

Investor presentation
IQ 2019 Results
May 29, 2019

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1 **Company Overview**

2 Recent Developments

3 IQ 2019 Results

4 Closing Remarks

5 Appendix

credivalores

Largest non-bank financial institution in Colombia for consumer lending to mid-to-low income population not served by traditional banks in small and intermediate cities



Robust origination capabilities. Proven expertise in the financial sector in Colombia having disbursed over US\$2.4 billion throughout the past 15 years of operations.



Considerable portfolio size of US\$447 million.



Broad geographic footprint. 79 branches and POS in retail locations; 120 customer centers across the country in alliance with national telecom companies.



Sizable exclusive sales force. More than 530 sales representatives and 1,400 external advisors.



Strong Capitalization. US\$82 million total equity.



Long-lasting partnerships with employers, utility companies, insurance companies and retailers granting us access to 7.6 million potential clients and 20,000 points of collection across the country.

Overview of Product Portfolio

(as of March 31, 2019)

tucrédito cv
Payroll loans

credi**1**uno
Credit Cards

credi**·**póliza
Insurance Financing

Managed portfolio ⁽¹⁾ <i>Thousand Million COP</i>	\$831 US\$262 mm	\$492 US\$155 mm	\$91 US\$29 mm
% of managed portfolio ⁽²⁾	58.6%	34.7%	6.4%
Average loan size <i>Million COP</i>	\$16,4 US\$5,163	\$2.4 US\$749	\$4.0 US\$1,250
Average term at origination	107 months	18 months	10 months
Number of clients ⁽³⁾	80,039	651,481	41,924
Average rate charged ⁽⁴⁾	23.3%	27.7%	26.6%
Average rate +Fess	31.4%	45.1%	31.6%
NPLs (%) ⁽⁵⁾	3.67%	13.80%	6.60%
Distribution/ collection partners	720 employers with > 3.2 million employees	8 agreements with utilities companies, retailers and telecom companies with > 4.4 million clients	Local and international insurance companies and brokers
Source of payment / guarantee	Irrevocable authorization from employee to employer to deduct monthly loan installments from paycheck and wire them to CV	Monthly charges added to borrowers' utility bill, which is required to be paid in full	Irrevocable mandate to cancel coverage if unpaid installments. Insurance company reimburses CV for unused portion of policy

Source: Company filings.

(1) Figures converted at a March 31, 2019 FX rate of \$3,174.79 COP/USD


(2) The remaining 0.3% of managed portfolio consists of \$4,654 mm in microfinance loans, a product that is being unwind since 2016.

(3) Number of clients includes only credit products

(4) Not including fees and commissions

(5) Includes NPLs between 60 and 360 days, as a percentage of total managed loan portfolio excluding NPL>360, as reported in financial statements as of March 2019 on note 7.2.3 NPL calculation considers principal only.

Competitive Advantage and Target Market

	Traditional banks	 Credivalores - Crediservicios S.A.S.
Commercial	<ul style="list-style-type: none"> Branch network represents the largest channel for commercial activity 	<ul style="list-style-type: none"> Customer approached on site by exclusively trained and developed sales force
Product	<ul style="list-style-type: none"> Multiproduct portfolios / cross selling 	<ul style="list-style-type: none"> Specialized and customized products Collection and billing of credit card using utilities' infrastructure
Market segment	<ul style="list-style-type: none"> Middle and high income segments – Large average loan size – Standard credit analysis – Limited presence in small and mid-size cities 	<ul style="list-style-type: none"> Low and mid income segments – Small average loan size – Credit scoring according to product nature and clients' risk profile – Small and mid-size cities
Processes	<ul style="list-style-type: none"> Complex internal process and slow response times Additional documents required for analysis 	<ul style="list-style-type: none"> Agile processes and response time Complimentary information from alliances

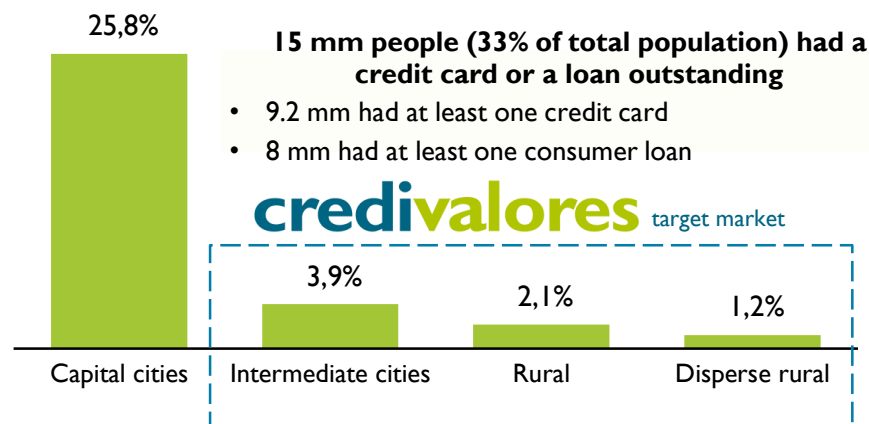
Potential client base = 79.2% of Colombia's population

Total population as of November 2018: 45.5 million



Focus on less penetrated small and intermediate cities

Population with access to credit, % of total inhabitants (Dec. 2017)



Source: Company, Raddar CKG, DANE, Colombian Financial Superintendence

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Recent Developments (IQ 2019)

Growth and Profitability

- **Positive operational results:**
 - **+9.8% (YoY)** growth in **Managed Portfolio** and **+8.5% (YoY)** in **Owned Portfolio**
 - **+4.2% (YoY)** growth in **Number of Clients (890,329)**
- **Mixed financial results:**
 - **+32.1% (YoY)** growth in **Net Interest Income**
 - **-0.6% (YoY)** in **Gross Financial Margin**, specially affected by IFRS 9
 - **-92.9% (YoY)** in **Net Income** for the period

Improvements in Funding Profile

- **Amortizations of local secured syndicated loan** used to fund payroll loan origination in 2018 and **renewal of this facility with four local financial institutions ⁽¹⁾ for COP\$223 Bn (US\$70 MM)**, availability period of 3 years (revolving) and a 5.5 year tenor.
- **Committed lines of COP\$273 Bn (US\$86 MM)**, 45% of them **available** to use in the next 12 months. **Cash at hand of about US\$10 MM on a quarterly basis.**
- **Average life of total debt** at 2.8 years (domestic at 1.8 years and international at 3.0 years)
- **Foreign currency debt fully hedged** with NDFs, cross currency swaps and options.

Capitalization and Strong Management Team

- Shareholders' **capitalization of COP\$3,0 Bn (US\$0.9 MM) in 4Q 2018** and **approval** for an **additional capitalization of COP\$12 Bn (US\$3.8 MM)** to support growth.
- **Leverage ratio at 5.3x** and **equity/assets ratio at 13.8%.**
- **Covenant compliance as of March 2019** according to the Description of the Notes.
- **Renewed and stronger senior management team** in the financial, commercial and risk departments with **over 20 years of experience in the financial sector.**

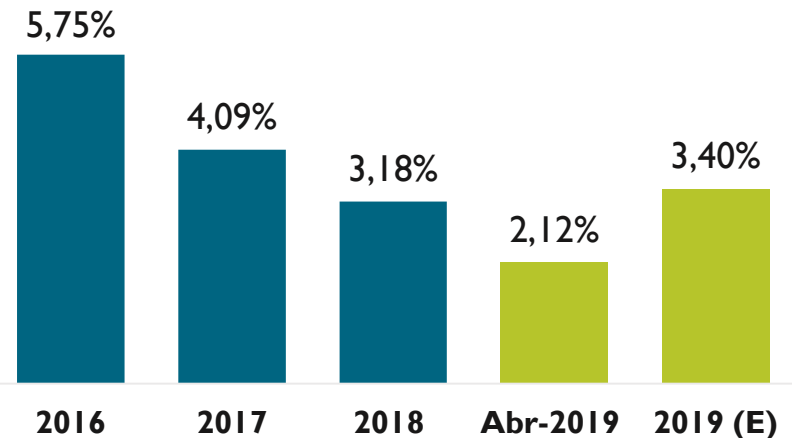
Measures to Improve Asset Quality

- **Restrictive and conservative underwriting policies. Strengthening of the collections and risk departments.**
- **New agreement with Electrohuila**, a utility that will grant us access to 360,000 new clients.
- **Technological improvements in the origination and collection processes.** New underwriting platform for the credit card and pre installed app in the call phones financed.

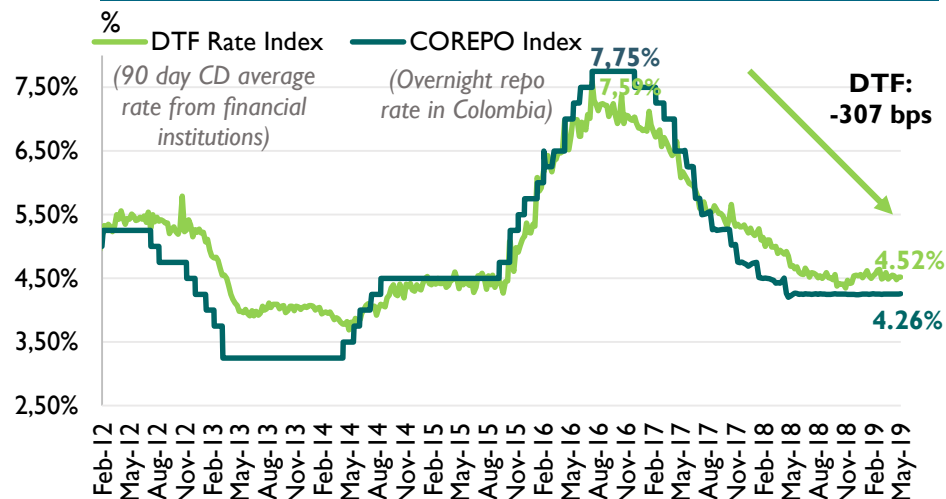
IQ 2019 Main Highlights - Macro Conditions

Inflation (1)

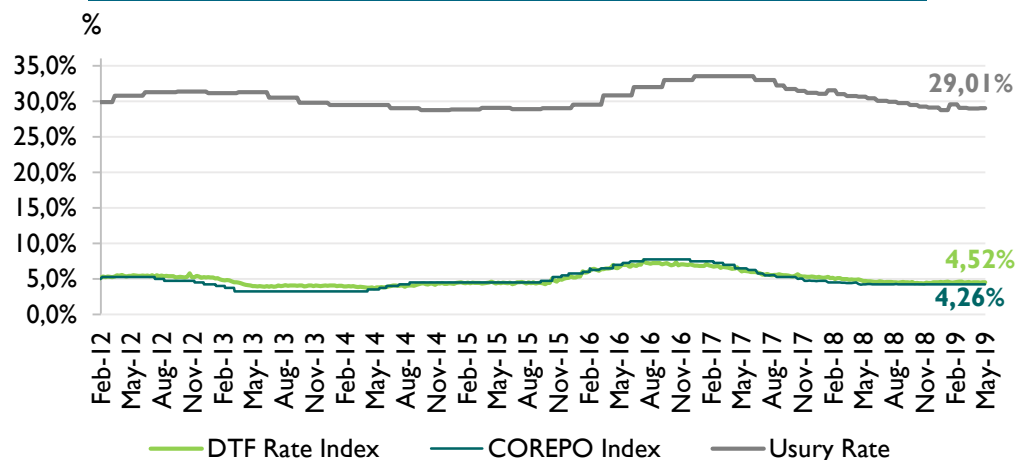
As % change, YOY



Interest Rates (1)



Usury Rate vs. Interest rates (2)



	2018	2019 (E)
DTF	4,54% (1)	4,87% (3)
GDP Growth (1)	2,7%	3,5%

- **Changes in calculation period of usury rate (4), starting on September 1st, 2017 from quarterly to monthly basis**
- **The calculation formula remained unchanged: 1.5 x the average lending interest rate (5)**
- **Since the adoption of this measure, usury rate has declined 396 bps**

Source:

(1) Central Bank- Banco de la República website www.banrep.gov.co

(2) Colombian Superintendence of Finance.

