Sociedad Matriz SAAM S.A.

EARNINGS REPORT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Corresponding to the year ended December 31, 2023, in thousands of US dollars
Information about conference call:
March 14, 2024, 11:00 am Chile – 09:00 AM EST, the company will present its results for 4Q2023
Please use the following link to join the call:
SMSAAM4Q2023INVESTORCONFERENCECALL

The financial information to be presented will be available at www.saam.com in the Investors section. A Q&A feature will be available during the presentation to submit questions, which will be answered at the end.

Santiago, March 8, 2024

SM SAAM S.A., performed well for the year ended December 2023, reporting net income of US$501 million, compared to US$48 million in 2022.

These greater earnings include a net gain of US$422 million on the sale to Hapag-Lloyd of 100% of the shares of SAAM Ports S.A. and SAAM Logistics S.A., as well as certain real estate properties (the "Transaction").

"The sale of our port terminal and inland logistics operations to Hapag-Lloyd marks a milestone for our company and leaves us in a solid position to move forward on the path we have set for ourselves: to lead the consolidation process in the towage industry and grow in air cargo logistics services," said SAAM's CEO, Macario Valdés.

Consolidated sales reached US$540 million, a 17% increase over last year, while EBITDA was 9% greater than in 2022, totaling US$160 million.

Milestones during the year include:

Towage Division:

- SAAM Towage's recognition as "Tugowner of the Year" by Tug Technology.
- Acquiring 21 tugs from Starnav, positioning the company as one of the leaders in Brazil, the main market in the region.
- Receiving the first two electric tugs for the Port of Vancouver in Canada.

Aerosan:

- Renewing the concession to operate the Santiago export terminal for 5 more years.
- Closing agreement to acquire air cargo logistics company at Quito airport (Ecuador).

Other milestones:

- Closing the transaction with Hapag Lloyd, with a gain of US$422 million.
- Board approval of an interim dividend of US$125 million, the largest in the company's history.
- Being selected for the Dow Jones Sustainability Chile Index and the S&P MILA Pacific Alliance Select.

Previous milestones:

- Confirmation by Feller Rate and Humphreys of AA rating with Stable outlook.
- Signing an agreement to provide services to Empresa Nacional de Petróleo, which will make Chile the first country in Latin America with an electric tug.
- Aerosan: signing a strategic alliance with Avianca Cargo to handle its export and import cargo at the Santiago airport.

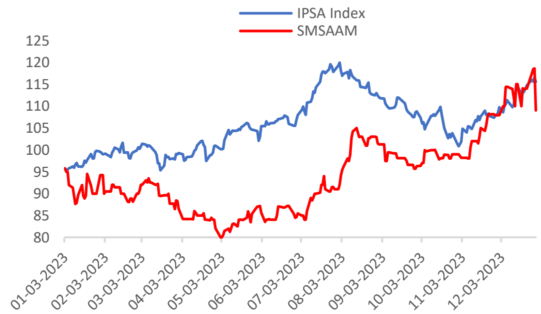
Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

Ticker: SMSAAM
Santiago Exchange

Price (12/29/2023)	CLP 109.0
Price (12/30/2022)	CLP 95.78
Market Cap (12/31/2023)	MUS$1,210

2023 Total Return Ch$

(01.03.2023 – 12.29.2023)



