



LATAM Airlines Corporate Update

March 2023

Sustainability Award
Bronze Class 2022

S&P Global

Disclaimer



Neither the United States Securities and Exchange Commission (“SEC”) nor the Chilean Comisión para el Mercado Financiero (the “CMF”) nor any securities commission of any other U.S. or non-U.S. jurisdiction has reviewed, approved or disapproved of this Presentation, or determined that this Presentation is truthful or complete. No representations or warranties, express or implied, are given in, or in respect of, this Presentation. To the fullest extent permitted by law in no circumstances will LATAM or any of its respective subsidiaries, shareholders, affiliates, representatives, directors, officers, employees, advisers or agents be responsible or liable for a direct, indirect or consequential loss or loss of profit arising from the use of this Presentation, its contents, its omissions, reliance on the information contained within it, or on opinions communicated in relation thereto or otherwise arising in connection therewith. Industry and market data used in this Presentation have been obtained from public filings from industry competitors, third-party industry publications and sources as well as from research reports prepared for other purposes. LATAM has not independently verified the data obtained from these sources and cannot assure you of the data’s accuracy or completeness. This data is subject to change. In addition, this Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of LATAM. Viewers of this Presentation should read the same in full together with the Company’s SEC filings indicated herein and each make their own evaluation of LATAM and of the relevance and adequacy of the information taken as a whole and should make such other investigations as they deem necessary.

This presentation may include forward-looking comments regarding the Company’s business outlook and anticipated financial and operating results. These expectations are highly dependent on the economy, the airline industry, commodity prices, international markets and external events. Therefore, they are subject to change and we undertake no obligation to publicly update or revise any forward looking statements to reflect events or circumstances that may arise after the date of this presentation. More information on the risk factors that could affect our results are contained on our Form 20-F for the year ended December 31, 2021.

Use of Non-GAAP Financial Metrics and Other Key Financial Metrics

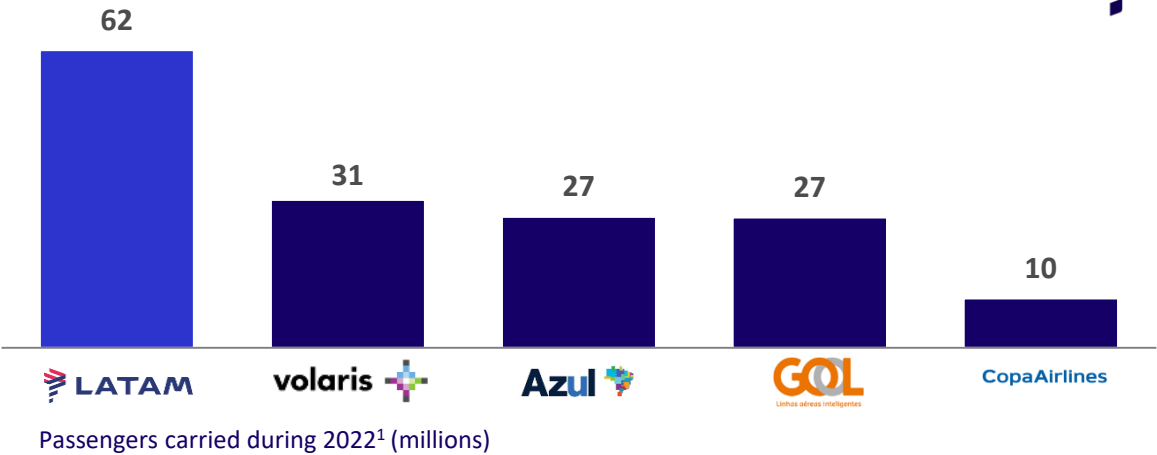
This Presentation includes certain non-IFRS financial measures such as EBIT (which consists of earnings for the period before income taxes and financial costs and financial income), EBITDA (which consists of earnings for the period before income taxes and financial costs and financial income, plus depreciation and amortization expense) and EBITDAR (which consists of earnings for the period before income taxes and financial costs and financial income, plus depreciation and amortization expenses and rentals expenses). In addition EBIT margin which is calculated by dividing EBIT by total operating revenue) These non-IFRS measures are an addition to, and not substitute for or superior to, measures of financial performance prepared in accordance with an IFRS alternative to net income or any other measures derived in accordance with IFRS. LATAM believes that these non-IFRS measures of financial results provide useful supplemental information to investors about LATAM. LATAM’s non-IFRS measures may not be directly comparable to similarly titled measures of other companies.