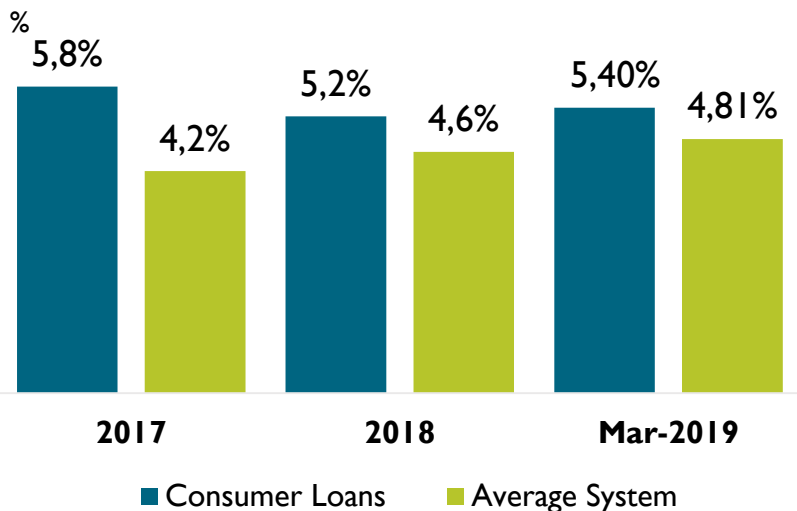
(3) Bancolombia. IQ 2019 Update of Macroeconomic Projections.

(4) Cap rate applicable to all loans in Colombia, calculated by the Superintendence of Finance.

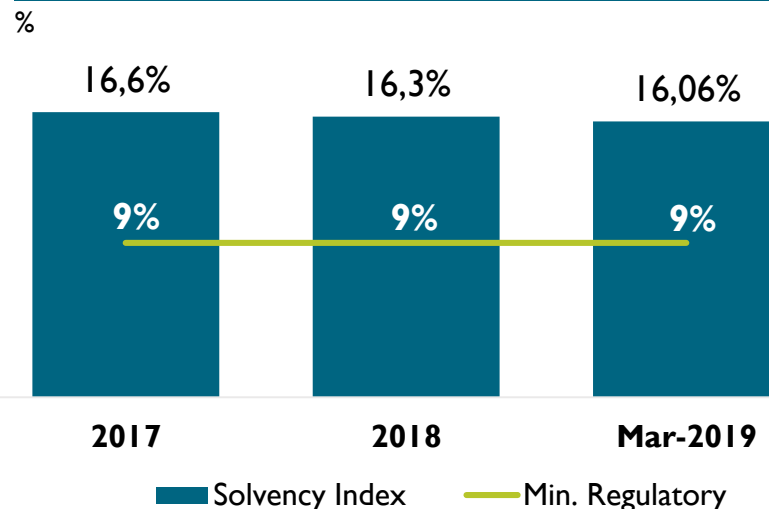
(5) Average interest rate paid by the borrowers and certified by the Superintendence of Finance based on the interest rates from microloans, consumer loans, small amount consumer loans. Those transactions not reflecting market conditions are excluded from the calculation.

IQ 2019 Main Highlights - Macro Conditions

NPLs Financial System (1)

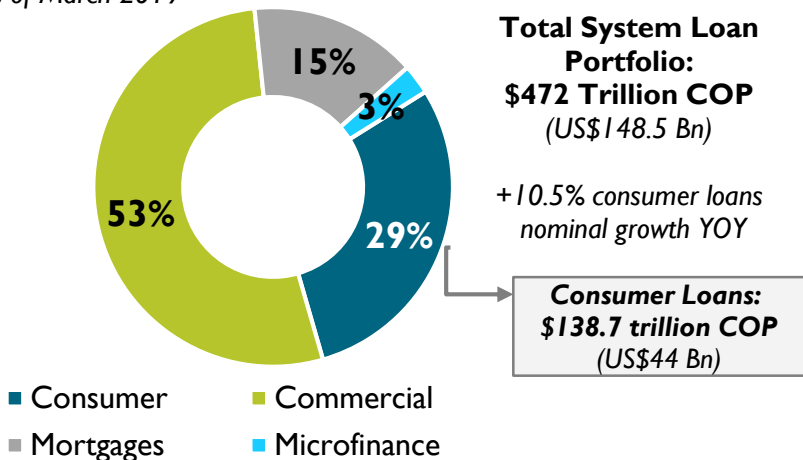


Solvency Index Financial System (2)



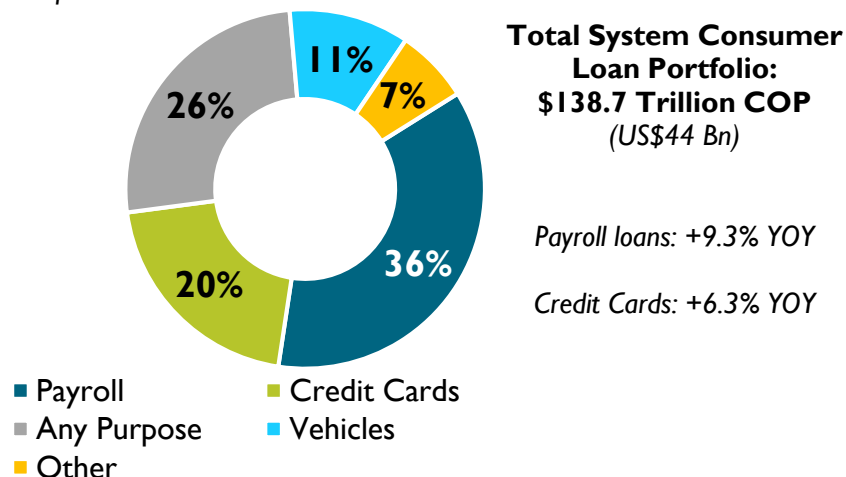
Financial System Loans Portfolio by Type (3)

As of March 2019



Consumer Loans Portfolio by Type (3)

As of March 2019



Source:

(1) Colombian Superintendence of Finance. Including write-offs.

(2) Colombian Superintendence of Finance. Calculated as equity over weighted average assets.

(3) Colombian Superintendence of Finance.

1 Company Overview

2 Recent Developments

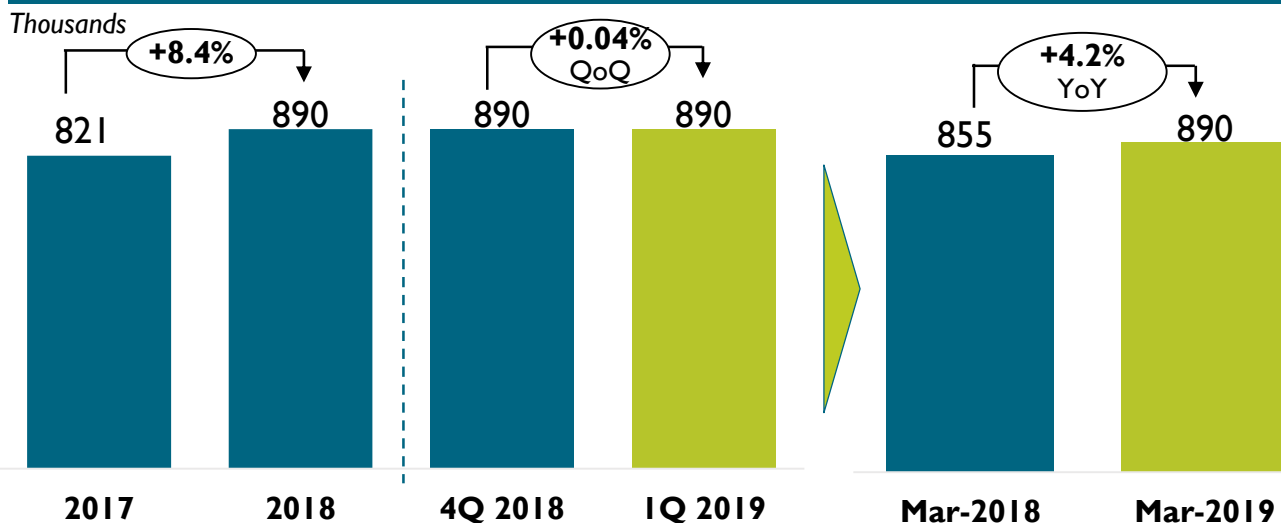
3 IQ 2019 Results

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IQ 2019 Operating Results

Number of Clients ⁽¹⁾



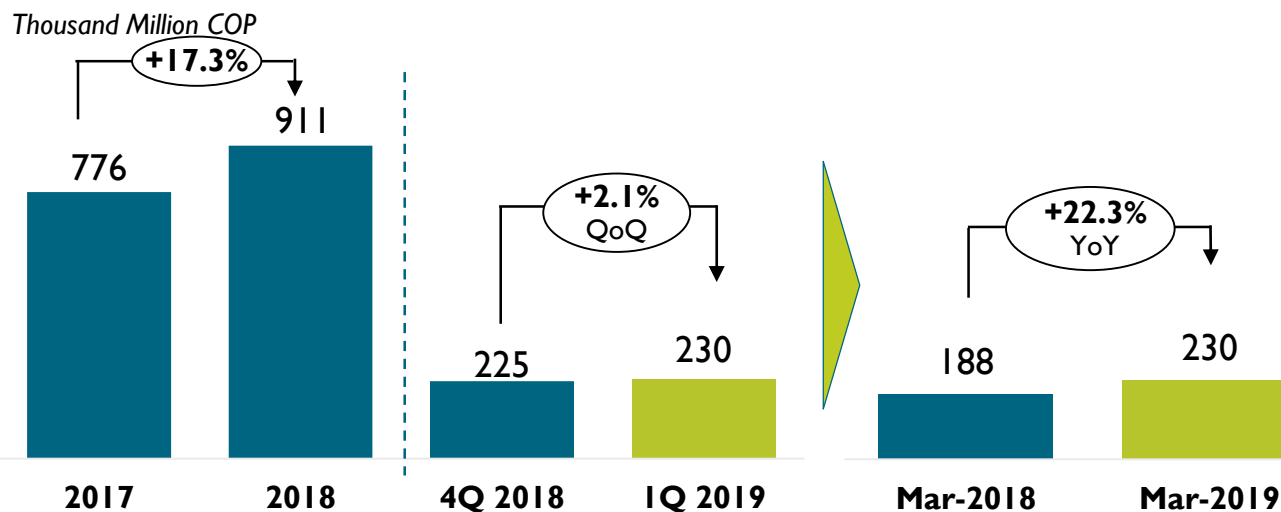
QoQ client results due to:

- +2.5% in payroll loans
- +0.7% in credit cards
- +9.5% in insurance financing

+4.2% (YoY)

due to a 9.6% growth in credit card clients and a 9.0% growth in payroll loan clients

Loan Portfolio Origination ⁽²⁾



QoQ disbursements results due to:

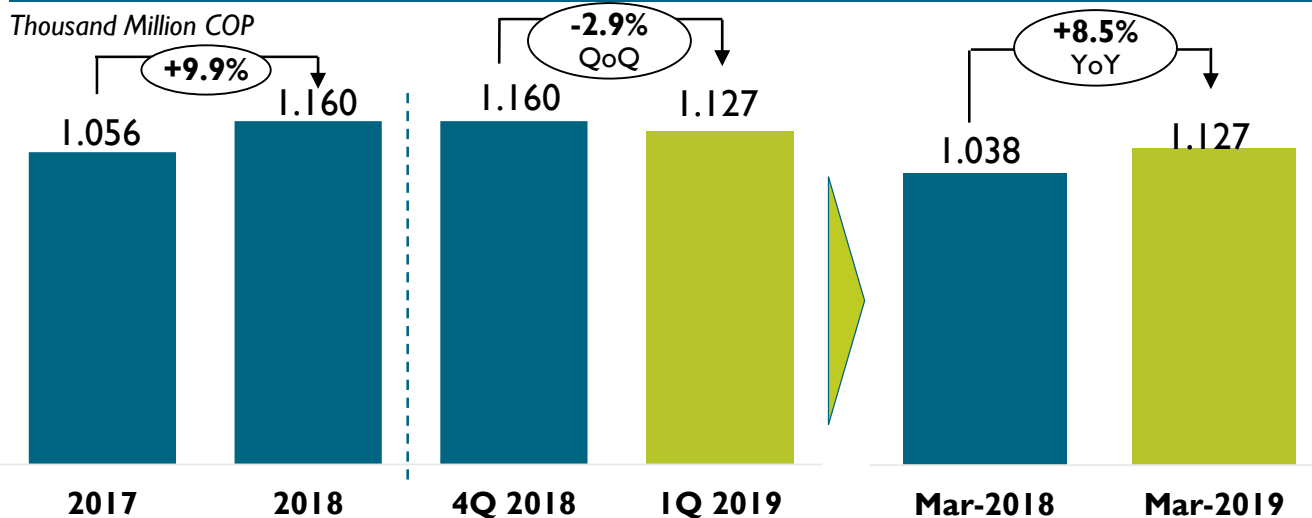
- +18.6% in payroll loans
- 14.4% in credit cards
- 23.1% in insurance financing