Investor Relations Contact
Arie Bacal
Finance Manager
abacalg@saam.cl

Jorge Cuéllar
Head of IR
jcuellarb@saam.cl

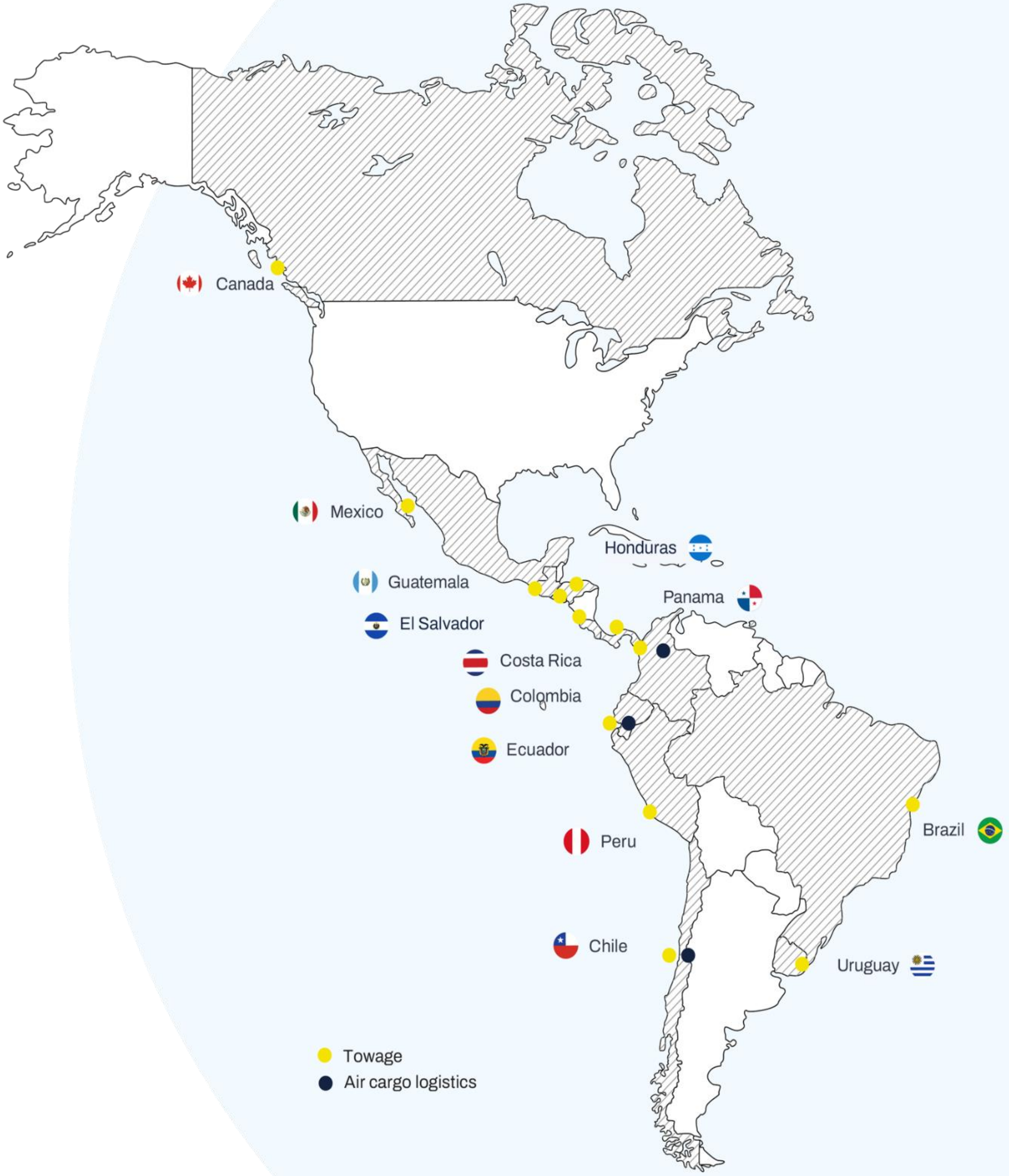
Summary of Consolidated Results

	4Q23	4Q22	Δ%	Δ	2023	2022	Δ%	Δ
Revenue (Th US$)	**144,446**	**124,379**	**16%**	**20,067**	**540,084**	**461,835**	**17%**	**78,249**
Towage	121,130	105,890	14%	15,240	460,085	390,323	18%	69,762
Other operations (1)	23,316	18,489	26%	4,827	79,999	71,512	12%	8,487
EBIT (Th US$)	**14,671**	**15,044**	**-2%**	**-373**	**64,248**	**63,542**	**1%**	**706**
Towage	15,562	17,639	-12%	-2,077	77,914	65,864	18%	12,050
Other operations (1)	-891	-2,595		1,704	-13,666	-2,322		-11,344
EBITDA (Th US$)	**40,051**	**37,918**	**6%**	**2,133**	**160,264**	**146,970**	**9%**	**13,294**
Towage	37,007	37,212	-1%	-205	159,069	135,950	17%	23,119
Other operations (1)	3,044	706		2,338	1,195	11,020		-9,825
Net income attributable to owners of the parent company (Th US$)	**14,471**	**15,659**		**-1,188**	**500,920**	**48,176**		**452,744**
Towage	8,086	9,228	-12%	-1,142	42,219	32,364	30%	9,855
Other operations (1)	6,385	773		5,612	-19,963	-1,891		-18,072
Discontinued operations (2)	0	5,658		-5,658	478,664	17,703		460,961

(1) Other operations include air cargo logistics operations, real estate assets and corporate expenses.
(2) Discontinued operations include the operations of SAAM Ports and SAAM Logistics, which consist of the entire port terminal business and inland logistics operations in Chile related to shipping, as well as real estate properties used by the latter.

