



**QUIÑENCO S.A.**

## **Performance of German Shipping Company Hapag-Lloyd Drives Quiñenco's Results for Third Quarter 2021**

- **Over 80% of net income for the period is explained by the results of that company, the holding's most global subsidiary and the main asset of Compañía Sudamericana de Vapores, where Quiñenco first invested in 2011.**
- **The Chief Executive Officer of Quiñenco, Francisco Pérez Mackenna, especially recalled “what we went through 10 years ago, when we first invested in CSAV, at one of the most difficult times during that company’s 100-year history. Today's results are the outcome of the extraordinary management efforts achieved by the company’s teams and tremendous patience from its shareholders, who took on risk and weathered numerous losses and capital increases,” he said.**
- **As of the third quarter of 2021, he also highlighted the improved performance of Quiñenco’s other companies, which recovered significantly with respect to the same period last year, marked by the impact of the pandemic.**

**Santiago, November 26, 2021.-** Today Quiñenco S.A. reported its results for the first nine months of 2021. Sustaining trends from the first half of the year, it experienced a sharp rise in net income with respect to the same period last year, fundamentally due to earnings reported by the German shipping company Hapag-Lloyd, the main asset of Compañía Sud Americana de Vapores (CSAV). Several other companies in the holding also improved, rebounding with respect to September 2020, which was marked by the health crisis’s impact on the economy.

Along with announcing the results, Quiñenco’s CEO Francisco Pérez Mackenna explained that over 80% of the company’s earnings for the first nine months of the year are due to the strong performance from the holding’s most global entity, Hapag-Lloyd, where CSAV is one of the largest shareholders. We must remember what we went through 10 years ago, when we first invested in CSAV at one of the most difficult times during that company’s 100-year history. Today's results are the outcome of the extraordinary management efforts achieved by the company’s teams and tremendous patience from its shareholders, who took on risk and weathered numerous losses and capital increases,” he said.

### **Detail of Results**

During the first nine months of 2021, Quiñenco reported Ch\$1,138 billion in net income, reflecting improved performance from all its businesses. The shipping sector performed particularly well, with 9M2021 net income of US\$6,646 million for Hapag-Lloyd, the shipping company where CSAV holds 30%. Factors shaping this result include an industry-wide rise in freight rates due to strong demand for Asian exports and global congestion at ports and inland logistics. In this context, Hapag-Lloyd also achieved 3.3% growth in transport volumes, partially offset by higher transport expenses. It is

worth noting that Quiñenco increased its share in CSAV by 4.7% during the second quarter of 2021, reaching 66.45%.

In the energy sector, Enx evolved positively, based mainly on recovering sales volumes, particularly in the service station channel in both Chile and the United States, with 16.5% growth versus the first nine months of 2020, thus regaining levels similar to 2019.

In the manufacturing sector, the French multinational Nexans performed well as of June 2021 (it only reports bi-annual results), reversing the losses from the same period last year, with net income of €81 million, due to 74.7% growth in operating income. Recently, Nexans inaugurated a high voltage subsea cable plant in Charleston, South Carolina, the first facility of that kind in the United States, marking a very important milestone in the deployment of the company's global strategy.

In the financial segment, for the period ended September 2021, Banco de Chile reported a 51.1% rise in net income, showing a recovery after the impact of the public health crisis in 2020. This performance is explained primarily by a drop in loan loss provisions as a result of improved credit quality ratios during the period, marked by diverse measures implemented to support individuals and companies, especially SMEs, in dealing with the pandemic.

In the beverage sector, CCU's contribution to the company's bottom line grew significantly, based on a strong performance from all operating segments. During the period, sales volumes climbed as a result of a recovery in consumption, despite a still challenging context because of the pandemic, coupled with revenue management and cost efficiency initiatives. During the second quarter, IRSA, a joint venture owned equally by Quiñenco and Heineken and controller of CCU, carried out a successful Public Offering to acquire shares, increasing its holding from 60% as of December 2020 to 65.9% as of June 2021.

Finally, in port services, SM SAAM increased its contribution to Quiñenco's net income by 38.3%, with positive performance across its three divisions, with logistics reflecting a larger interest in Aerosan and a recovery in import volumes; towage driven by the Intertug acquisition in January 2021; and ports boasting a rebound in throughput. All three areas benefited from the strong restocking process in foreign trade. During the third quarter of 2021, Quiñenco acquired an additional 3.7% interest in SM SAAM, thus reaching 55.9% ownership.

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**Quiñenco** is one of the most diversified corporate conglomerates in Chile. It has investments in leading companies in the financial, beverage, manufacturing, energy, transport and port services industries, which together employ over 68 thousand people in Chile and abroad. More information is available at [www.quinenco.cl](http://www.quinenco.cl)