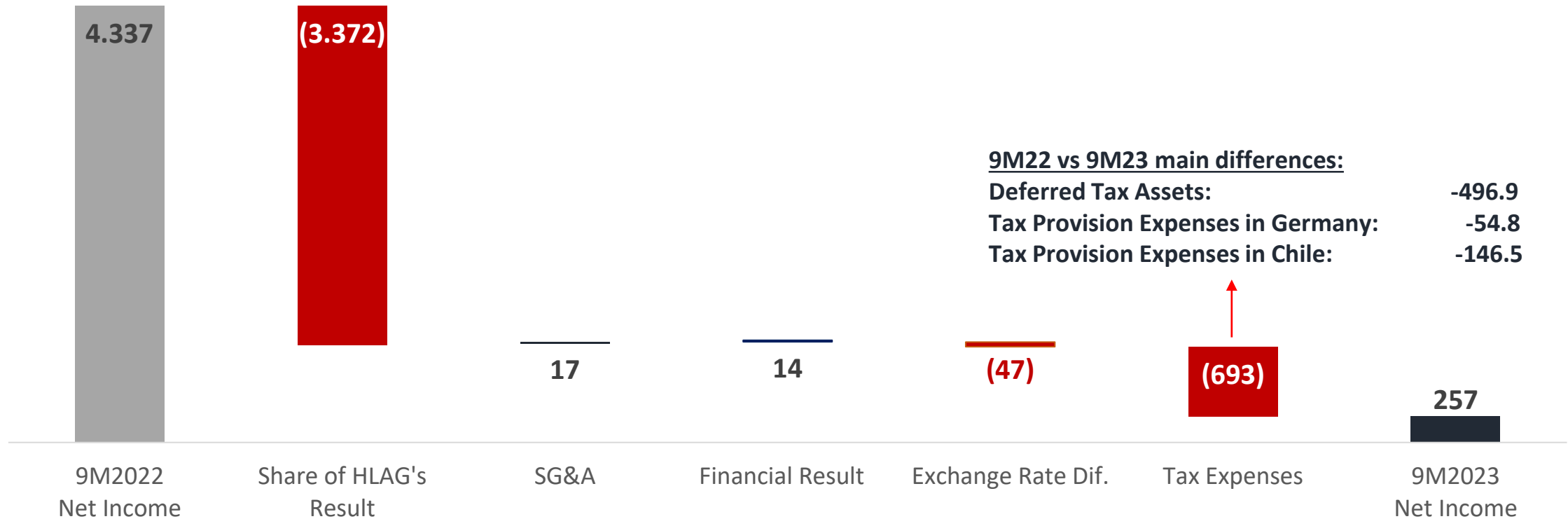
ACC EBITDA 9M23: MMUS\$ 4.519 / ACC EBIT 9M23: MMUS\$ 2.989



# CSAV's RESULTS

9M22 vs 9M23

## Net Income 9M22 vs 9M23







# CSAV's RESULTS

## RETENTIONS BALANCE 3Q23

Current Tax Assets MMUS\$	as of Sep 30th	as of Dec 31st
Remaining VAT tax credit	1.4	1.1
Income tax to recover	1,146.2	512.7
Credits for taxes paid abroad	239.2*	0,0
<b>Total current tax assets</b>	<b>1,386.7</b>	<b>513.8</b>

In August, CSAV Germany received a refund of MMEUR 487 associated with the Hapag-Lloyd dividend of the previous year. The net amount received in Chile reached MMEUR 353 (affecting the provision for income tax expenses in Chile).

Note: (\*) Total WHT – 15,825% for the period is 239.2 + 146.5 = 385.7. 146.5 are provisioned as income tax expenses.

Retentions Balance as of August 8, 2023						
Dividend Entity	Payment Date	Dividend [EUR mn]	Retention Rate [%]	Retention [EUR mn]	Refund Entity	
Hapag-Lloyd	May 8, 2023	3,322	26.375%	876*	CSAV Germany	
CSAV Germany	May 8, 2023	1,732	10.550%	183	CSAV Chile	
CSAV Germany	August 8, 2023	480	10.550%	51	CSAV Chile	
<b>Total</b>				<b>1,110**</b>		

Notes: (\*) Tax payment of 1,61% over the gross dividend paid by HLAG will be offset the tax refund. Dividend payment to Chile will be subject to a new retention of 26.375% (15.825% of WHT and 10.550% of Tax refund).