Contents

Earnings Analysis



Summary of Consolidated Financial Results

Consolidated Income Statement (Th US$)	4Q23	4Q22	Δ%	Δ	2023	2022	Δ%	Δ
Revenue	**144,446**	**124,379**	**16%**	**20,067**	**540,084**	**461,835**	**17%**	**78,249**
Cost of sales	103,622	87,174	19%	16,448	382,004	323,317	18%	58,687
Administrative expenses	26,153	22,161	18%	3,992	93,832	74,976	25%	18,856
Net operating income	**14,671**	**15,044**	**-2%**	**-373**	**64,248**	**63,542**	**1%**	**706**
Depreciation & amortization	25,380	22,874	11%	2,506	96,016	83,428	15%	12,588
EBITDA	**40,051**	**37,918**	**6%**	**2,133**	**160,264**	**146,970**	**9%**	**13,294**
EBITDA Mg	**27.7%**	**30.5%**		**-2.8%**	**29.7%**	**31.8%**		**-2.1%**
Share of net income (loss) of associates	644	460	40%	184	3,014	1,662	81%	1,352
Non-operating results + Taxes	228	-5,067		5,295	-41,747	-33,018	-26%	-8,729
Net income from Continuing Operations	**15,543**	**10,437**	49%	**5,106**	**25,515**	**32,186**	-21%	**-6,671**
Net income from Discontinued Operations	**0**	**7,749**		**-7,749**	**482,462**	**27,651**		**454,811**
Minority interest	1,072	2,527	-58%	-1,455	7,057	11,661	-39%	-4,604
Net income attributable to owner of the parent company	**14,471**	**15,659**	**-8%**	**-1,188**	**500,920**	**48,176**		**452,744**

On August 1, 2023, the company closed the Transaction to sell the shares of SAAM Ports and SAAM Logistics, as well as certain real estate assets; therefore, the results of the fourth quarter and accumulated results of the current year are not directly comparable to 2022. The results for the year 2023 consider seven months of discontinued operations (July) and the effects of closing the Transaction.

Main Results for the Fourth Quarter

Revenue amounted to US$144.4 million, an increase of US$20.1 million (+16%) compared to the same quarter last year, explained by sales growth in the Towage Division (+14%) and Other operations (+26%).

Cost of sales increased by US$16.4 million (+19%) compared to the same quarter of 2022, reaching US$103.6 million, with an increase in both Towage (+17%) and Other Operations (+33%), mainly due to higher costs as a result of the growth of the company's operations and the appreciation of local currencies against the US dollar.

Meanwhile, **administrative expenses** amounted to US$26.2 million, an increase of US$4.0 million compared to the same quarter last year (+18%), explained by greater activity and growth in operations in Brazil and Ecuador.

EBITDA increased by US$2.1 million compared to the fourth quarter of 2022 (+6%), reaching US$40.1 million, due to a stronger performance in Other operations. Despite the above, the **EBITDA margin** decreased to 27.7%, mainly explained by the drop in the operating margin and higher administrative expenses.

The company's share of **net income from associates** was US$644 thousand for the period, compared to US$460 thousand for the same quarter last year. This variation can be explained primarily by greater activity at Transbordadora Austral Broom.

It reported **non-operating income and taxes** of US$228 thousand for the fourth quarter, compared to a loss of US$5.1 million for the same quarter last year. This is explained by the increase in non-operating income, mainly due to higher net financial income, and lower income tax expenses during the quarter.

The company reported **net income attributable to owners of the parent company** of US$14.5 million, down US$1.2 million compared to the last quarter of 2022 (-8%), which did include discontinued operations.

Main Cumulative Consolidated Results as of December

Revenue amounted to US$540.1 million, an increase of US$78.2 million (+17%) compared to 2022, due to a rise in towage revenue (+18%) and Other operations (+12%).

Cost of sales increased by US$58.7 million (+18%) to US$382.0 million, as a result of higher costs in Towage (+18%) and in Other operations (+21%), mainly due to greater activity in both businesses and the appreciation of local currencies against the US dollar.

Meanwhile, **administrative expenses** increased by US$18.9 million (+25%) to US$93.8 million, mainly due to growing operations and the aforementioned exchange rate effects, along with extraordinary expenses related to the Transaction.

