



As part of the Chapter 11 proceedings

LATAM obtains up to US\$750 million for Tranche B of the DIP improving its financing conditions

- LATAM selects the financing proposal from a group of financiers composed of Oaktree Capital Management, L.P., Apollo Management Holdings, L.P. and certain funds, accounts and entities advised by them.

Santiago (Chile), September 29, 2021 - LATAM informs that it obtained committed financing of up to US\$750 million for Tranche B of the DIP (debtor in possession) financing at more competitive rates and conditions than those obtained for Tranches A and C, which will allow the group to improve its cost of financing under Chapter 11.

After receiving multiple Tranche B offers from investors, on September 24, the LATAM Board of Directors approved, by a unanimous vote from the independent directors, the proposal presented by a group of financiers composed of Oaktree Capital Management, L.P., Apollo Management Holdings, L.P. and certain funds, accounts and entities advised by the aforementioned parties. The DIP Tranche B financing proposal would result in significant savings for the group.

“We received several offers from investors who have expressed their interest in supporting us in our Chapter 11 process. This proposal will allow us access to better financing conditions, generating significant cost savings and benefiting our creditors and LATAM”, LATAM Airlines Group CFO, Ramiro Alfonsín, said.

The resulting DIP financing structure would be as follows: Tranche A, which comprises up to US\$1.3 billion of committed funds, Tranche C with up to US\$1.15 billion of committed funds, in addition to Tranche B that totals up to US\$750 million. To date, US\$1.65 billion have been drawn from Tranches A and C.

The incorporation of the committed funds from Tranche B of the DIP financing is subject to the US Court’s approval. Notwithstanding, LATAM could eventually receive other proposals to grant financing under Tranche B of the DIP Credit Agreement, in which case they would be duly assessed by the Company and its advisors.

In May 2020, LATAM Airlines Group and its affiliates in Chile, Colombia, Ecuador, the United States, Peru, and Brazil filed for voluntary protection under the U.S. Chapter 11 financial reorganization statute, after the serious consequences of the COVID-19 pandemic. Through this process, LATAM and said affiliates will have the opportunity to rightsize their operations to the new demand environment and reorganize their balance sheets, enabling them to emerge more agile, resilient and sustainable in the new, post-pandemic era.

INVESTOR RELATIONS CONTACT INFORMATION

LATAM Airlines Group S.A.
Investor Relations
InvestorRelations@latam.com
Tel: (56-2) 2565-8765
www.latamairlinesgroup.net



About LATAM Airlines Group S.A.

LATAM is the leading group of airlines in Latin America, with a presence in five domestic markets in the region: Brazil, Chile, Colombia, Ecuador and Peru, and international operations both within Latin America and to/from Europe, the United States, and the Caribbean.

The group has a fleet of Boeing 767, 777, 787, Airbus A321, A320, A320neo and A319 aircraft.

LATAM Cargo Chile, LATAM Cargo Colombia, and LATAM Cargo Brazil are the LATAM Airlines freighter subsidiaries. In addition to having access to the passenger cargo holds of LATAM Airlines Group, they have a fleet of 11 freighters, which will gradually increase to a total of 21 freighters by 2023.

They operate on the LATAM Group network, as well as international routes that are solely used for cargo. They offer modern infrastructure, a wide variety of services and protection measures to meet all customer needs.

For press inquiries write to comunicaciones.externas@latam.com. More financial information is available at www.latamairlinesgroup.net.

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