+22.3% (YoY)

due to 98% growth in payroll loans to offset restrictions in origination in credit card and insurance financing

IQ 2019 Operating Results

Owned Loan Portfolio (1)



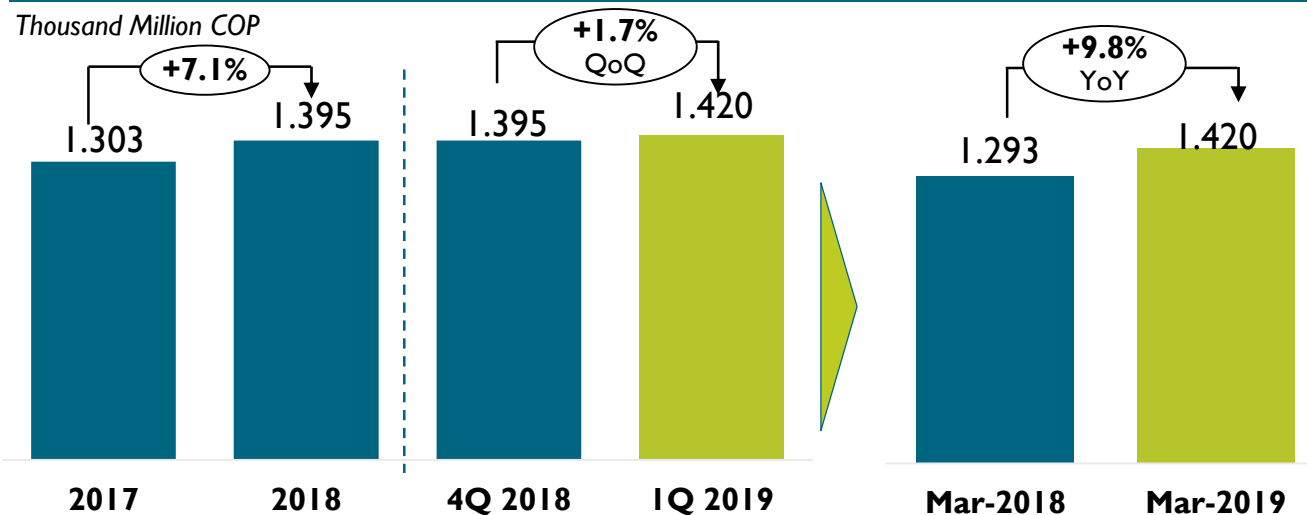
QoQ owned portfolio results due to:

- 2.2% in payroll loans
- 2.3% in credit cards
- 10.0% in insurance financing

+ 8.5% (YoY)

due to portfolio growth in payroll loans (+23.5%) and credit cards (+1.2%)

Managed Loan Portfolio (2)



QoQ managed portfolio results due to:

- + 5.8% in payroll loans
- 2.3% in credit cards
- 10.0% in insurance financing

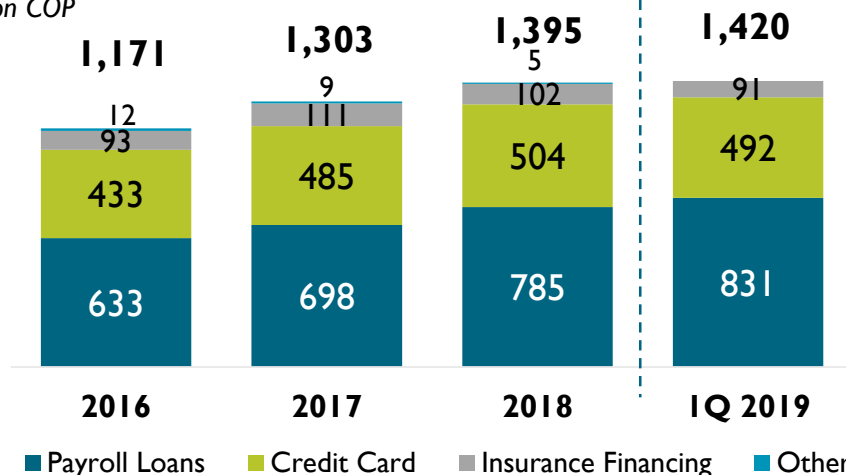
+ 9.8% (YoY)

due to portfolio growth in payroll loans (+20.3%) to offset decrease in insurance financing

IQ 2019 Operating Results

Managed Loan Portfolio by Product

Thousand Million COP

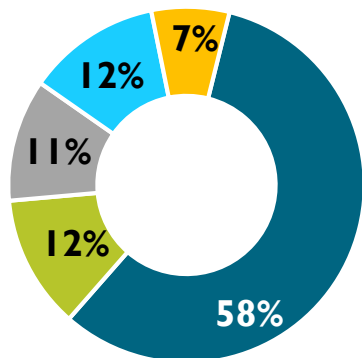


YoY payroll loans increased their participation within the total portfolio.

As of March 2019, the loan portfolio mix was the following: payroll loans (58.6%), credit cards (34.7%) and insurance premium financing (6.4%)

Payroll Loans Breakdown

As of March 2019



Top 25 clients



0.61%
of portfolio

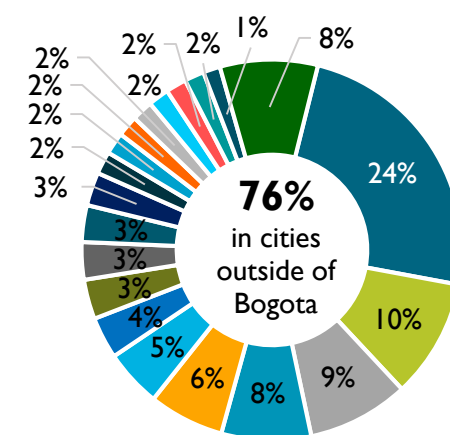
0.095%
single client exposure

88%
among retirees and government employees (1)

- Retirees
- Private Cos.
- Government
- Teachers
- Military

Payroll Loan Portfolio Breakdown by Geography

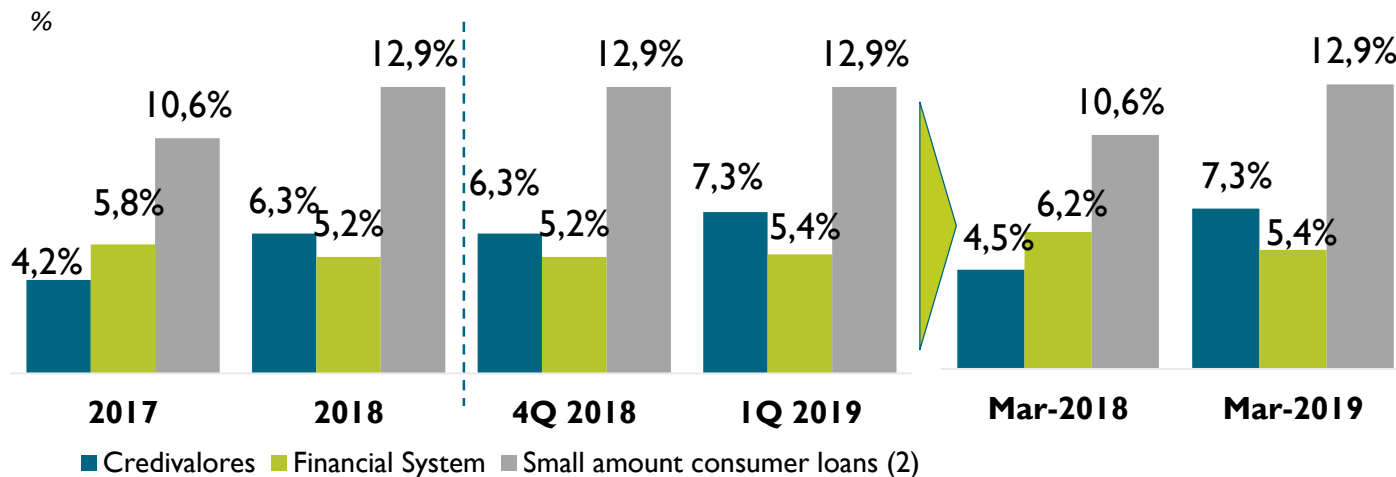
As of March 2019



- Bogota
- Cesar
- Valle del cauca
- Cordoba
- Santander
- Tolima
- Caldas
- Cauca
- Norte de Santander
- Caqueta
- Antioquia
- Atlantico
- Bolivar
- Magdalena
- Risaralda
- Guajira
- Meta
- Quindio
- Sucre
- Other

IQ 2019 Operating Results

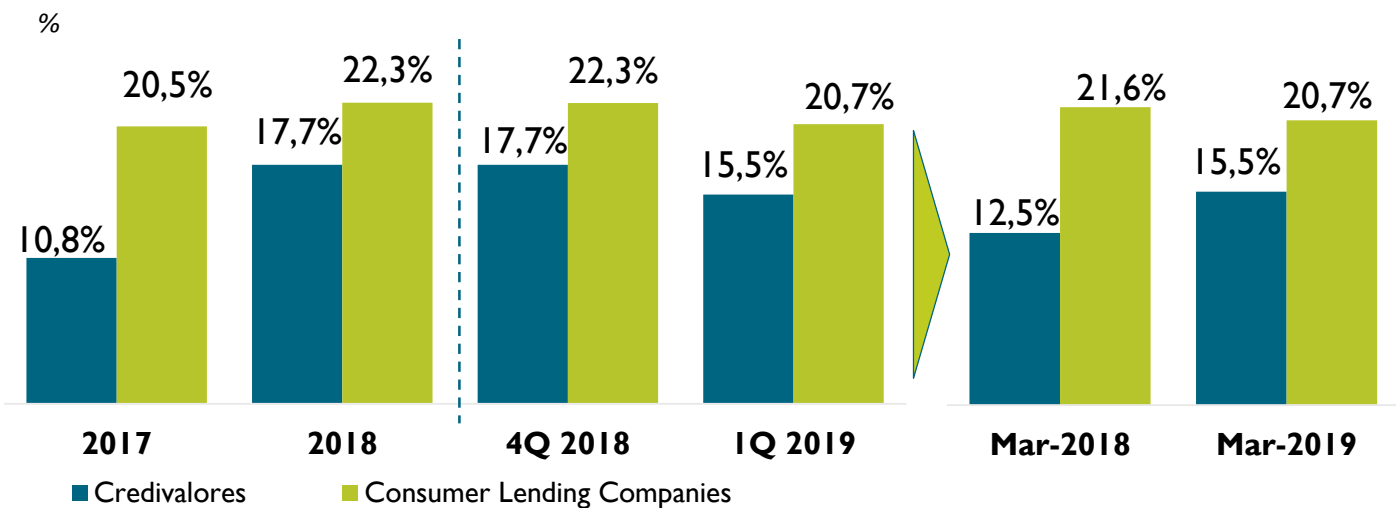
NPLs Consumer Loans (1)



NPLs increased due to:

Lower credit card origination resulting from more conservative and restrictive underwriting policies in place since October 2018 to control further deterioration of the performance of the credit card business

NPLs Consumer Loans (Including Write-Offs) (3)



In spite of the increase in NPLs for Credivalores, the result is below the average NPLs of consumer lending companies, which operate in similar products and market segments