EBITDA reached US$160.3 million (+9%) thanks to a stronger performance from the Towage business, which offset the decline in Other operations that included the aforementioned extraordinary expense. The **EBITDA margin** fell 215 bps to 29.7% (31.5% excluding the extraordinary administrative expense).

The company's **share of associate results** was a gain of US$3.0 million for the period, compared to US$1.7 million in 2022, due to greater activity at Transbordadora Austral Broom.

The Company recognized a **non-operating loss and tax expense** of US$41.8 million, which compares negatively with US$33.0 million recorded the prior year and is mainly explained by an increase in tax expenses impacted by the use of tax assets paid abroad and the effects of deferred taxes due to the evolution of local currencies.

The company reported **net income from discontinued operations** of US$482.5 million as of the reporting period, compared to net income of US$27.7 million for 2022. This improved figure is explained primarily by the after-tax gain on the Transaction with Hapag-Lloyd of US$421.9 million, considering all the effects between the signing and closing of the Transaction and the reversal of extraordinary deferred tax expenses recognized in 2022 upon applying IAS 12[1].

Net income attributable to the owners of the parent company was US$500.9 million, compared to net income of US$48.2 million in 2022.

[1] Note 41 to these interim financial statements explains in detail the closing of the Transaction and its effects on the income statement.

Consolidated Balance Sheet

The Company's assets and liabilities were affected by the closing of the Transaction, which mainly had an effect on cash and cash equivalents, assets and liabilities for disposal, financial liabilities and certain equity accounts.

Current assets increased by US$91.8 million (+10%) compared to December 31, 2022, reaching US$1,053.0 million, mainly due to the closing of the Transaction and the greater cash and cash equivalents net of the reduction in assets available for sale. Meanwhile, **non-current assets** climbed US$213.6 million to US$1,142.5 million (+23%) mainly due to an increase in property, plant and equipment associated with the acquisition of 21 tugs in Brazil. Thus, SAAM's **total assets** amounted to US$2,195.5 million, up US$305.4 million with respect to December 2022 (+16%).

Current liabilities increased by US$59.6 million to US$507.7 million (+13%), mainly explained by the effects of the increase in the minimum dividend provision (to US$151.9 million[2]), higher current tax liabilities due to the increase in the income tax provision and debt maturities reclassified from long-term to short-term, which were partially offset by the reduction in available-for-sale liabilities and the prepayment of the bridge loan taken out to purchase the tugs in Brazil.

Non-current liabilities decreased by US$67.4 million to US$498.1 million (-12%), mostly because of liability reclassifications from long term to short term.

As of December 31, 2023, **equity** totaled US$1,189.6 million, which represents an increase of US$313.3 million (+36%) compared to December 31, 2022, mainly because of the gain on the Transaction.

Balance (Th US$)	12-31-2023	12-31-2022	Δ%	Δ
Cash and cash equivalents	865,113	141,963		723,150
Other current assets	175,936	170,955	3%	4,981
Disposable assets classified as held for sale and discontinued operations	11,914	648,231	-98%	-636,317
Current assets	**1,052,963**	**961,149**	**10%**	**91,814**
Property, plant & equipment (net)	852,421	675,351	26%	177,070
Other non-current assets	290,106	253,564	14%	36,542
Non-curent assets	**1,142,527**	**928,915**	**23%**	**213,612**
Total Assets	**2,195,490**	**1,890,064**	**16%**	**305,426**
Other current financial liabilities	119,460	83,215	44%	36,245
Current concession liabilities	96	93	3%	3
Other current liabilities	388,188	91,794		296,394
Disposable liabilities classified as discontinued operations	0	273,066		-273,066
Current liabilities	**507,744**	**448,168**	**13%**	**59,576**
Other non-current financial liabilities	369,733	465,854	-21%	-96,121
Other non-current liabilities	128,390	99,676	29%	28,714
Non-current liabilities	**498,123**	**565,530**	**-12%**	**-67,407**
Total liabilities	**1,005,867**	**1,013,698**	**-1%**	**-7,831**
Equity attributable to equity holders of parent	1,168,203	822,381	42%	345,822
Minority interest	21,420	53,985	-60%	-32,565
Total equity	**1,189,623**	**876,366**	**36%**	**313,257**
Total equity and liabilities	**2,195,490**	**1,890,064**	**16%**	**305,426**

[2]The minimum interim dividend is detailed in Note 27.3 to these consolidated financial statements.

Cash Flows

The net change in cash and cash equivalents between December 31, 2023 and 2022, was a positive net cash flow of US$723.2 million, compared to a negative net cash flow of US$182.0 million in 2022.