LATAM: Latin America's leading airline group and global player

Leading airline group in Latin America and the world

-  **62 million** passengers carried in 2022
-  **Largest regional market share** in number of passengers carried
-  **Only Long-Haul & Regional carriers** based in Latin America




Leading cargo network in Latin America

Key Business Unit Highlights²:

-  **25 Countries & 154 Destinations**
 -  **+901k Tonnes Transported (LTM)**
 -  **~56.5% Load Factor**
 -  **~\$1.7bn Revenues (LTM)**
-  **Cargo business fits seamlessly within LATAM's overall network**

Leading Frequent Flyer Program in South America

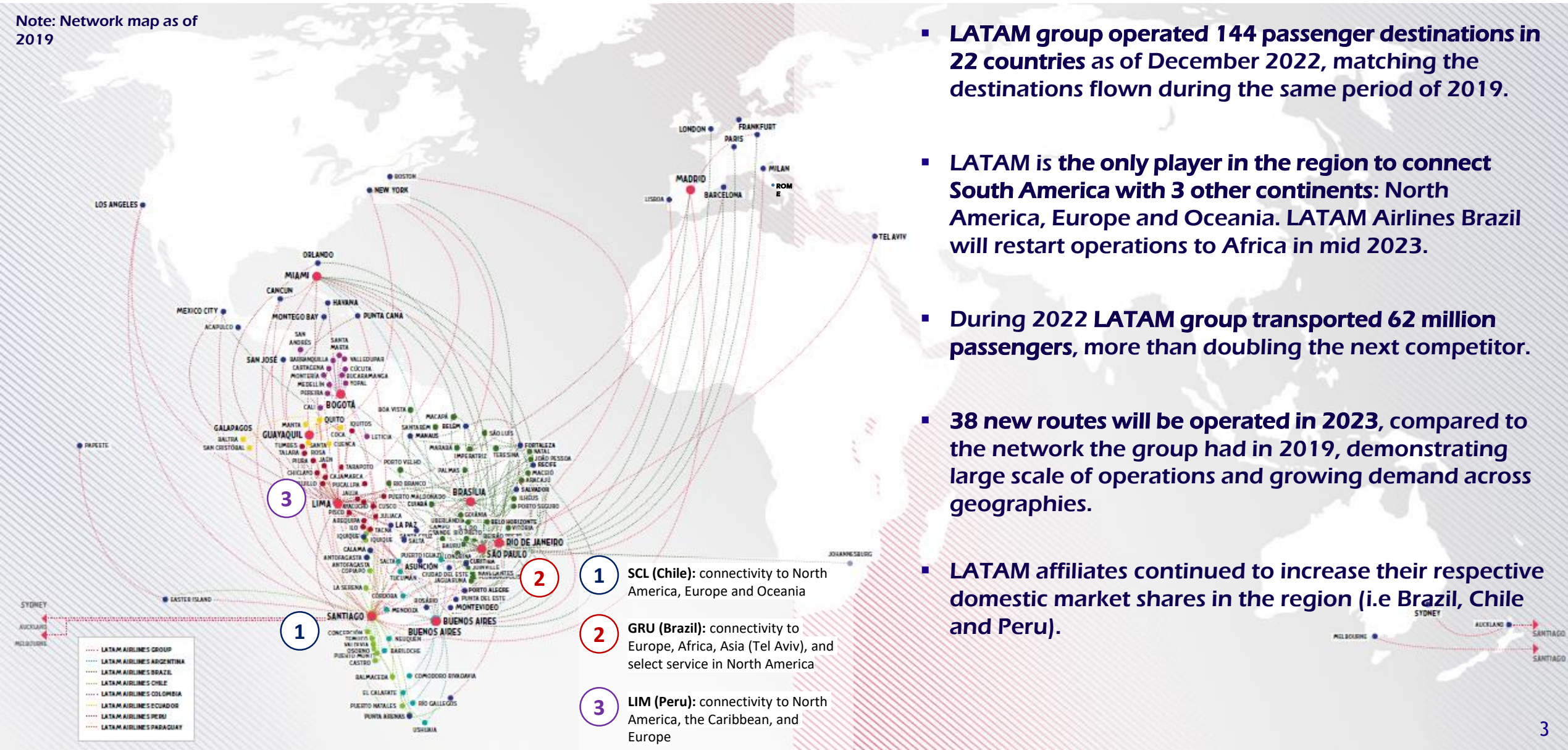
-  **Over 42 million members in 2022 (7th largest in the world²)**

1. Data as of December 2022, Financial Statements and Traffic Releases; 2. Management estimate
Source: Financial Statements December 2022

LATAM group's global network continues to connect within the region and to the world