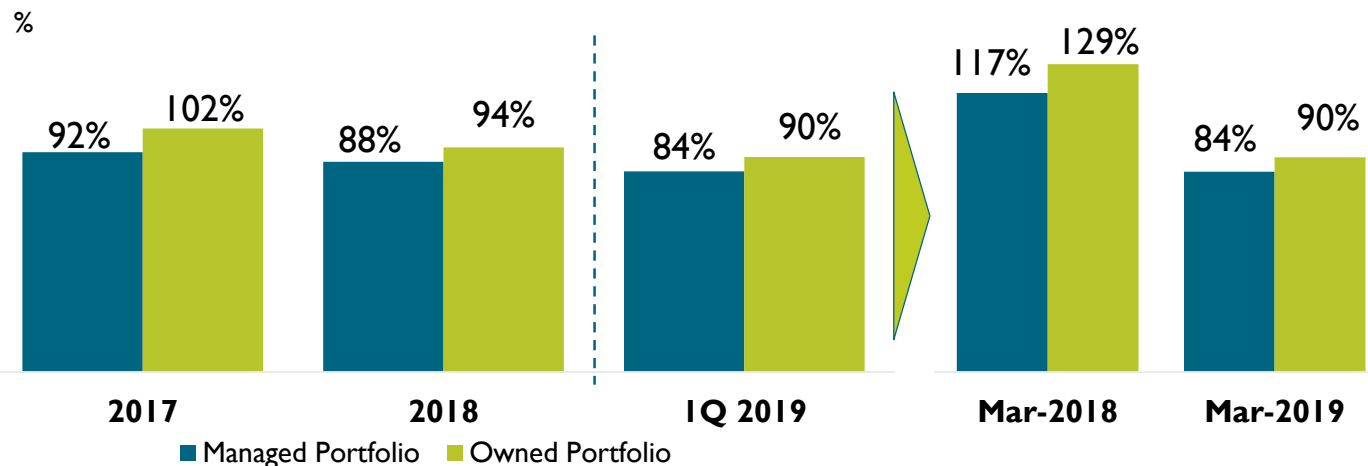
(1) Includes NPLs between 60 and 360 days, as a percentage of total managed loan portfolio excluding NPL>360, as reported in financial statements as of March 31, 2019 on note 7.2.3 NPL calculation considers principal only.

(2) Consumer loans of small amounts are defined by the Financial Superintendence as those consumer loans for up to 2 minimum wages (today about US\$522) and a maximum tenor of 36 months.

(3) Given Credivalores' past policy of not writing off loans, we calculate the equivalent ratio of the financial system for comparative basis. The Company adopted IFRS 9 in 2018 and as a consequence the Company started to write-off past due loans.

IQ 2019 Operating Results

NPLs Coverage Ratio (+60) ⁽¹⁾



NPLs Coverage Ratio decreased due to:

large increase in provisions in IQ 2018 resulting from **IFRS 9 adoption**, which changed the provisions model (expected loss), and the return to average historical levels of coverage ratio

Measures to control NPLs in the Credit Cards Business

- ✓ **Restrictive and conservative** underwriting policies.
- ✓ **Migration to direct billing under certain agreements.**
- ✓ **Strengthening of the collections and risk areas and new management team** to implement changes in collection.
- ✓ **Development of new scoring models** for new origination and for portfolio management.
- ✓ Execution of a **new agreement with Electrohuila**, which will grant us access to more than 360,000 new clients, which represents a potential 14% increase in the total clients of the credit card business reaching more than 3 million clients.
- ✓ **New digital underwriting platform for the credit card and pre installed app in the cell phones** financed (Huawei and Samsung) to improve collection.
- ✓ **Inclusion of NPLs targets per product in the remuneration scheme of regional and zonal managers of the sales force.**

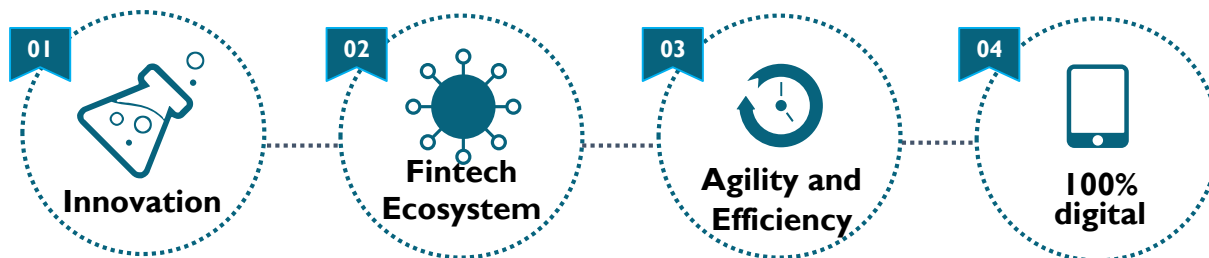
(1) Calculated as reserves (including impairments and FGA reserves) over NPLs of managed / owned loan portfolio. FGA (Fondo Nacional de Garantías de Antioquia) is an entity that acts as guarantor for loans of our clients. The cost of the guaranty is paid by the respective client. The amounts paid are held by a mercantile trust fund and are considered a reserve that we have established to protect our portfolio in case of deterioration of the loans granted.

IQ 2019 Operating Results

Redesign and Digitalization of the Origination Process



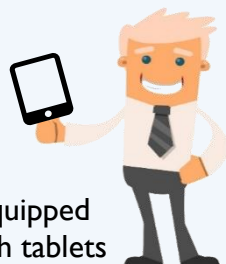
Digital Origination



Commercial Channels

Retails
Employers
Mobile Units

Internal
Sales
Force



Equipped
with tablets

Allies

Telecom Cos
Merchants
Middlemen



Profiling
Feasibility
confirmation
in real time

Data Collection
-Georeferencing
-Automatic
validations

Digital Signature
-Digital and facial
biometrics
-Dematerialized
promissory notes

**Disbursement /
Credit Card
Issuance**

May 2019:

Launching of 100% digital origination platform for the credit card business



**Productivity
+60%**

**Response Time
-70%**

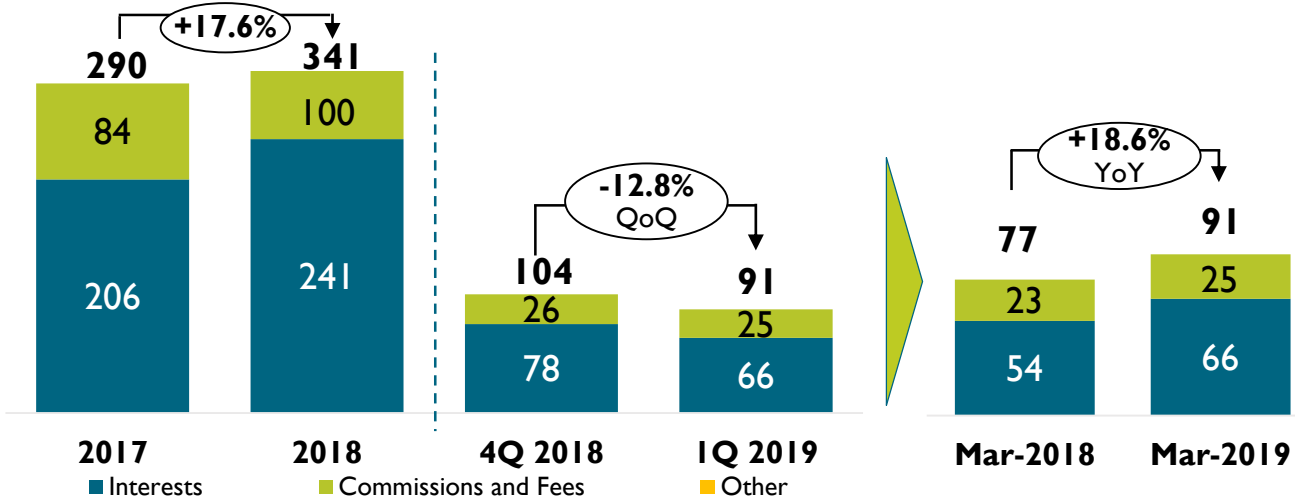
**Origination Costs
-60%**

**Clients Approved
+35%**

IQ 2019 Financial Results- Income Statement

Interest Income (1)

Thousand Million COP



QoQ interest income results due to:

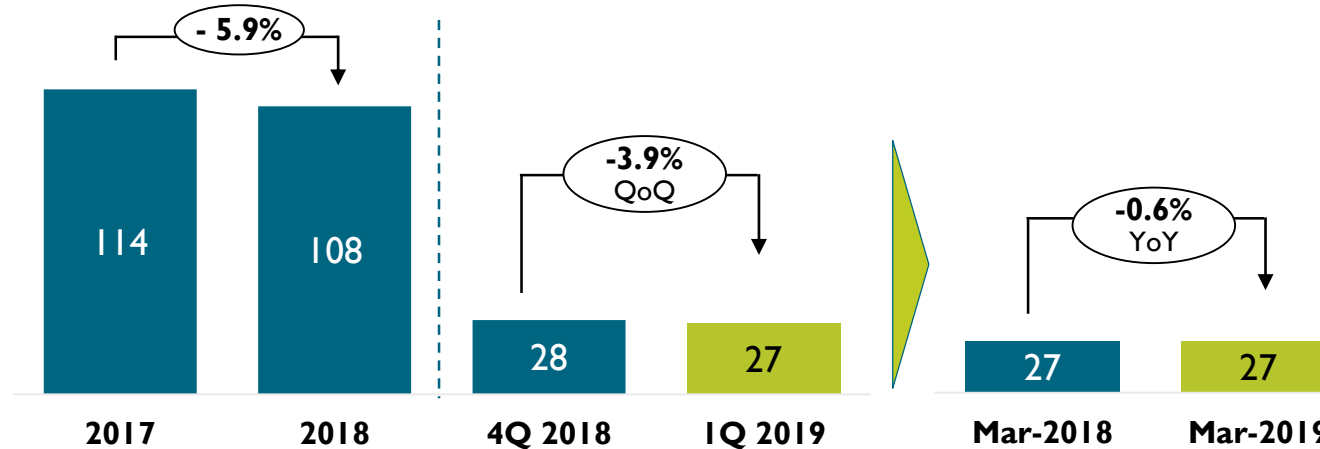
- 15.8% in interests
-3.9% in commissions and fees

+ 18.6% (YoY)

due to a 23.0% increase in interest income and an 8.4% growth in commissions and fees

Gross Financial Margin

Thousand Million COP



QoQ gross financial margin results due to:

-12.8% in interests and fees
+2.9% in financial cost
-30.3% in net impairments

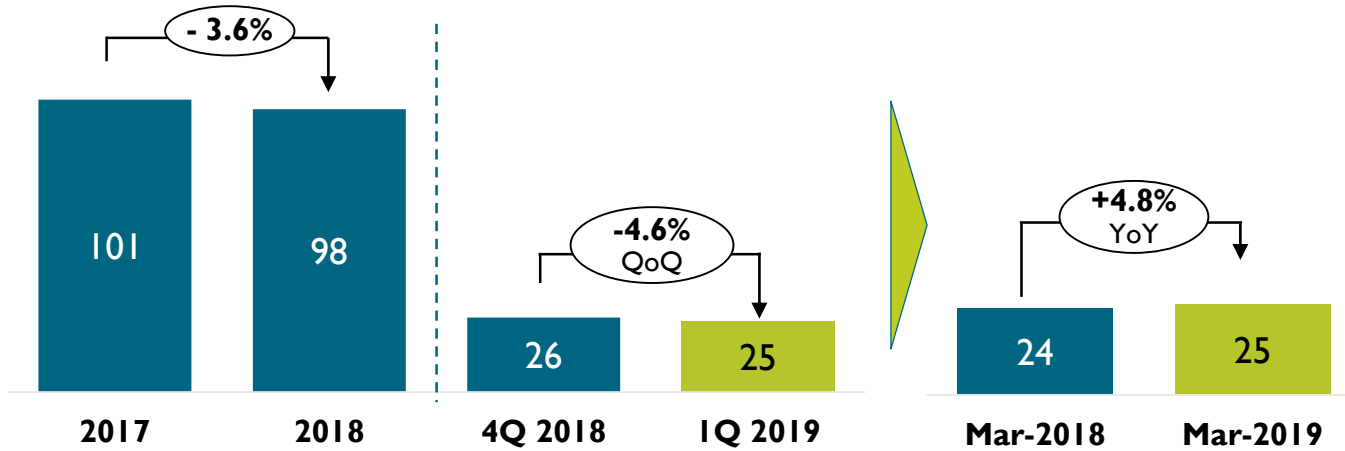
-0.6% (YoY)

due to higher net impairment expense (+168%) that offset the increase in net interest income (+32.1%)