(\*\*) EUR/USD exchange rate fluctuation will remain unhedged.



# CSAV's RESULTS

## BALANCE SHEET 3Q23 vs 4Q22

ASSETS	As of September 30,	As of December 31,	Change	
	2023	2022	%	MM US\$
	MM US\$	MM US\$		
<b>Current assets</b>	<b>1.782,5</b>	<b>611,4</b>	<b>191,6%</b>	<b>1.171,1</b>
Cash and cash equivalents	395,3	97,2	306,7%	298,1
Current tax assets	1.386,7	513,8	169,9%	872,9
Other	0,4	0,4	20,5%	0,1
<b>Non-current assets</b>	<b>6.534,8</b>	<b>9.685,2</b>	<b>(32,5%)</b>	<b>(3.150,4)</b>
Equity method investments	6.519,7	9.169,7	(28,9%)	(2.650,0)
Deferred tax assets	2,2	502,3	(99,6%)	(500,0)
Investment property and Other	12,9	13,3	(2,8%)	(0,4)
<b>Total assets</b>	<b>8.317,3</b>	<b>10.296,6</b>	<b>(19,2%)</b>	<b>(1.979)</b>

LIABILITIES AND EQUITY	As of September 30,	As of December 31,	Change	
	2023	2022	%	MM US\$
	MM US\$	MM US\$		
<b>Current liabilities</b>	<b>126,4</b>	<b>2.272,0</b>	<b>(94,4%)</b>	<b>(2.145,6)</b>
Financial liabilities, current	2,1	560,9	(99,6%)	(558,8)
Commercial and others, current	15,9	17,7	(10,0%)	(1,8)
Tax Liabilities, current	27,6	9,8	181,6%	17,8
Other	80,8	1.683,6	(95,2%)	(1.602,8)
<b>Non-current liabilities</b>	<b>106,3</b>	<b>110,1</b>	<b>(3,5%)</b>	<b>(3,8)</b>
Financial liabilities, non-current	99,7	99,6	0,1%	0,1
Other	6,6	10,5	(37,1%)	(3,9)
<b>Total equity</b>	<b>8.084,6</b>	<b>7.914,5</b>	<b>2,1%</b>	<b>170,1</b>
<b>Total liabilities and equity</b>	<b>8.317,3</b>	<b>10.296,6</b>	<b>(19,2%)</b>	<b>(1.979)</b>

### Main reasons in MMUS\$

- + 26,375% Retention Paid (EUR +876 mn): +900 mn
- + 26,375% Retention Received (EUR +487 mn): -513.8 mn
- + 10,550% Retention Paid (EUR +234mn): +246.7 mn
- + 15,825% WHT Paid (Tax Credit): +239 mn
- + EUR/USD exchange effect over EUR balance & others

- + Gross Dividend from HLAG: -3,660 mn
- + Share 9M23 HLAG Result: +1,020 mn
- + Other Reserves: -10 mn

- + Tax Losses: -497 mn
- + Others: -3 mn

- + 2022 Retention Loan: -520 mn
- + Net Security loan: -35 mn
- + Itaú loan paid: -5 mn
- + Others: +1.2 mn

- + Dividend payment: -1.669 mn
- + 9M23 Dividend provision: +77 mn

- + Net Income for the period: +257 mn
- + 9M23 Dividend Provision: -77 mn
- + Other reserves: -9.8 mn



# CSAV's RESULTS

## CASH FLOW 3Q23 vs 4Q22

Statements of Cash Flow	As of September 30,		Change	
	2023	2022		
Cash and cash equivalents at the beginning of the period	97,2	23,7	310,3%	73,5
<b>Cash flows from operating activities</b>	<b>(688,9)</b>	<b>(22,1)</b>	<b>3012%</b>	<b>(666,8)</b>
Payments from operating activities	(27,6)	(22,1)	25%	(5,4)
Income taxes and other	(661,3)	(0,0)	-	(661,3)
<b>Cash flows from investing activities</b>	<b>3.242,8</b>	<b>1.467,9</b>	<b>121%</b>	<b>1.774,9</b>
Dividends received	3.660,1	1.989,8	84%	1.670,3
Other inflow (outflow) of cash	(429,1)	(524,8)	(18%)	95,7
Purchase (sale) of property, plant and equipment	(0,0)	1,9	(102%)	(2,0)
Interest received and other	11,8	1,0	1064%	10,8
<b>Cash flows from financing activities</b>	<b>(2.232,2)</b>	<b>(1.326,2)</b>	<b>68%</b>	<b>(906,0)</b>
Loans received (paid), net	(577,9)	59,3	(1075%)	(637,2)
Dividends paid	(1.643,7)	(1.371,3)	20%	(272,4)
Interest paid and other payments	(10,5)	(14,2)	(26%)	3,7
<b>Exchange rate effect</b>	<b>(23,6)</b>	<b>(33,1)</b>	<b>(29%)</b>	<b>9,5</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>298,1</b>	<b>86,5</b>	<b>245%</b>	<b>211,6</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>395,3</b>	<b>110,2</b>	<b>259%</b>	<b>285,1</b>