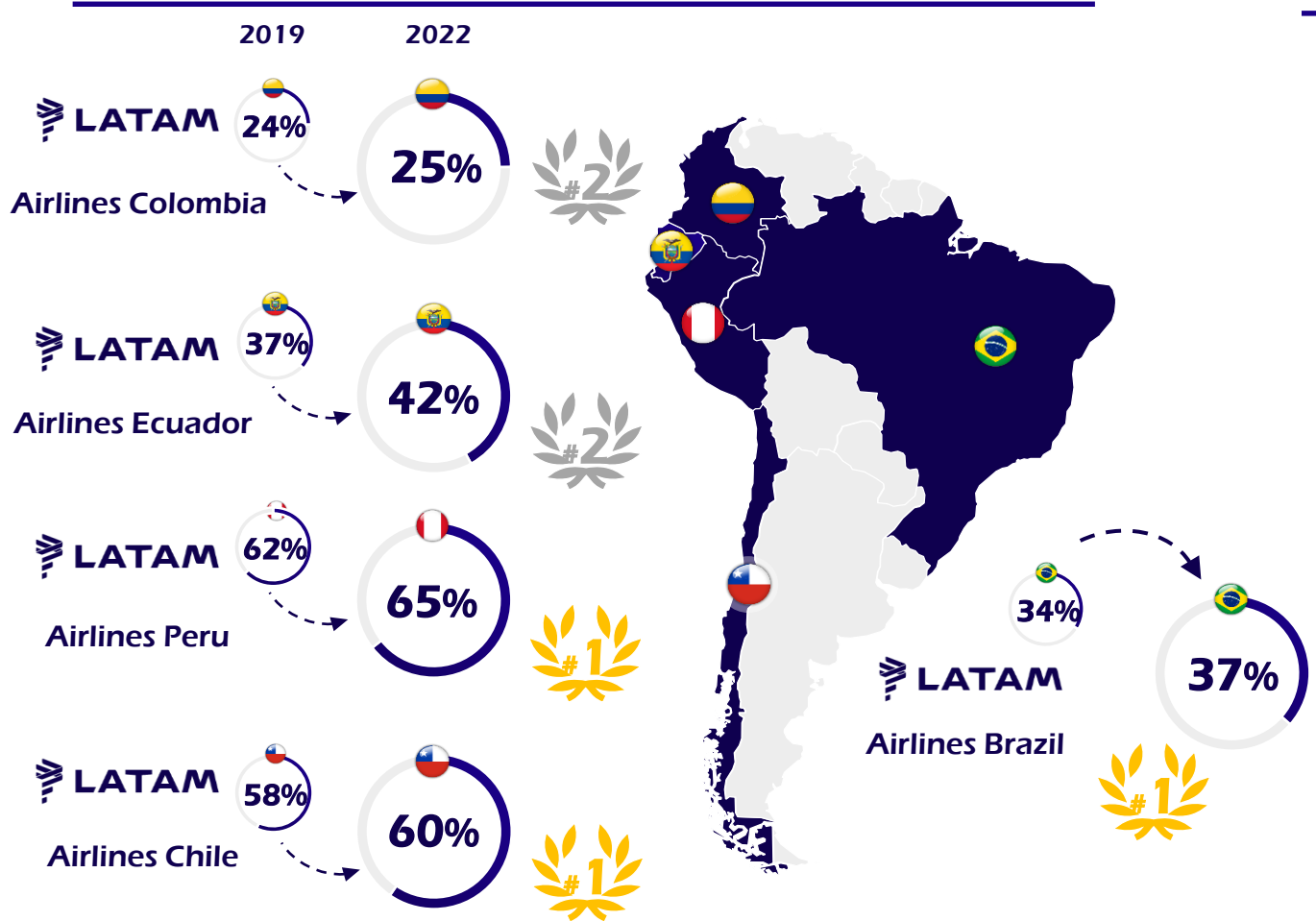
Note: Network map as of 2019



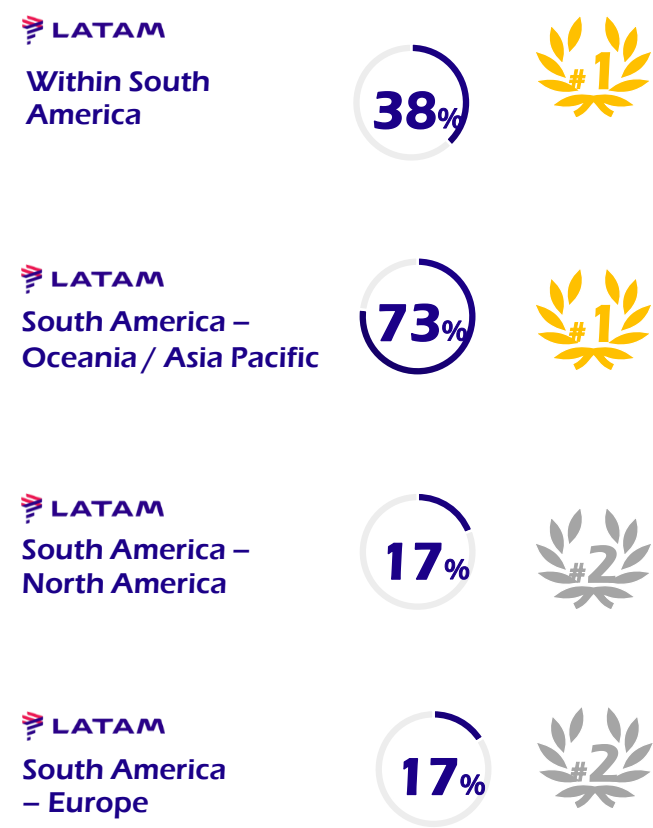
LATAM group has recovered its network and increased its domestic affiliates market shares in the region



