



**QUIÑENCO S.A.**

## **International Businesses Drive Quiñenco's Results in 2021**

- **The improved performance is explained primarily by the earnings of the German shipping company Hapag-Lloyd, the holding's most global asset and the main business of Compañía Sud Americana de Vapores, along with strong results from Nexans, Banco de Chile, CCU, Enex and SM SAAM.**
- **Quiñenco's CEO Francisco Pérez Mackenna thanked the teams from all group entities, "which were able to overcome the impact of the public health crisis and perform exceptionally in 2021" and he added that these good results "are largely the result of the successful internationalization strategy we undertook many years ago."**

**Santiago, March 30, 2022.-** Today Quiñenco S.A. reported its results for the year 2021. Sustaining the trend observed during the first nine months of the year, results show a sharp rise in net income with respect to last year, particularly in the last quarter, fundamentally due to earnings from the German shipping company Hapag-Lloyd, the main asset of Compañía Sud Americana de Vapores (CSAV). The other companies in the holding also improved with respect to 2020, when the global economy was still reeling from the impact of the public health crisis.

Along with announcing the results, Quiñenco's CEO Francisco Pérez Mackenna thanked the teams from all group entities, "which were able to overcome the impact of the public health crisis and perform exceptionally in 2021" and he added that these good results "are largely the result of the successful internationalization strategy we undertook many years ago." "This isn't an easy time to be investing: the pandemic is not over; global trade is contingent on the geopolitical crisis sparked by Russia's invasion of Ukraine, and locally we are in the middle of a political process with an uncertain outcome. However, we know that we have the appropriate strategy to move forward, with a long-term international outlook, and to continue contributing to the development of Chile and all the other places where we operate," explained Pérez Mackenna.

### **Results in Detail**

Quiñenco reported net income of Ch\$1,893 billion for the year 2021, attributable to strong performance across all businesses during the period. The shipping sector performed particularly well, with 2021 net income of US\$10,738 million for Hapag-Lloyd, the shipping company where CSAV holds 30%. This result can be explained by growth in shipping freight rates stemming from the sustained disruption in global supply chains and strong demand for Asian exports. In that context, while Hapag-Lloyd achieved a slight rise in volumes, it recorded a large increase in revenue due to the higher rates, partially offset by greater 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 manufacturing sector, the French multinational Nexans posted net income of €164 million in 2021, more than double its 2020 results, with a rise of 54.9% in operating income and growth across all operating segments. It also reported lower restructuring costs and a favorable impact from inventory valuations. Milestones for this company included inaugurating the first high voltage subsea cable plant in the United States (located in Charleston, South Carolina) and commissioning the Aurora, a new specially designed, high-tech vessel for installing and maintaining subsea cables.

In the financial segment, Banco de Chile rebounded from the impact of the public health crisis in 2020 with a 71.2% rise in net income in 2021. This performance is explained primarily by greater operating revenues and a drop in loan loss provisions as a result of below-trend delinquency indicators during the period. During the last quarter of 2021, Banco de Chile placed US\$500 million in 10-year bonds in international markets, thereby diversifying its financing structure.

In energy, Enx evolved well, based mainly on a sustained recovery in sales volumes, particularly in the service station channel both in Chile and the United States. During the year volumes grew 17.8% over 2020, returning to levels similar to 2019. In 2021, the company carried on with its plan to invest in new service stations and convenience stores in the three countries where it operates: Chile, the U.S. and Paraguay. In the latter, eight new Enx-branded stations were opened.

In the beverage sector, CCU's contribution to Quiñenco's bottom line grew significantly, due to a strong performance from its diverse operating segments. During 2021, sales volumes climbed as a result of a recovery in consumption, coupled with revenue management and cost efficiency initiatives. During the second quarter, IRSA, a joint venture owned equally by Quiñenco and Heineken and controlling shareholder of CCU, carried out a successful Public Tender Offer, thus increasing its stake to 65.9%.

Finally, in port services, SM SAAM increased its contribution to Quiñenco's net income by 21.7%, with positive performance across its three divisions, with logistics reflecting a larger interest in Aerosan and recovering import volumes; towage driven by the Intertug acquisition in January 2021; and ports boasting a rebound in throughput. Furthermore, all three areas benefited from strong activity in foreign trade. During the third and fourth quarters of 2021, Quiñenco acquired an additional 7.5% interest in SM SAAM, reaching 59.7% ownership as of year end.

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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)