### Main reasons in MMUS\$

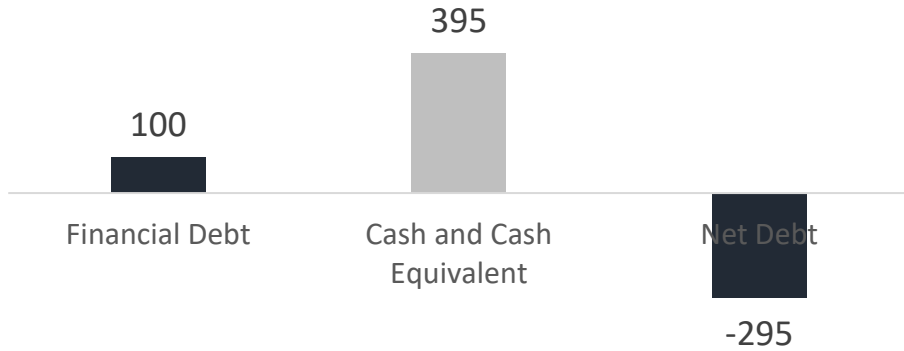
- + 15,825% WHT paid (Tax Credit): -386 mn
- + 10,550% Retention paid: -257 mn
- + Income Tax paid in Germany for 2022: -19 mn
- + Higher G&A & HR expenses: -6 mn

- + Higher HLAG net dividend: +1.766 mn
- + Higher interest on time deposits: +11 mn
- + 2022 Net asset sale: -2 mn

- + Higher net loan payments -637mn
- + Higher dividend payment: -272 mn
- + Lower financial costs: +4 mn