Domestic Affiliate Market Share¹
2019 vs 2022



International Capacity Share²
ASK December 2022

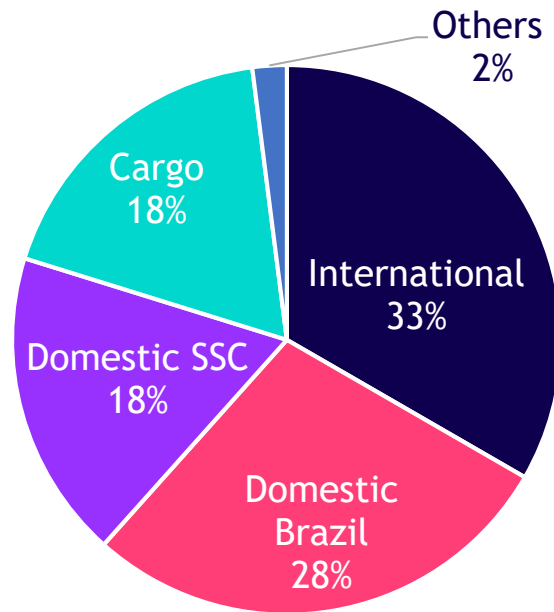


1. Market shares for full year 2019 and 2022.
Source: ANAC Brazil’s website (RPKs), JAC Chile’s website (RPKs), DGAC Peru’s website (number of passengers carried), Diio.net for Colombia and Ecuador (ASKs) .

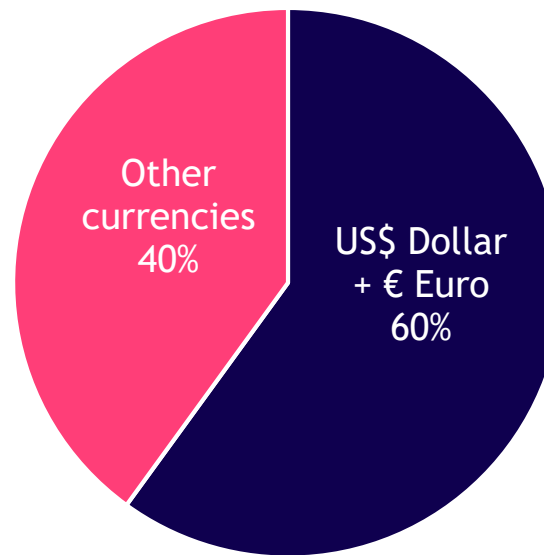
LATAM group has a diversified revenue structure and benefits from US Dollar and Euro revenues



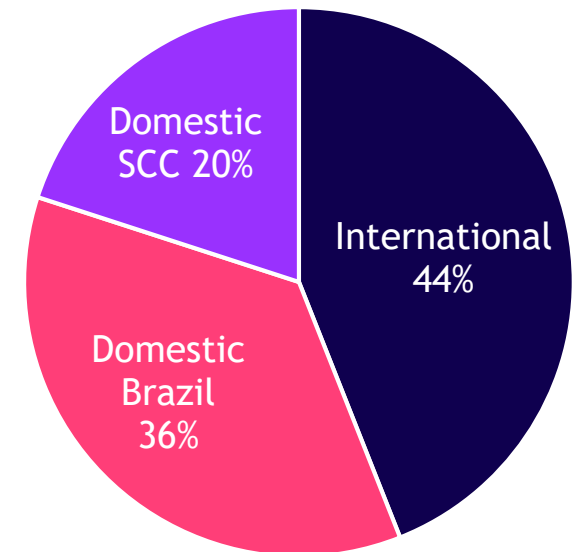
LATAM Revenues by business unit
(Full year 2022)



LATAM Revenues by currency
(Full year 2022)



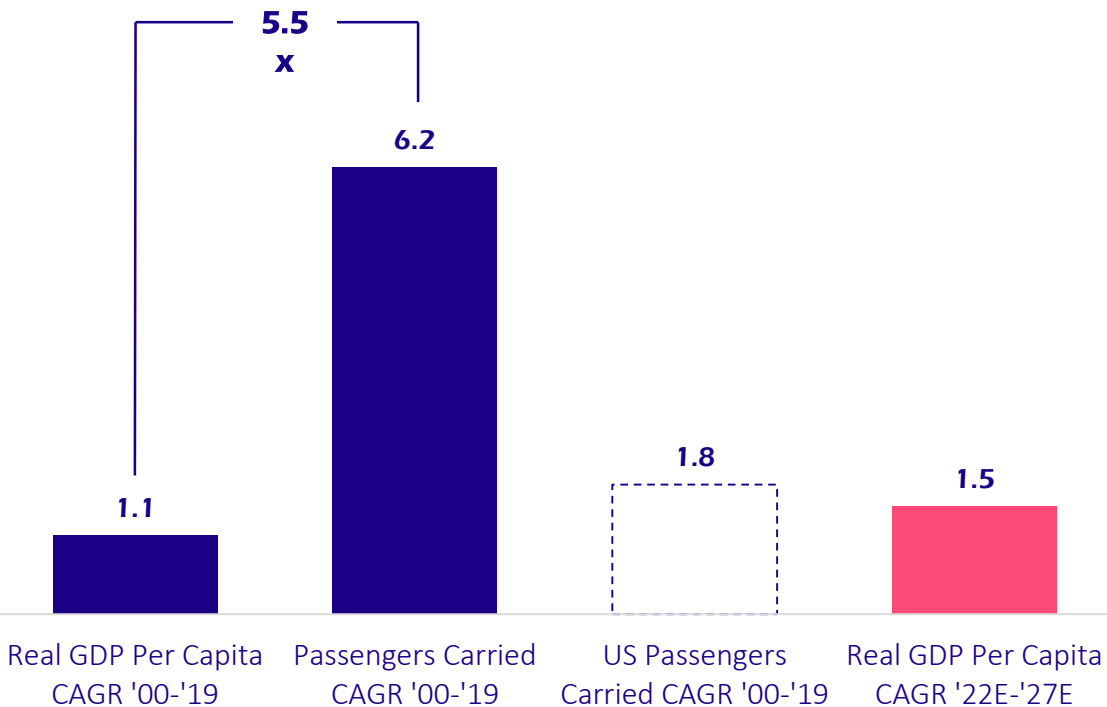
LATAM Passenger capacity breakdown
(ASKs Full year 2022)