Cash Flows (Th US$)	12-31-2023	12-31-2022	Δ
Operating cash flows	121,473	97,226	24,247
Investing cash flows	819,659	-180,945	1,000,604
Financing cash flows	-216,495	-92,813	-123,682
Other	-1,487	-5,467	3,980
Cash Flow	**723,150**	**-181,999**	**905,149**
Cash and cash equivalent at beggining of period	**141,963**	**323,962**	
Cash and cash equivalent at end of period	**865,113**	**141,963**	

Operating cash flows were positive US$121.5 million, reflecting a 25% increase with respect to 2022 due to greater flows from towage operations as a result of greater market activity, new tugs and newly added operations.

Investing cash flows were positive US$819.7 million, compared to a negative US$180.9 million last year. These cash flows include discontinued operations (described in note 41 to the consolidated financial statements) and their increase is mainly explained by the amount received for the Transaction net of expenses to acquire the fleet of tugs in Brazil and down payments on the construction of new electric tugs in Canada.

Financing cash flows were negative US$216.5 million, mainly due to the net repayment of bank loans for US$139.9 million accumulated during the year and, to a lesser extent, dividends of US$48.2 million.

Financial Position

As of the end of December 2023, the company maintains moderate levels of leverage. The high cash stocks from the Transaction pushed the Net Financial Liabilities to consolidated EBITDA leverage indicators to negative levels, reaching -1.6x at the end of December 2023 (vs. 1.3x as of December 2022).

Meanwhile, the ratio of Financial Liabilities to Total Assets also decreased to 0.2x (vs. 0.4x as of year-end 2022). As of year-end 2023, consolidated leverage (i.e. Financial Liabilities to consolidated EBITDA) was 2.1x, a decrease of 0.4x compared to the end of the previous year, while EBITDA from continuing operations for the same period was 3.05x.

(Th US$)	12-31-2023	12-31-2022			Δ
		Continued Operations	Discontinued Operations	Total	
Financial liabilities (FL)	489,289	549,162	141,577	690,739	-59,873
Cash and cash equivalent	865,113	141,963	170,688	312,651	723,150
Net financial liabilities (NFL)	**-375,824**	**407,199**	**-29,111**	**378,088**	**-783,023**
Total assets	**2,195,490**	**1,251,798**	**638,266**	**1,890,064**	**943,692**
LTM EBITDA	**229,867**			**280,936**	**-51,069**
LTM EBITDA from Continuing Operations	**160,264**	**146,970**		**280,936**	**-51,069**

KPI's	12-31-2023	12-31-2022	Δ
FL / Total assets	0.2x	0.4x	-0,2x
FL / EBITDA	2.1x	2.5x	-0,4x
NFL / EBITDA	(1.6)x	1.3x	
FL / EBITDA from Continuing Operations	3.05x		

Consolidated Results

Towage Division

Consolidated Income Statement (Th US$)	4Q23	4Q22	Δ%	Δ	2023	2022	Δ%	Δ
Tug maneuvers #	38,891	36,024	8%	2,867	151,900	135,693	12%	16,207
Time charter days #	2,481	2,336	6%	145	9,441	8,777	8%	664
Tugboats #	208	192	8%	16	208	192	8%	16
Revenue	**121,130**	**105,890**	**14%**	**15,240**	**460,085**	**390,323**	**18%**	**69,762**
Cost of sales	87,765	75,248	17%	12,517	321,814	273,701	18%	48,113
Administrative expenses	17,803	13,003	37%	4,800	60,357	50,758	19%	9,599
Net operating income	**15,562**	**17,639**	**-12%**	**-2,077**	**77,914**	**65,864**	**18%**	**12,050**
Depreciation & amortization	21,445	19,573	10%	1,872	81,155	70,086	16%	11,069
EBITDA	**37,007**	**37,212**	**-1%**	**-205**	**159,069**	**135,950**	**17%**	**23,119**
EBITDA Mg	**30.6%**	**35.1%**		**-4.6%**	**34.6%**	**34.8%**		**-0.3%**
Share of net income (loss) of associates	647	507	28%	140	3,022	1,709	77%	1,313
Non-operating results + Taxes-	-7,051	-8,497	17%	1,446	-35,458	-33,675	-5%	-1,783
Minority interest	1,072	421		651	3,259	1,534		1,725
Net income attributable to owner of the parent company	**8,086**	**9,228**	**-12%**	**-1,142**	**42,219**	**32,364**	**30%**	**9,855**

Main Results for the Fourth Quarter

Revenue from the Towage division rose US$15.2 million with respect to the same period of the previous year, reaching US$121.1 million (+14%). The increase is due to a better mix of harbour services and to growth in the volume of harbour towage activity (+8% in maneuvers) and in dedicated towage services at oil, gas and mining terminals (+6% in time charter days), associated with greater dynamism in the markets, consolidation of the operation in Peru and the larger fleet in Brazil.