IQ 2019 Financial Results- Income Statement

SG&A- Other Expenses ⁽¹⁾

Thousand Million COP



QoQ other expenses results due to:

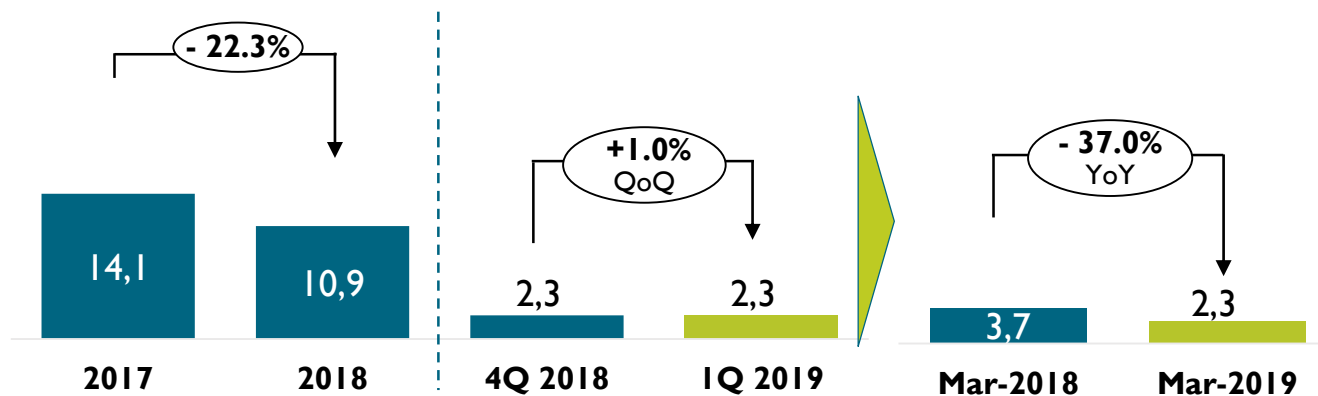
- +27.2% in depreciation and amortization expenses
- +5.9% in employees benefits
- 8.5% in legal, insurance and taxes expenses

+4.8% (YoY)

due to higher depreciation, amortization and technical assistance expenses

Operating Income

Thousand Million COP



QoQ operating income due to:

- 3.9% in gross financial margin
- 4.6% in other expenses

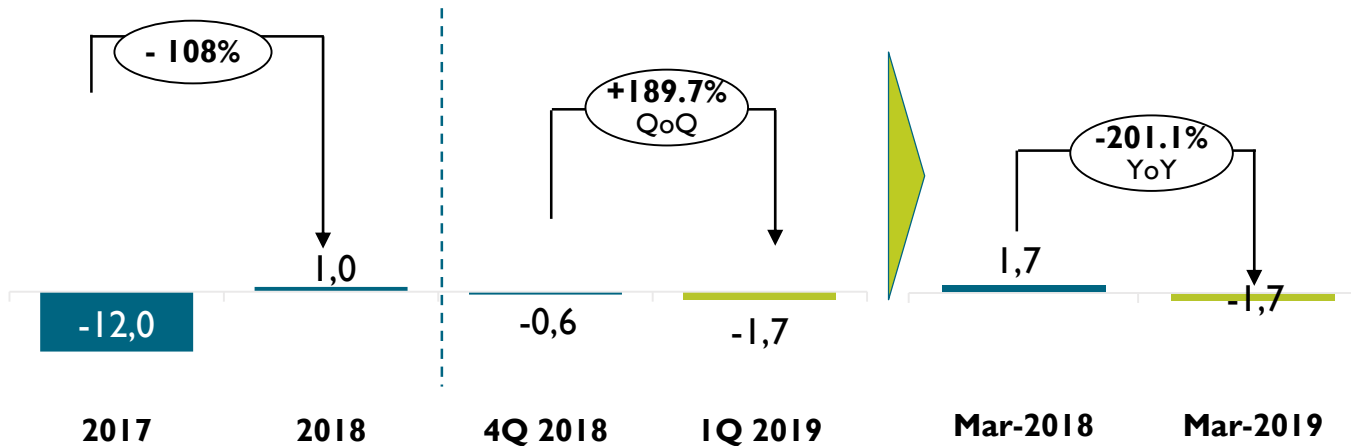
- 37.0% (YoY)

due to lower gross financial margin and higher depreciation, amortization and technical assistance expenses

IQ 2019 Financial Results- Income Statement

Net Financial Income / Expenses (Non-Operating) ⁽¹⁾

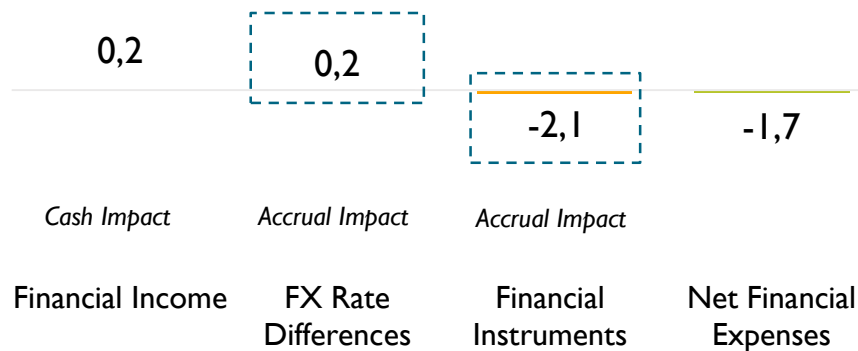
Thousand Million COP



100% of principal of foreign currency debt, including the 9.75% USD\$325 million bond due 2022, was hedged to COP

Net Financial Income / Expenses (Non-Operating) 3M 2019 ⁽²⁾

Thousand Million COP



A 2.3% COP appreciation against USD (COP\$75 / USD) between December 2018 and March 2019 resulted in a controlled impact for non-operational financial expenses.

Effectiveness of the hedging policy in place to mitigate impacts in the P&L from FX rate fluctuations

Source:

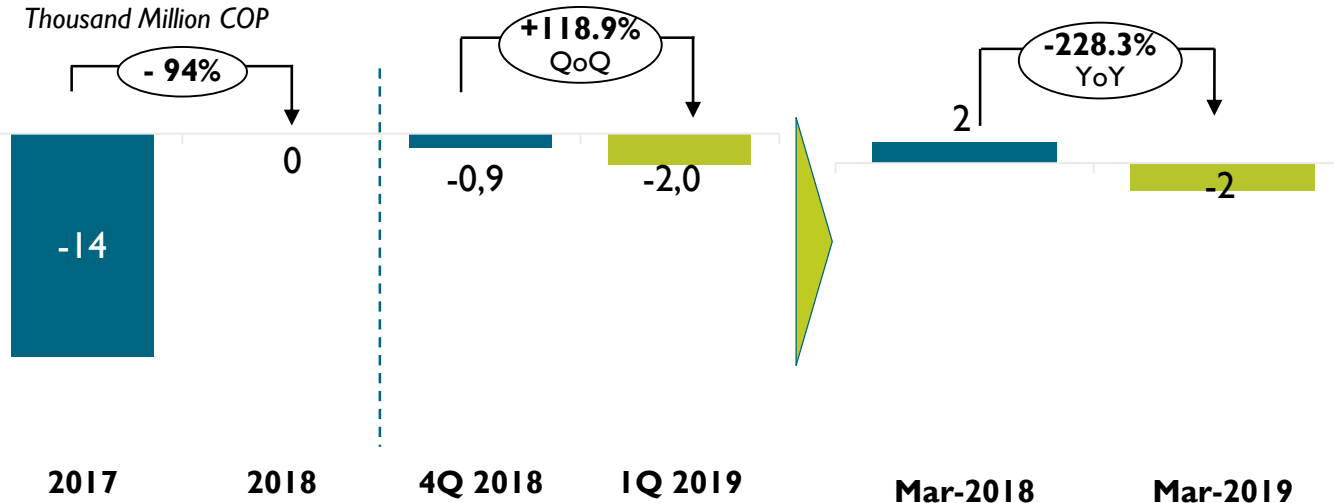
(1) Includes FX rate differences (income or expenses) arising from the hedging position on foreign currency debt and forward valuations (expenses/ income).

(2) FX rate differences (income or expenses) arising from the hedging position on foreign currency debt and forward valuations (expenses/ income).

IQ 2019 Financial Results- Income Statement

Non-Recurring Items

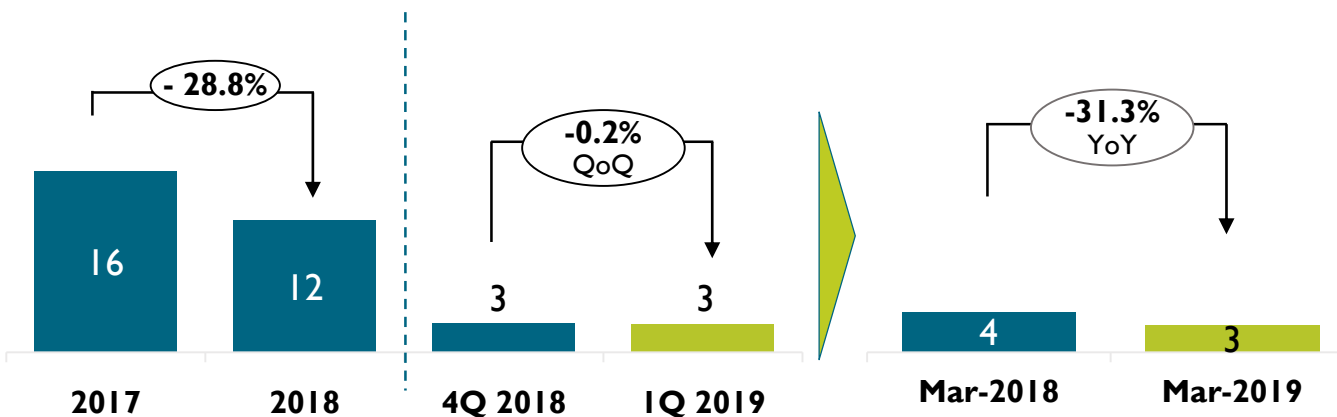
Thousand Million COP



Impact of non-recurring items has declined after the adoption of new policies for FX and interest rate risk hedging in 2018

Net Income Before Taxes and Non-Recurring Items

Thousand Million COP

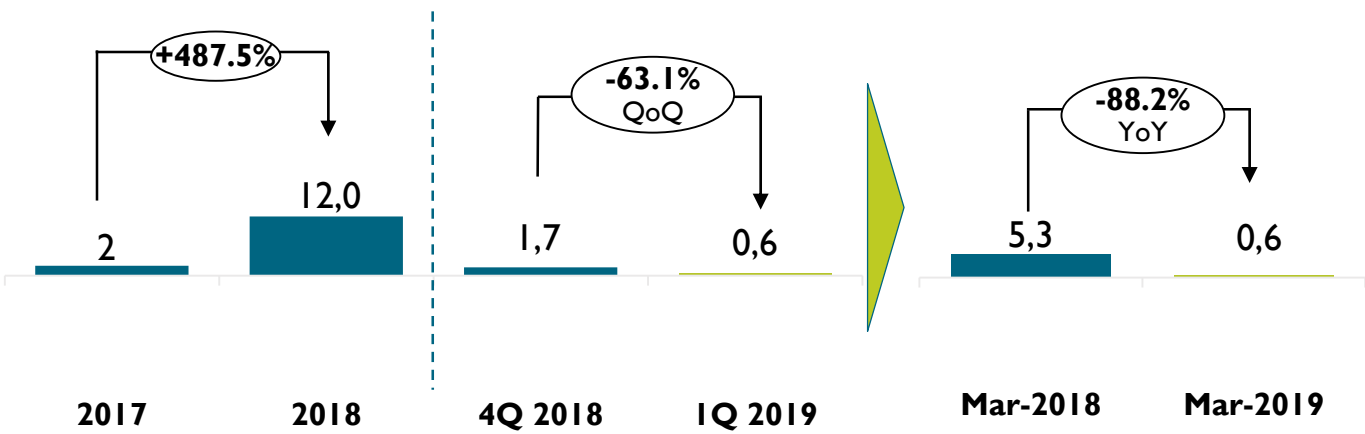


Less volatility of non-recurring items in the P&L due to the hedging policy in place