Latin America air travel market has significant growth opportunities and untapped potential

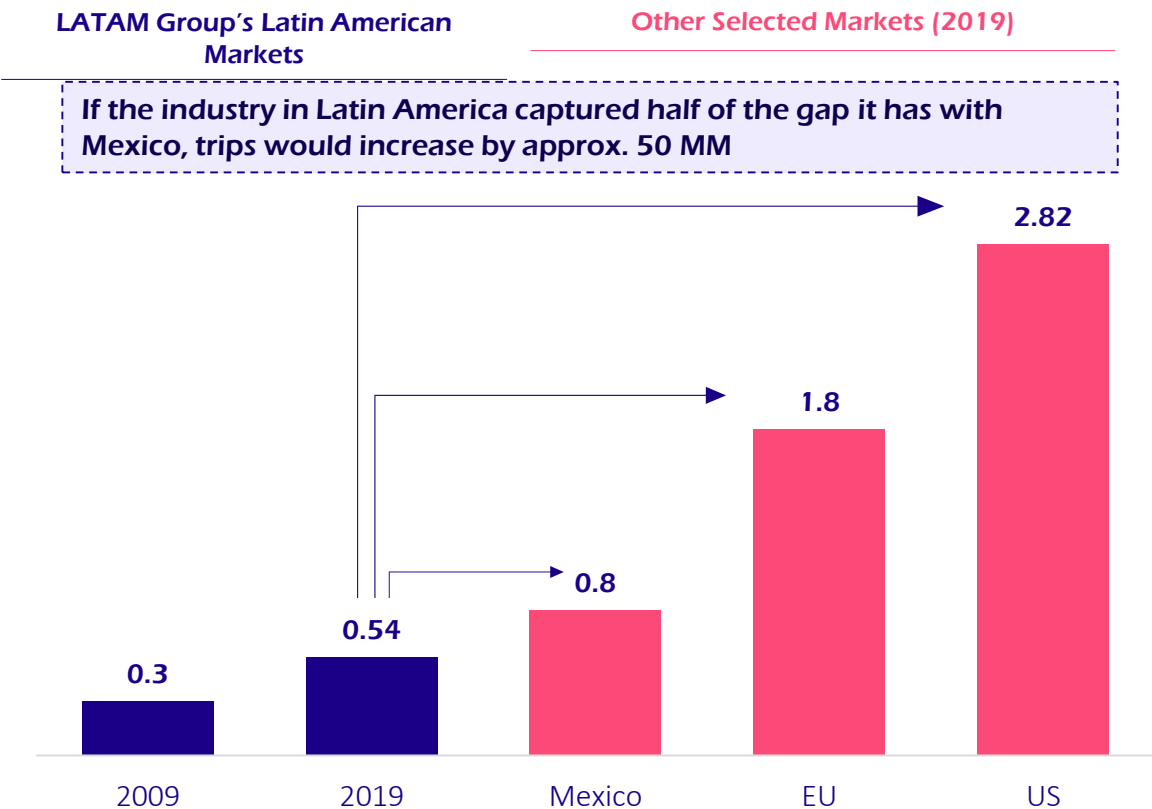


Real GDP Per Capita vs. Passengers Carried in Latin America



- Passenger growth in Latin America & Caribbean outperformed real GDP per capita growth between 2000 and 2019.

Passengers Carried per Capita



- Trips per capita have been increasing in South America throughout the last decade. However, there's still an important gap to cover vs other more penetrated markets.

LATAM offers an unparalleled value proposition in the region



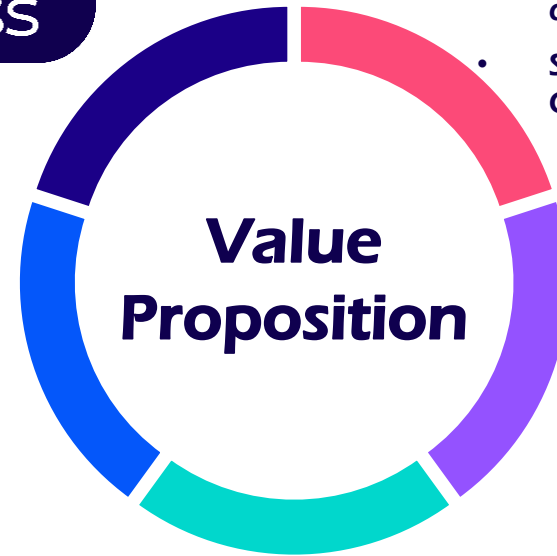
Leading Frequent Flyer Program

- 42+ million members
- Largest FFP in South America
- 7th largest FFP in the world



Renovated Fleet & Cabin Segmentation

- Incorporation of 15 Airbus A320-Neo family (more fuel efficient) during 2023 and 86 through 2029
- Premium cabin in all flights
- Cabin densification, renovation and standarization



Expansive Network

- Passenger and cargo operations operating in 25 countries and 154 destinations
- JVA with Delta will allow the clients to access more than 300 destinations
- Starting in July of 2023 two new flights, Los Angeles – Sao Paulo and Orlando – Bogota, will start operating under the JVA.