**CSAV's RESULTS**  
**KPI's 3Q23 vs 4Q22**

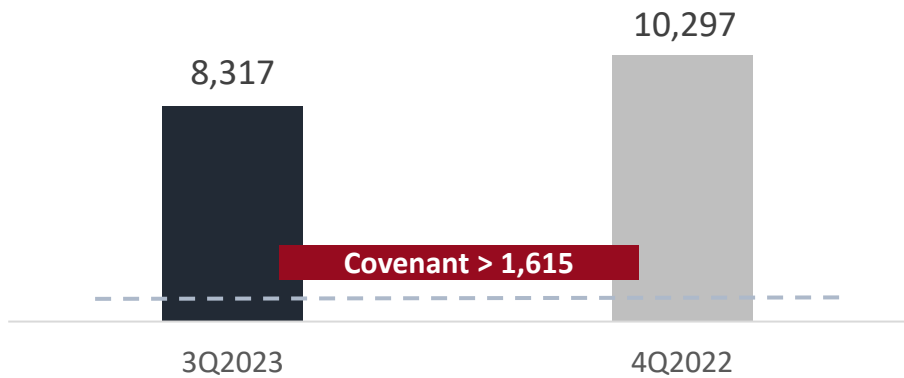
**Net Debt (MMUS\$)**



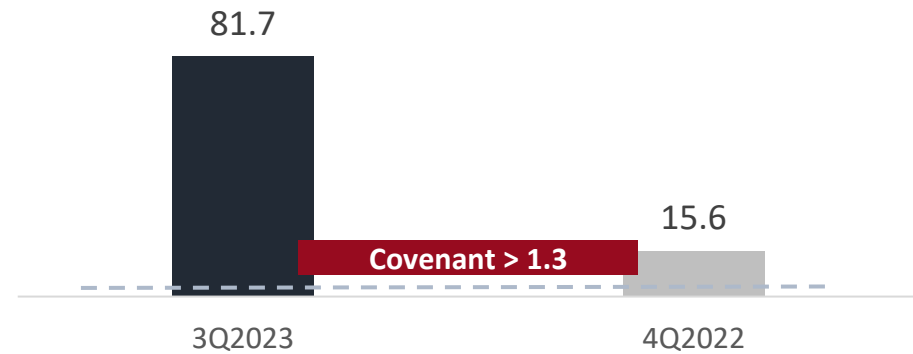
**Leverage**



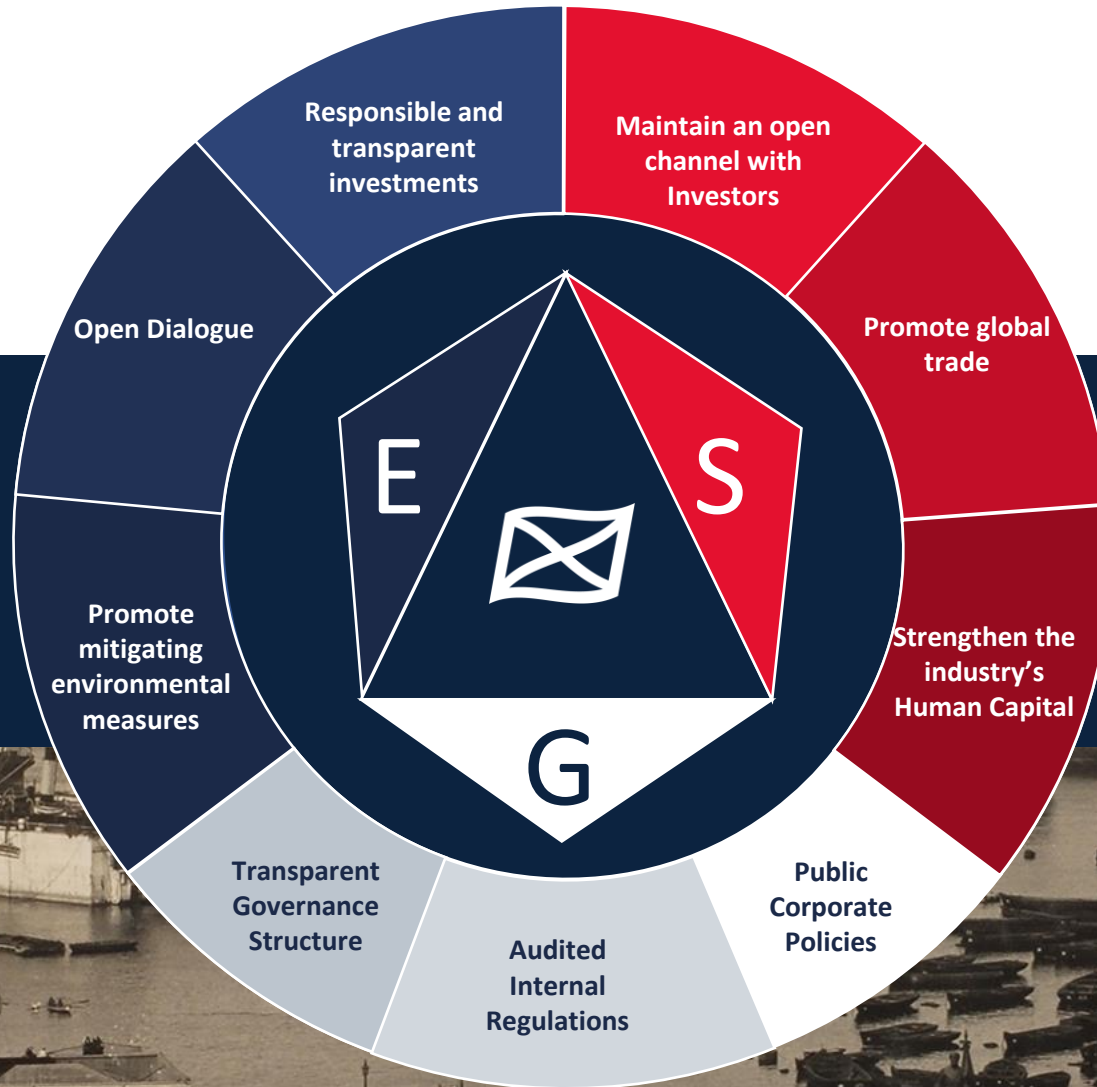
**Total Assets (MMUS\$)**



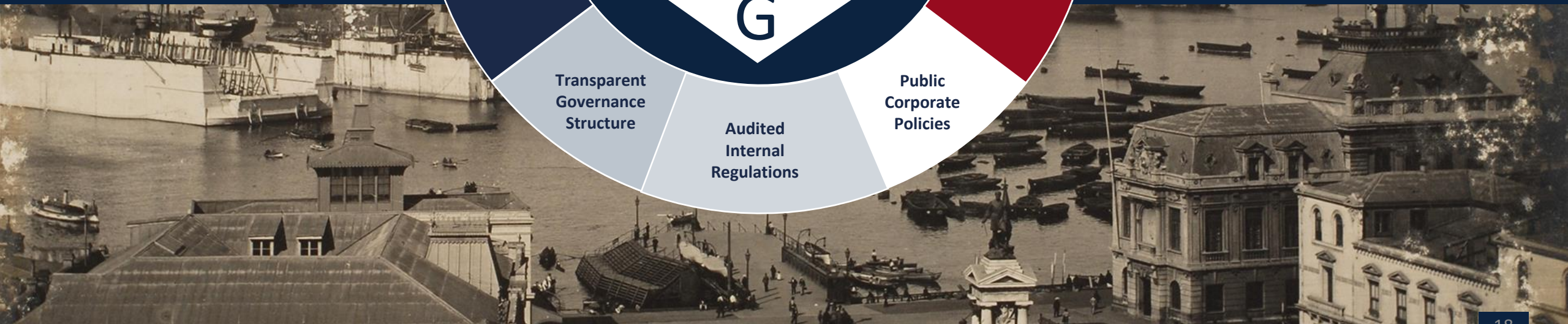
**Free Asset Ratio (%)**



Notes  
 Leverage: Liabilities/Equity  
 Free Asset Ratio: Assets / Financial Liabilities



**WE ARE AN ACTOR IN THE  
SUSTAINABLE DEVELOPMENT  
OF GLOBAL TRADE**







ESG – RECENT EVENTS







ESG – RECENT EVENTS







ESG – RECENT EVENTS







### ESG – RECENT EVENTS





## CLOSING REMARKS

# CSAV



- Efficient vehicle to invest in Hapag-Lloyd
- Solid balance sheet
- Decreasing results due to market normalizing and tax provisions for 2023
- US\$ 1.4 bn in current tax assets



## Hapag-Lloyd, CSAV's main investment

- + Weak Demand for container transport during 9M23
- + Adapting to a challenging market environment by improving the cost base
- + Consolidate terminals & infrastructure new segment and leverage synergies
- + 2023 Outlook updated: Decrease in earnings and weaker market conditions

IR TEAM CONTACT - [investor@csav.com](mailto:investor@csav.com)





