



QUIÑENCO S.A.

Quiñenco's results continue normalization trend after historic 2022 performance

- **The company reported net income of Ch\$725,753 million as of September 2023, down 73.3% from the same period last year, but higher than the years before the pandemic.**
- **The results also reflect the non-recurring contribution of two transactions recorded in the first nine months of the year: the sale of SM SAAM's port business to Hapag Lloyd and Quiñenco's divestment of approximately one-third of its stake in Nexans.**
- **Quiñenco's CEO, Francisco Pérez Mackenna, explained, "This has been a year of normalization after 2022's exceptional results. However, all the companies where we hold a stake are demonstrating their strength and robust performance in very challenging markets."**

Santiago, November 28, 2023. Today, Quiñenco reported results for the first nine months of 2023, recording net income of Ch\$725,743 million, 73.3% lower than the same period last year. The difference is explained by the normalization of the holding company's businesses' performance following the previous year's record results. On the other hand, during the first nine months of the year, non-recurring gains generated by the sale of SM SAAM's port terminals and land logistics operations to Hapag-Lloyd, and the sale of approximately one-third of Invexans' stake in the French multinational Nexans, were noteworthy. Together, the operations generated a profit of approximately Ch\$325,954 million for Quiñenco.

"This has been a year of normalization after 2022's exceptional results. However, all the companies where we hold a stake are demonstrating their strength and robust performance in very challenging markets," explained Quiñenco CEO Francisco Pérez Mackenna. The executive pointed out that the drop in net income at CSAV and its main asset, Hapag-Lloyd, whose performance drove Quiñenco's results last year, was in a context of supply chain regularization and the consequent drop in container shipping rates.

"We are experiencing a challenging global context with geopolitical tensions and the expectation that the availability of financial resources will tighten. Nevertheless, we are confident that our companies are well-positioned to face these conditions and continue contributing to the progress of the countries where we operate," concluded Pérez Mackenna.

Results by Sector

In the **transport** sector, CSAV mainly reflected the performance of Hapag-Lloyd, which reported net income of US\$3,413 million as of September 2023, 76.7% lower than the same period last year. The change is primarily explained by a 45.4% drop in the average shipping rate. Additionally, CSAV recorded a relevant income tax expense for dividends received from its subsidiary in Germany. In August, CSAV received a €487 million refund of a withholding tax on the dividend received from Hapag-Lloyd last year.

In the **financial** sector, Banco de Chile recorded a 19.3% decrease in net income, mainly due to lower operating revenues, largely impacted by lower inflation relative to the same period last year, and greater operating expenses. Although expected credit losses were affected by a general deterioration in credit quality, the provision for credit losses was lower than in the previous period because no additional allowances were recorded this year.

In **energy**, Enex's revenue grew 10.8%. However, its contribution to the holding's net income fell by 65.2%, largely due to the unfavorable impact of inventory revaluation during the period as a result of the trend in fuel prices. Total volumes shipped in the first nine months of 2023 reached 3.6 million cubic meters, up 2.3%.

In **port services**, SM SAAM's net income reached US\$486 million, primarily attributable to the sale of the port terminals and land logistics businesses to Hapag-Lloyd for US\$994 million, materialized on August 1, 2023. In towage, operating performance improved, driven by growth in maneuvers and the new operations acquired in Peru and Brazil, whereas air cargo logistics was negatively impacted by lower volumes transported. It is worth noting that Quiñenco increased its stake in this subsidiary from 59.7% as of September 2022 to 61.0% at the end of September 2023.

In the **manufacturing** sector, Nexans does not publish results as of September. Therefore, its contribution to Quiñenco's results reported as of June remains unchanged with the decrease of 59.6%, reflecting the reduction in the holding company's stake from 29.2% in June 2022 to 19.3% in June 2023. During the first half of the year, the French multinational's earnings totaled €132 million, 33% lower than last year.

Finally, in the **beverage sector**, CCU's net income fell 10.4% despite good operating performance in the Chile and International Businesses segments, partly due to the impact of foreign exchange losses in Argentina and lower performance in the Wine segment. At the IRSA level, however, CCU's lower results were more than offset by the favorable impact of lower inflation on its indexed liabilities. Thus, its total contribution to Quiñenco's results increased to Ch\$18,226 million.

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, Enex, 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.*