Cost of sales increased by US$12.5 million to US$87.8 million (+17%), as a result of greater operating costs due to the increase in activity with new tugs in Brazil, along with higher maintenance costs and tug chartering costs in North America. Likewise, the higher costs are also explained by the trend of local currencies to appreciate against the dollar.

Administrative expenses increased by 37% to US$17.8 million as a result of increased activity and higher charges for administrative services provided by the company to its subsidiaries (and consequently lower administrative expenses in the Other Operations segment) and the aforementioned exchange rate effects, which increases expenses measured in U.S. dollars.

The Towage Division reported a decrease in **EBITDA** of US$205 thousand to US$37.0 million (-1%), as a result of the drop in the operating margin and the rise in administrative expenses explained above. Therefore, the **EBITDA margin** decreased by 459 bps to 30.6%.

The division's share of **associate results** was income of US$647 thousand, up from income of US$507 thousand in the same quarter of the previous year because of greater activity at Transbordadora Austral Broom.

Net income attributable to owners of the parent company was US$8.1 million, which represents a decline of US$1.1 million (-12%).

Main Cumulative Results as of December

Revenue increased by US$69.8 million to US$460.1 million (+18%), as a result of the growth in the volume of harbour towage maneuvers (+12%) and time charter days (+7%) associated with greater market activity and higher revenue after acquiring tugs in Brazil and securing new contracts in Peru following the acquisition of Ian Taylor in the second half of 2022.

Cost of sales increased by US$48.1 million (+18%) to US$321.8 million, due mainly to growth in the fleet in operation and the resulting greater fuel costs. Likewise, costs increases due to the effects of inflation and the appreciation of local US dollar currencies against the dollar.

Administrative expenses increased by 19% to US$60.4 million, mainly due to the increase in activity and the inflationary effects mentioned above.

The division's **EBITDA** reached US$159.1 million, an increase of US$23.1 million (+17%) compared to the same period last year, while the **EBITDA margin** reached 34.6%, down 26 bps from last year.

The company's share of **net income (loss) from associates** was income of US$3.0 million, compared to income of US$1.7 million last year.

Net income attributable to owners of the parent company was US$42.2 million, which represents an improvement of US$9.9 million (+30%).

Other Operations

Consolidated Income Statement (Th US$)	4Q23	4Q22	Δ%	Δ	2023	2022	Δ%	Δ
Export tonnes handled Aerosan	102,423	72,414	41%	30,009	317,610	283,315	12%	34,296
Import tonnes handled Aerosan	19,730	21,143	-7%	-1,413	75,560	90,390	-16%	-14,830
Total tonnes handled Aerosan	122,153	93,557	31%	28,596	393,171	373,705	5%	19,466
Flights served	1,728	1,595	8%	133	7,078	6,680	6%	398
Revenue	**23,316**	**18,489**	**26%**	**4,827**	**79,999**	**71,512**	**12%**	**8,487**
Cost of sales	15,857	11,926	33%	3,931	60,190	49,616	21%	10,574
Administrative expenses	8,350	9,158	-9%	-808	33,475	24,218	38%	9,257
Net operating income	**-891**	**-2,595**		**1,704**	**-13,666**	**-2,322**		**-11,344**
Depreciation & amortization	3,935	3,301	19%	634	14,861	13,342	11%	1,519
EBITDA	**3,044**	**706**		**2,338**	**1,195**	**11,020**		**-9,825**
Share of net income (loss) of associates	-3	-47		44	-8	-47		39
Non-operating results + Taxes-	7,279	3,430		3,849	-6,289	657		-6,946
Minority interest	0	15		-15	0	179		-179
Net income attributable to owner of the parent company	**6,385**	**773**		**5,612**	**-19,963**	**-1,891**		**-18,072**

The Other operations segment includes air cargo logistics operations, real estate assets and corporate expenses, along with inter-segment eliminations.