150 años



ANNEXES

# HLAG'S RESULTS

**9M23 CHALLENGING MARKET ENVIRONMENT:** EBITDA 73% DOWN

## Capacity



**264**  
Total  
vessels



**1,952 TTEU**  
Aggregate vessel  
capacity



**2,902 TTEU**  
Aggregate container  
capacity

## Financial Results

	9M23	9M22	Δ%
Transported volume (TTEU)	8,916	8,987	-1%
Average freight rate (USD/TEU)	1,604	2,938	-45%
Revenue (USD mn)	15,312	28,439	-46%
Transport expenses + D,A & I (USD/TEU)	(1,250)	(1,370)	-9%
Avg. bunker price (USD/ton)	611	755	-19%
EBITDA (USD mn)	4,519	16,649	-73%
EBIT (USD mn)	2,989	15,143	-80%
Net income (USD mm)	3,425	14,665	-77%






**CSAV's RESULTS**
**9M23 vs 9M22**
*Figures in USD million*

Result	9M23	9M22	Y-o-Y
Equity-accounted investees	1,019.9	4,391.4	(3,371.5)
SG&A and Other Op. Income	(9.8)	(26.6)	(16.8)
<b>Operational Result (with equity-accounted investees)</b>	<b>1,010.2</b>	<b>4,364.8</b>	<b>(3,354.7)</b>
Financial result & ex. rate diff.	(54.9)	(22.7)	(32.2)
Taxes	(698.2)	(5.0)	(6.2)
Net income	257.0	4,337.0	(4,080.0)

*Results were driven mainly by the good performance of Hapag-Lloyd in a challenging market, offset by the tax effect.*