Digitalization

- New website launch promoting ancillaries and streamlining passenger services + digitalization of airport services like automatic check-in and bag drop
- In first half of 2023, all narrow-body aircraft operating in Brazil will have Wi-Fi connectivity onboard
- Increased penetration of digital sales channels and closure of certain city-ticket offices

Commercial Agreements

- LATAM provides a wide range of commercial agreements with airlines all around the world
- Iberia, Swiss Airlines, British Airways, Qantas, Japan Airlines, are just some of the international agreements



World Travel Awards 2022

- South America's Leading Airline Brand
- South America's Leading Airline



Skytrax World Airline Awards 2022

- Best Airline in South America



APEX Passenger Choice Awards 2022

- Best Seat Comfort in South America
- Best Food & Beverage in South America

LATAM was recognized as the most sustainable airline in the Americas



Climate Change

- ✓ **Goal: Carbon neutral by 2050**
- ✓ **Goal: Committed to not exceed total 2019 emissions and offsetting 50% of domestic emissions by 2030**
- ✓ **Commitment to reach 5% of sustainable aviation fuel (SAF) as of 2030.**
 - Fuel efficiency program
 - Conservation of over 575,000 hectares in Colombian wetlands in CO2Bio project



Circular Economy

- ✓ **Goal: Adapt business to circular economy model, becoming a group with zero waste landfills by 2027**
 - LATAM reached a 77% reduction in single use plastics during 2022
 - Program “Recicla tu viaje”, “Recicla tu uniforme” and reutilization of aeronautical equipment



Shared Value

- ✓ **Solidarity Plane Program**
 - Use of LATAM aircrafts to support communities in health, environmental and natural disaster related issues

MOST SUSTAINABLE AIRLINE IN THE AMERICAS AND EUROPE (AND 5TH IN THE WORLD)
S&P Corporate Sustainability Assessment

Sustainability Award
Bronze Class 2022
S&P Global

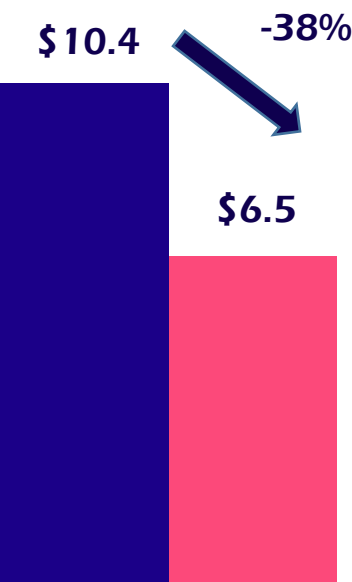
BRONZE CATEGORY
Sustainability Yearbook 2022

LATAM group emerged from Chapter 11 with a stronger capital structure and closed the year with US\$2.3 billion in liquidity



Gross Debt (US\$ billion)

US\$ 3.9 billion reduction vs
pre-Chapter 11



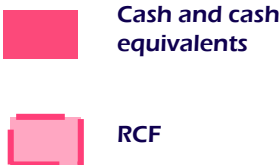
At filing 2022

Liquidity (US\$ billion)

US\$ 1 billion increase vs pre-Chapter 11



At filing 2022



LATAM reported 24.3% of liquidity as % of revenues in 2022.

LATAM closed 2022 with a leverage of 4.2x.

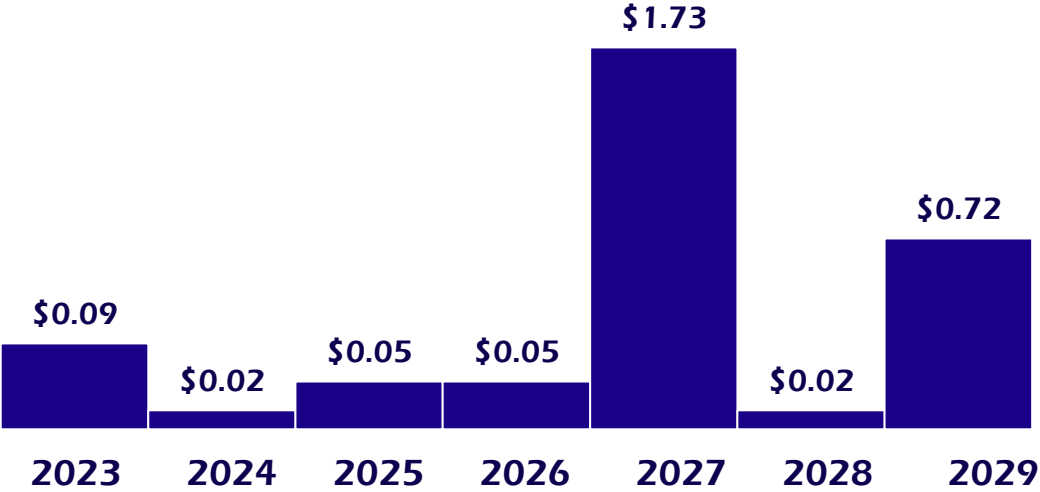
LATAM group has a simplified debt structure and has no significant non-fleet debt maturities in the next four years



