



Quiñenco's Quarterly Results Reflect More Normalized Post-Pandemic Markets

- Although the holding company reported a decrease in net income compared to the same period last year, it emphasized that the results are positive, with strong operational performance from its companies in a context of greater post-pandemic normalcy.
 - Francisco Pérez Mackenna, Quiñenco's CEO, highlighted the favorable moment the company is going through and was optimistic about the "challenging" economic context in Chile and the world.
-

Santiago, May 29, 2023.- After a year of "exceptional" results, as Francisco Pérez Mackenna described them at the most recent annual general shareholders' meeting, Quiñenco reported a trend towards a more normalized performance during the first quarter of 2023.

During the period, Quiñenco's net income reached Ch\$407,030 million, which represented a 51.4% drop compared to the first quarter of 2022, primarily reflecting the lower results of Compañía Sud Americana de Vapores (CSAV) and its main asset, the German shipping company Hapag-Lloyd, in a context of normalizing global supply chains and weakened demand for containerized transport since the end of 2022.

Enx, Banco de Chile, SM SAAM and CCU also decreased their relative contributions compared to the first quarter of 2022, while at the corporate level Quiñenco enjoyed stronger earnings, driven by greater finance income.

"The year 2022 was an exceptional period, with historic results for several of our companies, and in the first quarter what we see is a trend towards very positive performance that also responds to a more normalized market context," said Francisco Pérez Mackenna, CEO of Quiñenco.

The executive explained that "the markets have begun to normalize after the disruptions in logistics and consumption caused by the pandemic, which have had an impact on the results of our subsidiary CSAV. The reduction in freight rates should accompany us throughout the year according to guidance provided by Hapag-Lloyd."

In addition, Pérez Mackenna highlighted the company's financial strength in the midst of an uncertain global context. "Recently, in January of this year, we issued a bond that was very favorably received by the market; Fitch Ratings upgraded our risk rating; and our subsidiaries are recording solid results that allow us to look towards the future with optimism. There is no doubt that the context is challenging, but we are confident that we have the tools to overcome it adequately."

Finally, Quiñenco's CEO affirmed that "this is a time of high uncertainty for the domestic and global economy. It is imperative to resume growth, boost investment and promote formal employment in order to recover dynamism."

Earnings by Segment

In the **transport sector**, CSAV reflected the performance of Hapag-Lloyd, which reported net income of US\$2,028 million in 1Q23, representing a decrease of 56.7% over 1Q22. At the industry level, continuing the trend observed at the end of 2022, demand for containerized transport was weaker and global supply chains were returning to normal, leading to lower average freight rates.

In the **financial segment**, Banco de Chile recorded an 8.8% decrease in net income, primarily due to higher operating expenses during the quarter, which were mitigated by an increase in revenue, driven by a higher contribution from demand deposits. Expected credit losses increased, especially in the retail segment, reflecting a normalization of credit portfolio quality indicators. On the other hand, however, in this quarter no additional provisions were established, unlike in the previous period.

In **energy**, Enx reduced its contribution to consolidated earnings by 37.1%, despite 28.1% growth in revenue, due to the unfavorable impact of inventory revaluation during the period as a result of the downward trend in fuel prices during the quarter, as well as an increase in expenses.

In **port services**, SM SAAM's net income was affected by a weaker performance from port terminals and inland logistics included in discontinued operations, mainly explained by decreased activity, while the towage unit reported good results, driven by growth in the number of maneuvers and new operations acquired in Peru. It is worth noting that Quiñenco increased its stake in SM SAAM from 59.7% as of March 2022 to 61.0% at the end of March 2023.

Finally, in the **beverage sector**, CCU's net income decreased 9.6% compared to the first quarter of 2022. The Wine segment faced a particularly challenging context with a drop in volumes, particularly in the export category. The Chile and International Business segments, however, performed well, thanks to the favorable impact of revenue management initiatives and, in the case of Chile, more resilient sales volumes.

With more than 65 years in business, Quiñenco is one of the most diversified and global groups in Chile. The company, along with the 74 thousand employees of its subsidiaries and associates, develops enterprises and seeks to contribute to the progress of all the countries where it operates.

*Through Banco de Chile, CCU, Nexans, Enx, CSAV and SM SAAM, Quiñenco contributes to the sustainable progress of people, working with **excellence, integrity and respect**. More information is available at www.quinenco.cl.*