IQ 2019 Financial Results- Income Statement

Net Income Before Taxes

Thousand Million COP



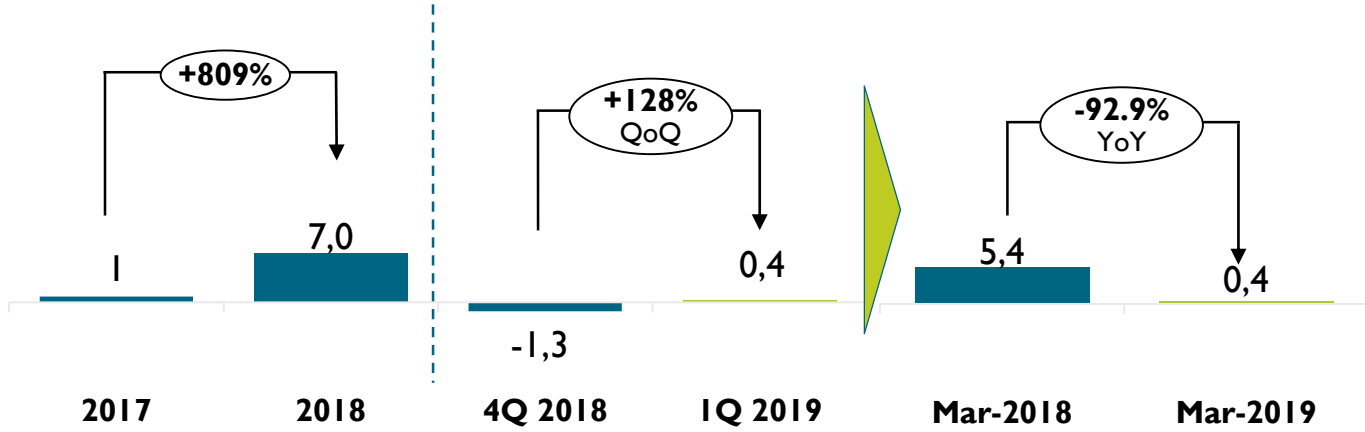
QoQ net income before taxes due to:

slight increase in operating income impacted by higher non-operational net financial expenses

-88.2% (YoY)
due to higher net impairment expenses in the operating income

Net Income for the Period

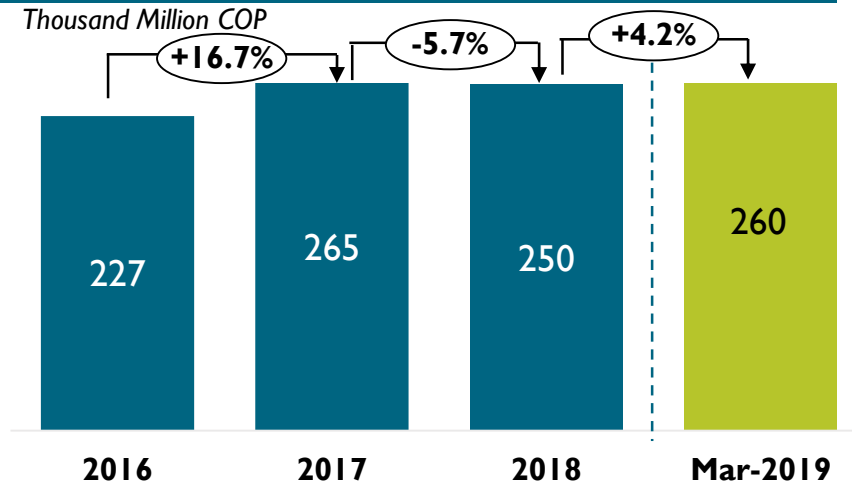
Thousand Million COP



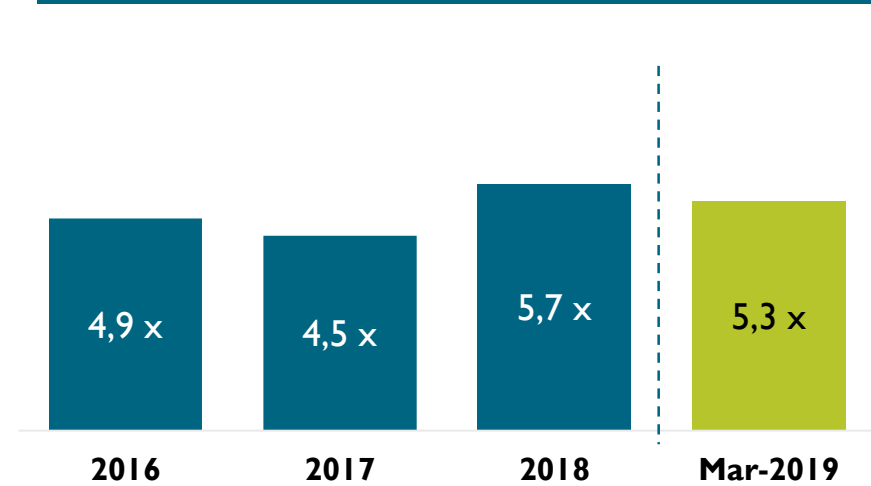
- 92.9% (YoY)
due to the impact of higher net impairment expenses in the operating income

IQ 2019 Financial Results- Balance Sheet

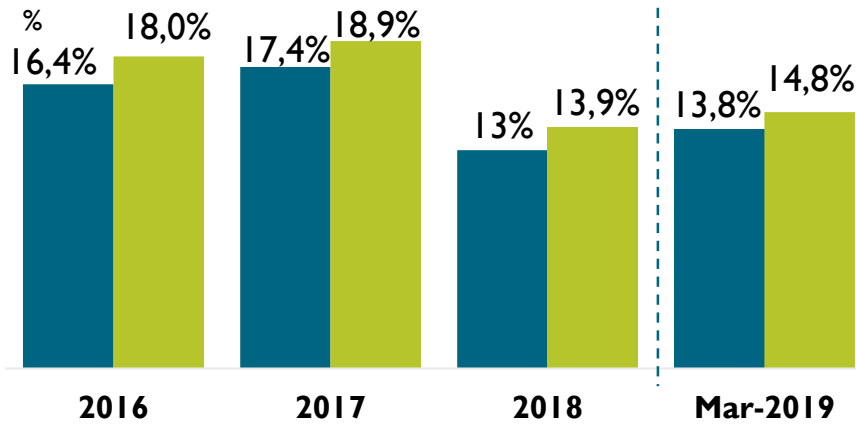
Shareholders' Equity Evolution



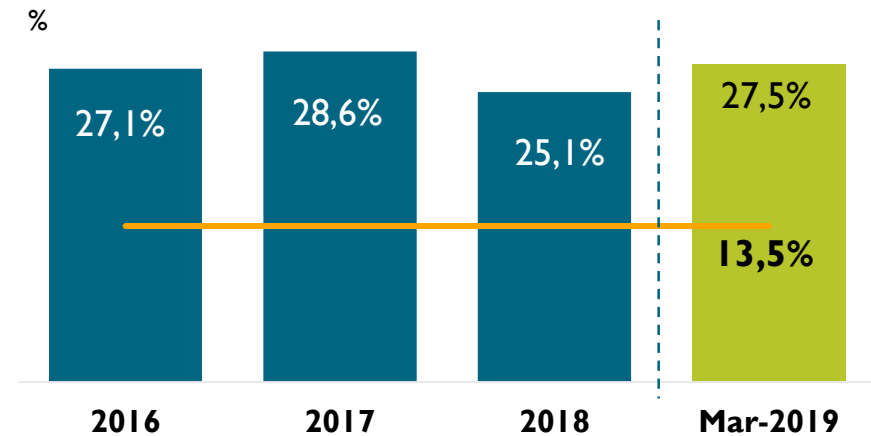
Leverage Ratio (Debt ⁽¹⁾ /Equity)



Solvency Ratio (Equity/ Assets)



Capitalization Ratio ⁽²⁾

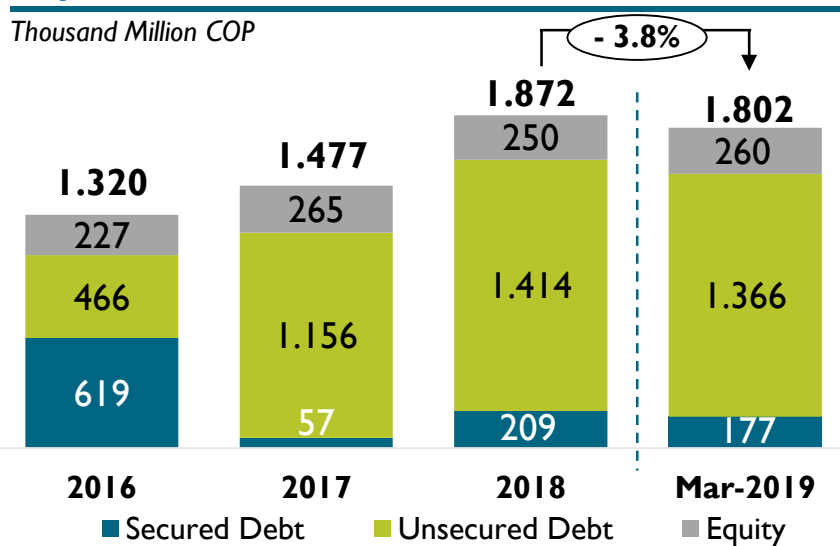


■ Equity/Assets ■ Equity/(Assets- Cash and Cash Equivalents)

IQ 2019 Financial Results- Balance Sheet

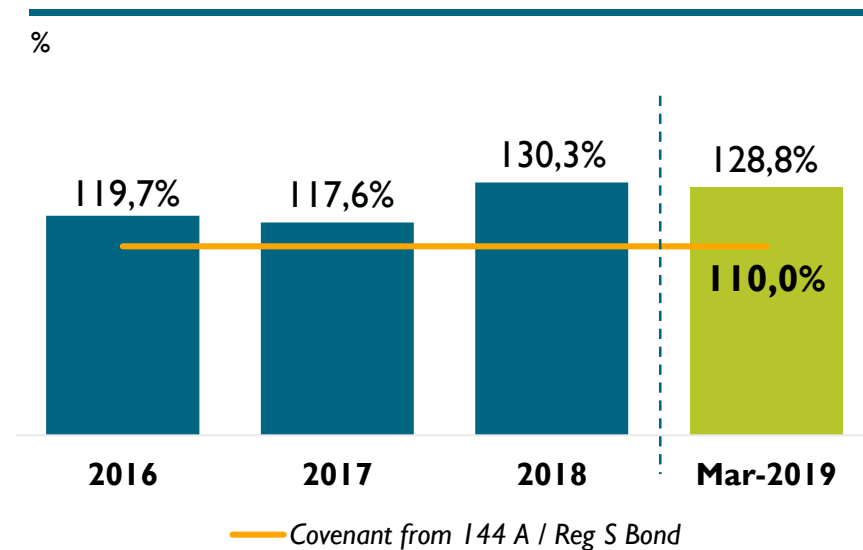
Capitalization Evolution ⁽¹⁾

Thousand Million COP



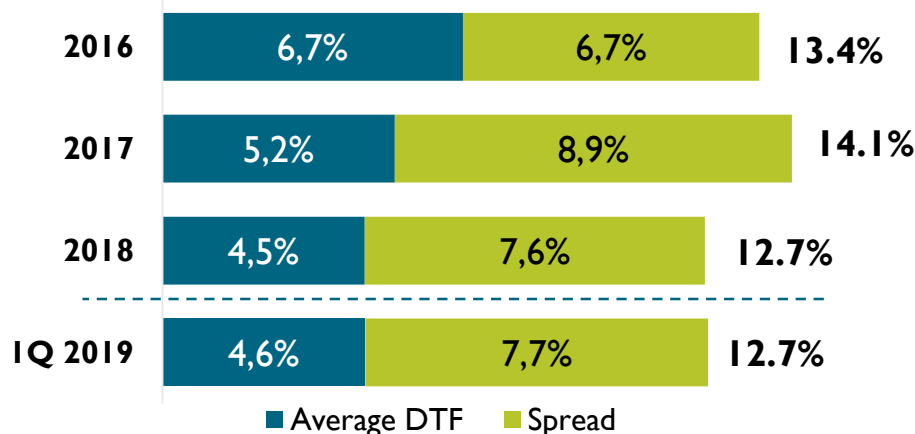
Unencumbered Assets / Unsecured Debt ⁽²⁾

%



Average Funding Cost ⁽³⁾ (%)

As of March 2019



- **Cost of funding remains controlled due to:**
- **Higher participation of domestic debt** with lower average interest rates than USD denominated debt.
- **Central Bank's loose monetary policy** during 2018, stabilizing the IBR rate at which 68% of our debt is indexed to.
- **Lower cost of hedging through forwards** given the COP performance against USD during the IQ 2019

Source:

(1) Including the FX impact on secured and unsecured financial debt denominated in USD and expressed in COP.