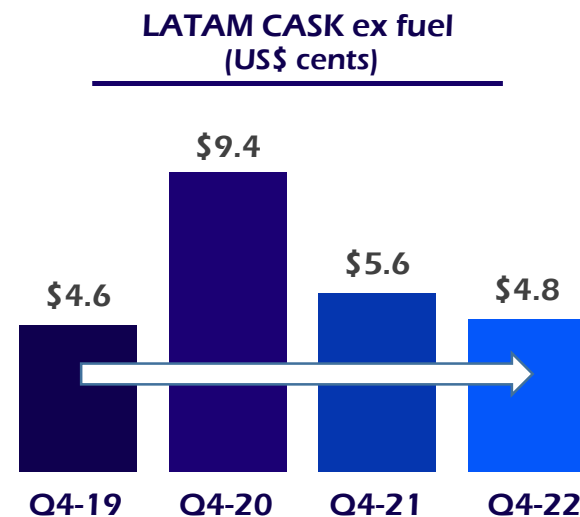
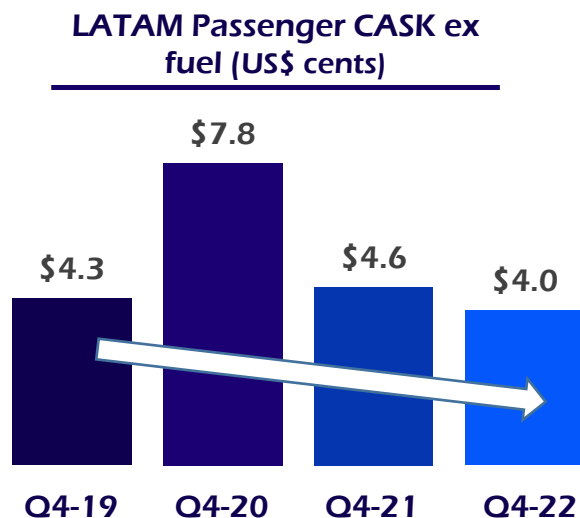
Financial Debt Composition (US\$ million)

Term Loan B	\$1,100
2027 Secured Notes	\$450
2029 Secured Notes	\$700
Spare Engine Facility	\$275
Chilean Bond in UF	\$157
Financial leases	\$1,530
Others	\$160
Total	\$4,371

Non-Fleet Debt maturity Profile (US\$ billion)



LATAM's cost structure is more efficient after Chapter 11, exemplified by 4Q22 Passenger CASK ex fuel of 4.0 cents



- **Over US\$1 billion in cost savings initiatives implemented in 2020 and 2021 which included:**
 - Business simplification
 - Rightsized and more efficient fleet
 - Improved vendor and supplier contracts
- **In the fourth quarter 2022, LATAM group reported a Passenger CASK ex fuel of 4.0 cents, 6% less than 2019, offsetting the region's high inflation in recent years.**
- **Fleet cash cost reduced by over 40% versus 2019 levels and estimating a total fleet cost (operating + finance leased aircraft) of approx. US\$800 million for 2023.**

Source: Financial Statements December 2022 and Bloomberg.

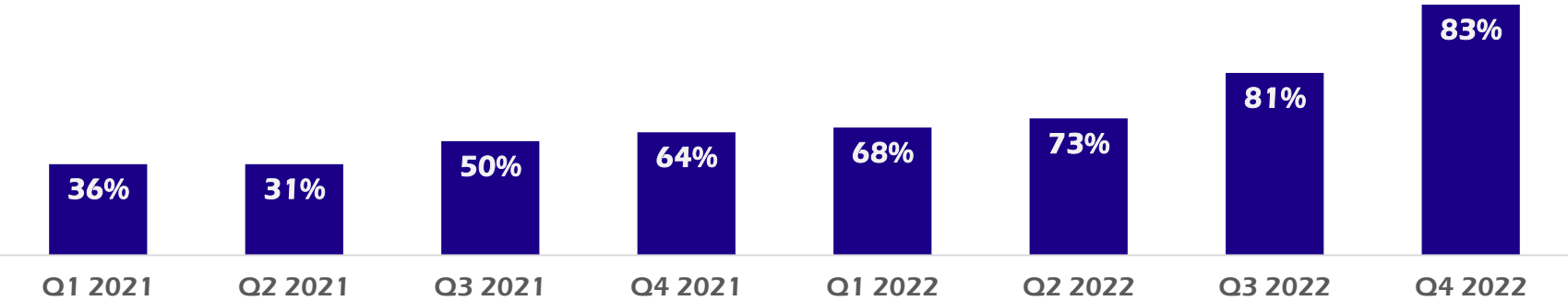
Note: The selected US Carriers are American Airlines, Delta, United and Southwest airlines.