Revenue for the quarter reached US$23.3 million, an increase of 26% compared to the same period of 2022, due to the increase in tons handled by Aerosan (+31%), because of the growth in export volumes after acquiring the air cargo logistics company Pertraly in Ecuador in October 2023, together with increased activity in Chile and Colombia because of the high fruit and salmon season. During 2023, revenue grew by 12% to US$80.0 million, driven by Aerosan as a result of the increase in rates for some services, the increase in tons of exports handled (+12%) and the increase in revenue from passenger services, which offset the drop in tons of imports handled (-16%) in Colombia and Chile due to their less dynamic economies.

Cost of sales grew 33% during the fourth quarter and 21% for the year, mainly associated with Aerosan's operations. As in the other operating segments, it has been affected by inflationary pressure on diverse expenses and personnel costs. The increase in costs is also due to the growth of the operation following the acquisition of Pertraly.

Administrative expenses, which include corporate expenses and Aerosan's own business expenses, decreased by 9% in the quarter to US$8.4 million, as a result of larger amounts charged to towage subsidiaries for administrative services. During 2023, they increased US$9.3 million to US$33.5 million (+38%), which is mainly explained by the larger extraordinary expense associated with the Transaction, partially offset by greater service charges for towage subsidiaries.

The division had a **non-operating loss and tax expense** of US$7.3 million for the fourth quarter of 2023, increasing by US$3.8 million over the same period in 2022. In 2023, it posted a loss of US$6.3 million, in contrast to income of US$657 thousand in 2022. This greater loss is mainly explained by the use of assets for taxes paid abroad and the Austral Law as a consequence of the distribution of dividends within the SAAM Group, which were offset by higher interest on loans due to the greater liquidity available.

Net income attributable to the owners of the parent company for the fourth quarter was US$6.4 million, greater than the US$5.6 million recorded for the same quarter in 2022. Meanwhile, in 2023 it recorded a loss of US$20.0 million, which represents a rise of US$18.1 million compared to the loss of US$1.9 million in 2022, because of increased tax expenses mentioned above.

Market Analysis

Comments

SM SAAM operates in markets with other local and international providers. This business environment is competitive given the particularities of each market. SAAM is subject to fluctuations in demand for its services as a result of changes in international trade flows or the entry or exit of new competitors in its operating markets.

Towage

There is a variety of regulations for tugboat operations, from open markets to markets with medium to long-term exclusive concessions granted by the State. The main operators worldwide include Svitzer, Boluda, SMIT and PSA Marine. In the Americas, we compete with these same companies, as well as other regional players like Wilson Sons, Ultratug, CPT Remolcadores, Seaspan, Groupe Ocean and Kotug.

In the Americas, SAAM Towage is the largest towage operator with operations in 13 countries.

SAAM Aéreo (Air Cargo Logistics)

Operated through Aerosan, this business is engaged in air cargo operations in the main import and export airports in Chile, Colombia and Ecuador.

In the airport services , REG area, Aerosan's main competitors are: in Chile, Fast Air, Depocargo, Teisa, Andesur, Agunsa - Menzies, Swissport and Acciona; in Colombia, Taescol, Menzies, Swissport, Girag, Talma (Ground Handling), REG and Marcapasos, SAI; and in Ecuador: Novacargo and Servipallet.

Risk Factors

The main risks to which the company is exposed include:

Market Risk

Financial risk is the risk of changes in market rates and prices (e.g. exchange rates, interest rates or stock prices) that affect the revenue and costs of SM SAAM and its subsidiaries or the value of their financial instruments. The objective of market risk management is to manage and control exposure to this risk within reasonable parameters while at the same time optimizing profitability.

SM SAAM balances its net financial positions in its subsidiaries to ease the effects of exchange rate risks principally in Chile, Mexico and Brazil. It is not always possible to achieve balance, in which case the company evaluates acquiring financial hedges (forwards) in order to efficiently manage these risks. Usually SM SAAM applies hedge accounting in order to mitigate volatility in its results, caused by net unhedged positions of assets and liabilities in foreign currencies.

Credit Risk

Credit risk is the risk of financial loss arising from a customer or counterparty to a financial instrument not fulfilling its contractual obligations. This is especially applicable to SM SAAM and its subsidiaries' trade receivables. Before granting credit to customers, a credit committee first performs a credit assessment to reduce the impact of non-payment risks or the likelihood of occurrence. Credit granted to customers is regularly reviewed, in accordance with the controls defined in the company's policies, and to monitor the status of accounts pending collection.

Services are provided to customers under market conditions, which involve simple credit with conditions defined by credit committees. SM SAAM's customers are very diversified, which helps distribute risk.