(2) Unencumbered Assets defined as Total Assets less intangible assets, net deferred tax assets and any other assets securing other indebtedness.

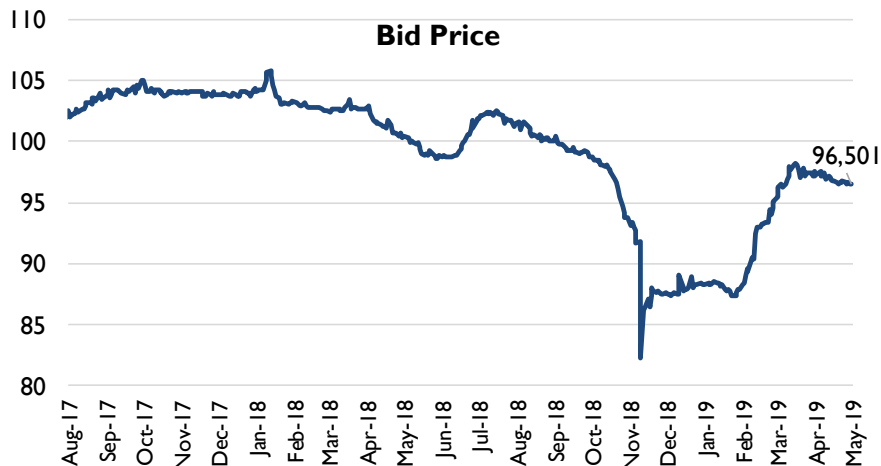
Unsecured Indebtedness, means any Indebtedness other than Secured Indebtedness, including Net Obligations under Hedging Obligations. 23

(3) Not including transaction costs and fees.

Debt Profile- March 2019

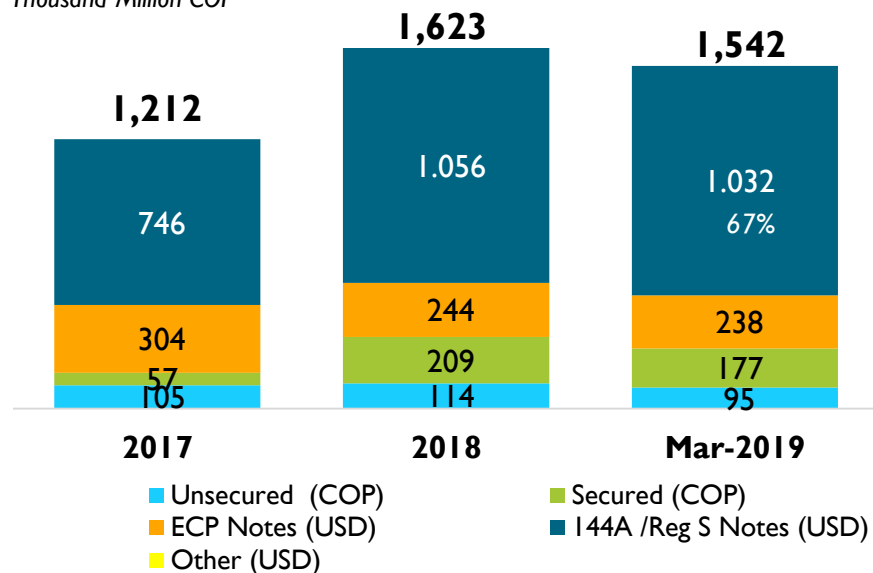
I44 A / Reg S Bond Issuance

Credivalores' bond price recovery in line with price performance from other non-banking financial institutions in the region



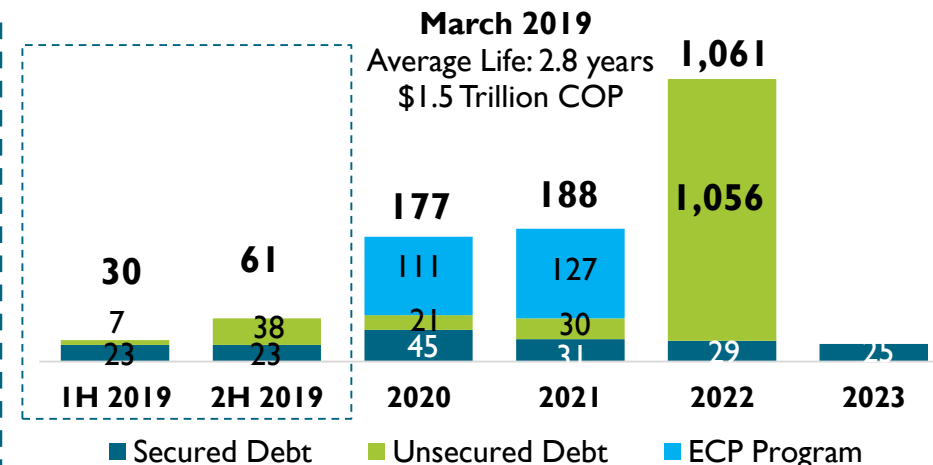
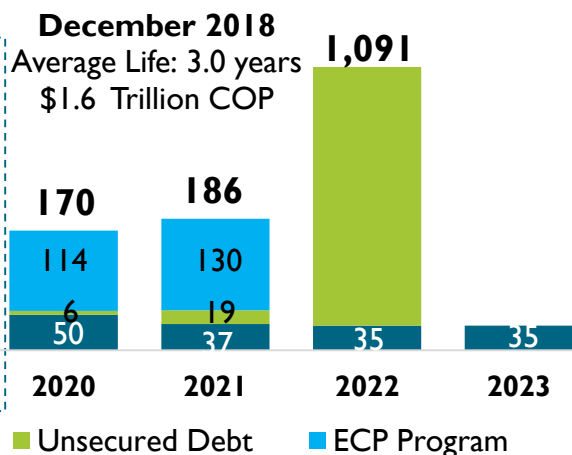
Financial Obligations by Source (Principal) ⁽¹⁾

Thousand Million COP



Debt Maturity Profile ⁽²⁾

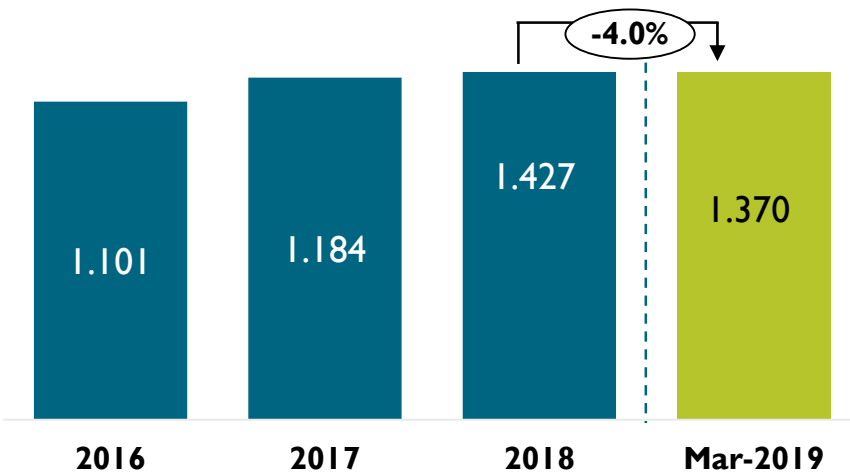
Thousand Million COP



Financial Obligations- March 2019

Net Financial Obligations ⁽¹⁾

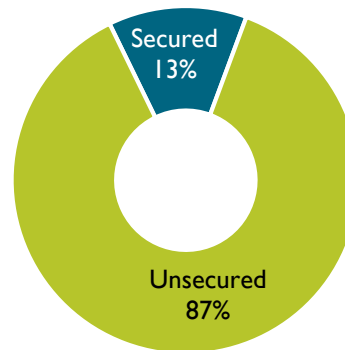
Thousand Million COP



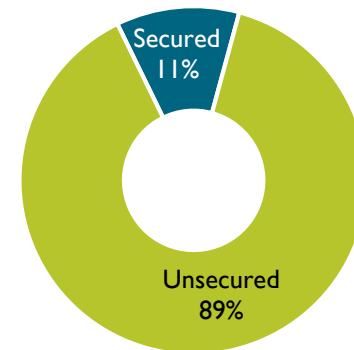
By Type

%

December 2018



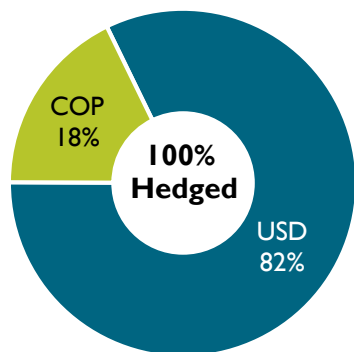
March 2019



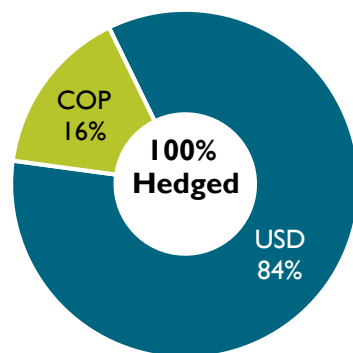
By Currency

%

December 2018



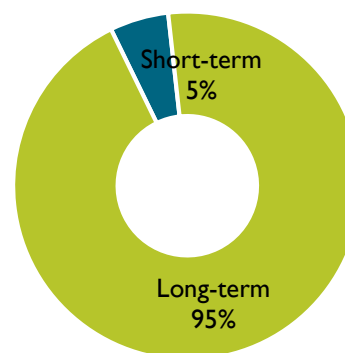
March 2019



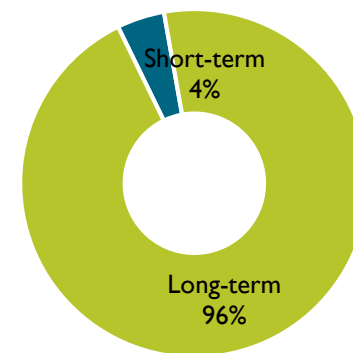
By Term

%

December 2018



March 2019



Source:

(1) Net of transaction costs and Net Obligations under Hedging Obligations.