Passenger CASK ex fuel excludes cargo costs associated with belly and freighter operations, variable Aircraft Rental expenses (non-cash P&L effect) and CPI expenses

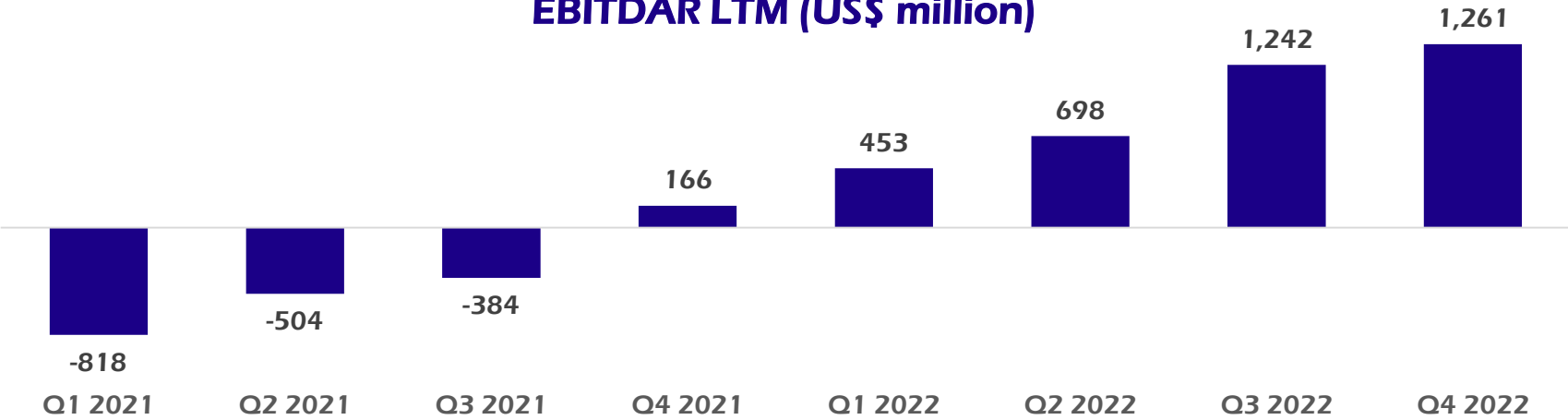


LATAM group has seen a sustained improvement in both its capacity and financial results

Capacity (ASK) vs 2019 levels (%)



EBITDAR LTM (US\$ million)



2023 Guidance shows continued capacity growth and leverage reduction



Guidance		2023E
ASK Growth vs 2022 (billion)	International	37 - 40%
	Brazil Domestic	8 - 11%
	Spanish Speaking Countries	
	Domestic	8 - 11%
	TOTAL	20 - 24%
ATK Growth vs 2022 (billion)		20 - 23%
Revenues (US\$ billion)		11 - 11.5
CASK ex fuel (US\$ cents)		4.6 - 4.7
Passenger CASK ex fuel ¹ (US\$ cents)		4.0 - 4.1
EBIT Margin		5 - 7%
Adjusted EBIT Margin ²		6 - 8%
Adjusted EBITDAR ² (US\$ billion)		2.0 - 2.2
Liquidity ³ (US\$ billion)		2.3 - 2.4
Financial Net Debt ⁴ (US\$ billion)		6.1 - 6.2
Net Debt/Adjusted EBITDAR (x)		2.9x - 3.1x

Assumptions

Average exchange rate (BRL/USD)

Consistent with current market prices

Jet fuel price (US\$/bbl)

Footnotes:

1) Passenger CASK ex fuel excludes cargo costs associated with belly and freighter operations and variable Aircraft Rental expenses (non-cash P&L effect).

2) Adjusted EBIT Margin and Adjusted EBITDAR exclude non-recurring items and variable Aircraft Rental expenses (non-cash P&L effect).

3) Liquidity is defined as Cash and Cash Equivalents and undrawn, committed revolving credit facilities.

4) Financial Net Debt includes operating leases liabilities, financial leases and other financial debt excluding associated guarantees, net of Cash and Cash Equivalents.

LATAM ended 2022 stronger and more competitive



- 1 Value Proposition** LATAM group has an integrated and diversified business model that combines passenger and cargo, domestic with international travel, point of sale distribution, and the largest frequent flyer program in the region
- 2 Market Leaders** The group's domestic affiliates have leading market shares in Brazil, Chile, and Peru, and in all markets have increased versus 2019.
- 3 Cost Structure** Optimized cost structure with significant cost saving initiatives implemented: Passenger CASK ex fuel of 4.0 cents, 6% lower compared to 2019.
- 4 Capital Structure** Ended the year with US\$2.3 billion in liquidity and leverage of 4.2x, forecasting 2023 end of year leverage of approximately 3.0x.
- 5 Outperforming Projections** Adjusted EBIT Margin of 8% in the fourth quarter 2022, which was better than previously projected in the Updated Business Plan.



Corporate Update

March 2023

Sustainability Award
Bronze Class 2022

S&P Global