Maintaining and Retaining Human Talent

The ability to compete successfully depends on the capacity to attract and retain human talent. An inability to recruit and retain key staff could have an adverse effect on SM SAAM's financial performance. Furthermore, the ability to operate tugs and port terminal equipment and provide logistics services depends on the ability to attract and retain qualified and experienced staff. The company monitors and mitigates this risk through its development management system, and also has an occupational health and safety model that maintains and improves safety conditions to care for our employees.

Nonetheless, even when employment relationships are good, the risk of strikes, work stoppages or other conflicts with unions cannot be ruled out.

Accidents, Natural Disasters and Pandemics

The fleet and equipment used by SAAM Towage and Aerosan are exposed to the risk of damage or loss due to events such as mechanical failure, poor installation, fire, explosion, collision, maritime accident or human error. These assets may also be affected by natural disasters, human-induced risks or pandemics, which could affect operational continuity. However, SM SAAM, its subsidiaries and associates have extensive insurance coverage, operational continuity plans and risk analyses to mitigate and improve its processes, thereby managing any potential damage or business impacts.

Environmental Standards

Towage and airport operations must comply with a variety of environmental laws. Any amendments or newly approved environmental laws and regulations could require additional investments in order to comply. Failure to comply may result in economic and administrative sanctions that may include, among others, closing facilities or canceling operating licenses. SM SAAM and its subsidiaries have a model for monitoring and managing regulatory compliance, as well as civil liability insurance in favor of third parties to mitigate the risk of damage and/or contamination fines associated with its fleet of tugs.

Political, Economic and Social Risks

Business results depend in part on the economic, political and social conditions in each of the markets where SM SAAM operates. Thus, political uncertainty and instability, as well as changes in environmental, tax, customs and labor regulations, among others, may positively or negatively affect SM SAAM's results and operations. In recent years, some countries have experienced increased levels of political, economic and social instability. There is no guarantee that these situations will not occur again in the future and adversely affect the company's performance in those markets.

Information Security and Cybersecurity

Any impact on the confidentiality, completeness, availability and performance of the company's tangible and intangible technology assets as a result of inherent weaknesses and/or internal or external threats, could negatively impact the operational continuity of some or all of SM SAAM's business areas. The leaking or undesired disclosure of personal data of third parties, for whether employees, customers, suppliers and/or business partners, may negatively affect the company's reputation and expose it to business losses, regulatory sanctions and/or lawsuits.

The company monitors and mitigates the operational risk of these weaknesses and/or threats using the Risk Management Model, which is complemented with policies, manuals, processes, controls, audits and specific evaluations of Information Security and Cybersecurity.

Financial Indicators

For comparison purposes, the following table summarizes the company's **financial indicators** based on the balance sheet and income statement excluding the effects of IFRS 5 for the years ended December 31, 2023 and 2022.

	Unit	Dec-23	Dec-22
Ownership			
Shares outstanding	N°	9,736,791,983	9,736,791,983
Controlling Group - Luksic Group	%	62.6%	60.0%
Stock price	Ch $	109.00	95.78
Liquidity performance			
Liquidity ratio (1)	times	2.07	2.09
Acid test (2)	times	2.00	1.95
Leverage			
Leverage ratio	times	0.85	1.16
Short-term debt	%	50%	26%
Long-term debt	%	50%	74%
Net interest coverage (3)	times	24.70	12.37
Return			
Earnings per share (4)	US$	0.0514	0.0049
ROE (5)	%	50.4%	5.9%
ROA (6)	%	23.4%	2.6%
Other ratios			
Revenue / Total Assets (7)	times	0.35	0.44
Revenue / Fixed Assets (8)	times	0.90	0.96
Working capital turnover (9)	times	1.41	2.90

(1) Current assets / current liabilities

(2) (Current assets minus non-current assets held for sale , inventory and anticipated payments) / current liabilities
(3) LTM EBITDA / LTM Net financial costs
(4) LTM Profit / shares outstanding
(5) LTM Profit / average equity
(6) LTM Profit / average total assets
(7) LTM Revenue / total assets
(8) LTM Revenue / fixed assets
(9) LTM Revenue /(current assets minus current liabilities)

(*) As of December 31, 2023, SM SAAM owns 449,921 treasury shares (0.0046% of total shares) of the shareholders who exercised their right to withdraw as a result of the sale of the terminal and inland logistics operations. In accordance with regulations, these shares may be held as treasury shares for up to 12 months and may be sold on the market or otherwise capital may be reduced.