1 Company Overview

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4 Closing Remarks

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Initiatives for Digital Innovation



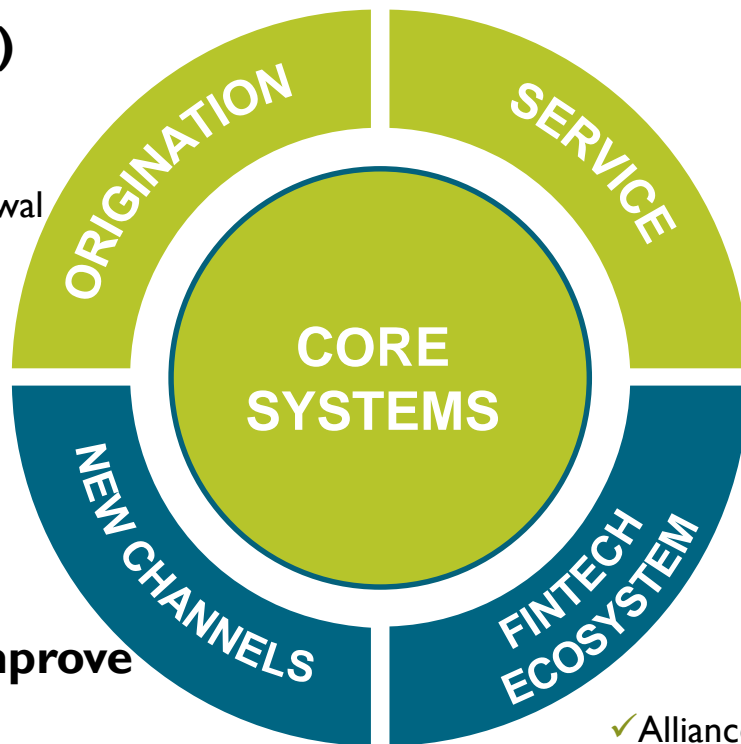
100% digital (2019)

- ✓ Facial and touch biometrics
- ✓ 12 min credit card issuance
- ✓ Self-service payroll loans renewal (June-2019)



Partnerships to improve origination

- ✓ Digital marketplace for our products
- ✓ Alliances with medium and small merchants



Omnichannel (2019)

Web-App for all products

- ✓ Consultations
- ✓ Transactions
- ✓ Marketing
- ✓ Value added for the client: personal finances

Chat Bots in Social Media



Fintechs as Allies

- ✓ Alliances with existing Fintechs to speed up the learning curve and adopt best practices (*app in financed mobiles with TIGO*)
- ✓ Optimize the R&D process and get access to state of the art solutions for our clients

Closing Remarks

Risk Management and Asset Quality

- **Increase in net impairment expense due to IFRS 9 adoption in 2018.**
- **Expectation of stabilization of NPLs by the end of 2019**, specially in the credit card business, resulting from the implementation of measures to control operational and credit risks in our portfolio.
- **100% of foreign currency debt** hedged to pesos.

Funding Sources, Macro Environment and 2019 Expectations

- **Enough funding sources available (\$273.5 BnCOP)** to meet **2019 debt amortizations (\$91 BnCOP)** related to local revolving lines **and to fund growth.**
- **Average life of debt is estimated to remain above 3 years** to mitigate refinancing risks.
- **More stable macro environment** in Colombia for 2019 (3.3% GDP Growth, inflation +/- 4% and stable political environment) and growth expectation for consumer lending (+8%).
- **Positive business environment in 2019** to maintain **recovery path for profitability:**
 - ✓ + 14% in **managed portfolio** and **+9% in number of loans disbursed** (258,000).
 - ✓ + 19% in **origination (54% for payroll loans)** and **+42% in pensioners.**
- **Access to more than 360,000 new potential clients** for the **credit card business** following the execution of the agreement with a new utility company.
- **Positive impacts** from implementing **digital innovation initiatives in our origination and customer service processes.**

Management Team and Shareholders

- **Experienced and renewed senior management team** to execute the strategic plan.
- **New management team in the Risk Department** to implement changes in the early and preventive collection processes and to strengthen the collections and risk areas.
- **Shareholders have approved COP\$15 BnCOP in additional capitalizations between 4Q 2018 and 1Q 2019** to support the Company's financial stability and growth perspectives for the following years.

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Credivalores History

15 years of track record



Consolidation of alliances with 7 public utility companies

FitchRatings
KNOW YOUR RISK

B+ International Rating

BRC
Standard & Poor's
S&P Global

Local loan originator Rating upgraded to AA



First lines of credit with local and international institutions



US\$25mm loan from IFC

BRC
Standard & Poor's
S&P Global

Initial local loan originator rating: AA-



Gramercy acquires a 25.2% stake

S&P Global

Ratings
B+ International Rating



US\$18,6 mm capitalization



US\$0,9 mm capitalization

2003

2004

2008

2009

2010

2012

2013

2014

2015

2017

2018

Company founded by David Seinjet with capital from friends and family

credivalores
Credivalores - Crediservicios S.A.S.

Credivalores and Crediservicios merged into Credivalores-Crediservicios S.A.S.



ACON acquires 32.9% stake

US\$150 mm Euro Commercial Paper Program



COP\$9,3 mm capitalization



IFC loan increased to US\$45 mm



Migration to Visa network for the credit card

credivalores
Credivalores - Crediservicios S.A.S.

US\$250 mm Inaugural 144 A / Reg S Bond (5NC3)

credivalores
Credivalores - Crediservicios S.A.S.

US\$75 mm tap of 144 A / Reg S Bond (5NC3)

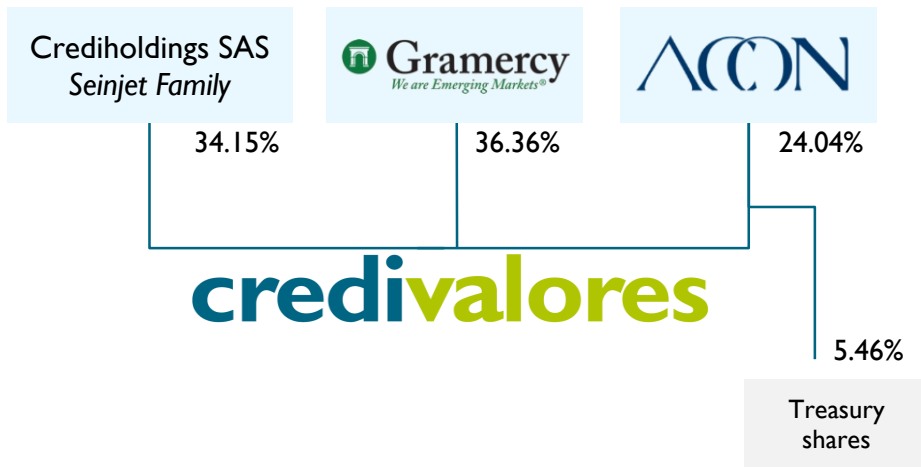
Source: Company.

credivalores

Shareholders' Structure

Simplified ownership structure

(as of March 31, 2019)



Key Shareholders

<p>Crediholdings (Seinjet family) 34.15%</p>	<ul style="list-style-type: none"> ✓ Founding family ✓ Involved in the sugar business since 1944 (Ingenio La Cabaña)
<p>Gramercy (US\$5.8bn AUM) 36.36%</p>	<ul style="list-style-type: none"> ✓ Asset manager focused on investments in emerging markets ✓ High yield and performing credit, equity, private equity and special situation investments ✓ Shareholders of Credivalores since 2014 through its private equity investments arm
<p>ACON (US\$5.3bn AUM) 24.04%</p>	<ul style="list-style-type: none"> ✓ Private equity Firm focused on middle-market investments in Latam, including: <ul style="list-style-type: none"> BetterWare® Mexico: Home organization and houseware products GRUPO SALA Colombia: Waste Management AMFORAPACKAGING Colombia and Peru: Rigid plastic packaging for cosmetics and personal care ✓ Shareholders of Credivalores since 2010

Highly Experienced Management Team

Principal Officers

David Seinjet *Chief Executive Officer*

- Founder and President of Credivalores
- Chairman at Grupo la Cabaña
- Bachelor of Business Administration from Bentley College and EMBA from Universidad ICESI. More than 20 years of experience in managing and providing strategic direction to companies in the real state and financial sectors.

Hector Chaves *Chief Financial Officer*

- Economist from Universidad Externado and Finance Specialist from Universidad de los Andes with more than 20 years of experience in the banking and financial sector in Colombia as CFO and CRO, leader of strategic committee and Board member.
- He previously worked at senior positions at BCSC, Helm Bank and Bogota Stock Exchange

Jose Luis Alarcon *Chief Innovation Officer*

- Engineer in Economics and Financial Science from Escuela Politécnica Nacional in Ecuador, Master in Banking Management and Master in Applied Statistics from Universidad de Alicante and Carlos III de Madrid with more than 15 years of experience in banking.
- He previously worked as Business Intelligence Manager, Risk Manager and Statistics and Studies Manager at Unibanco and MF Advisors with operations in Ecuador, Peru and Guatemala.

Patricia Moreno *Chief Funding and Investor Relations Officer*

- Bachelor in Finance and International Relations from Universidad Externado, Capital Markets Specialist from Universidad Sabana and Executive MBA from Universidad de los Andes with more than 15 years of experience in debt capital markets and corporate finance in the corporate and financial sectors.
- She previously worked as Head of Funding and Investor Relations at Codensa and Emgesa (Enel Group Companies), Fixed Income Manager at Citibank and Deputy Director of External Funding at the Ministry of Finance and Public Credit.

Principal Officers

Juan Camilo Mesa *Chief Risk Officer*

- Engineer from Escuela de Ingeniería de Antioquia, Economist Specialist from Universidad de los Andes and Master of Science in Risk Management from NYU with more than 10 years experience developing and executing credit, market and operational risk models.
- He previously worked as Head of Credit Risk and CRO at Tuya S.A., a leading credit card business in Colombia focused in low and middle income population.



Marcela Caicedo *Chief Operations Officer*

- Industrial Engineer from Universidad Javeriana and Six Sigma Green Belt with more than 20 years of experience in banking and operations administration as manager of operational and IT areas, leader of restructuring and M&A processes and expert on managing massive and individual channels for clients.
- She previously worked in senior positions at Protección, ING and Banco Colpatria.

Juan Guillermo Barrera *Chief Commercial Officer*

- Bachelor of Business Administration from Universidad EAFIT, Economist Specialist from Universidad de los Andes and Executive MBA from IE with more than 22 years of experience in the financial, treasury, capital markets, private banking and corporate sectors.
- He previously worked in senior positions at Grupo Bancolombia, Valores Bancolombia, Capicol and Puntos Colombia.

Stable Regulatory Framework for Payroll Lending

	 Colombia	 Mexico	 Brazil
Country rating	<ul style="list-style-type: none"> ■ BBB- / BBB / Baa2 	<ul style="list-style-type: none"> ■ BBB+ / BBB+/ A3 	<ul style="list-style-type: none"> ■ BB- / BB- / Ba2
Level of regulation	<ul style="list-style-type: none"> ■ High ■ Law No.1527 of 2012 (Payroll Loans Law) ■ Max. interest rate (usury rate) 	<ul style="list-style-type: none"> ■ Low 	<ul style="list-style-type: none"> ■ Medium
Main clients	<ul style="list-style-type: none"> ■ Government sector, Private corporations and pensioners 	<ul style="list-style-type: none"> ■ Government sector and pensioners 	<ul style="list-style-type: none"> ■ Government sector and pensioners
Origination	<ul style="list-style-type: none"> ■ Per regulation, free access to all employers without the need of intermediaries or unions 	<ul style="list-style-type: none"> ■ Unions are relevant for the loan origination process 	<ul style="list-style-type: none"> ■ Through third parties (distributors)
Operating costs	<ul style="list-style-type: none"> ■ Lower (no need for distributors or intermediaries) 	<ul style="list-style-type: none"> ■ Higher (distributors are required to reach the unions) 	<ul style="list-style-type: none"> ■ Commission is paid to distributors
Maximum tenor offered	<ul style="list-style-type: none"> ■ 96 months 	<ul style="list-style-type: none"> ■ 60 months 	<ul style="list-style-type: none"> ■ 96 months
Interest rates	<ul style="list-style-type: none"> ■ Controlled for everyone 	<ul style="list-style-type: none"> ■ Unrestricted 	<ul style="list-style-type: none"> ■ Controlled for pensioners
Limit to client's indebtedness	<ul style="list-style-type: none"> ■ Yes, maximum 50% of the client's net wage 	<ul style="list-style-type: none"> ■ No 	<ul style="list-style-type: none"> ■ Yes
Players	<ul style="list-style-type: none"> ■ Banks, cooperatives and non-bank originators 	<ul style="list-style-type: none"> ■ Government agencies, banks and non bank originators 	<ul style="list-style-type: none"> ■ Financial institutions, pension funds and insurance companies

Income statement

Million COP	As of March 31,			As of December 31	
	2019 (Million US\$) ⁽¹⁾	2019 (Million COP)	2018 (restated) (Million COP)	2018 (Million US\$) ⁽¹⁾	2018 (Million COP)
Income Statement Data:					
Interest income and similar	28.7	91,126	76,855	104.9	340,948
Financial costs (interest)	(14.8)	(47,014)	(43,460)	(49.5)	(160,957)
Net interest and similar	13.9	44,112	33,395	55.4	179,991
Impairment of financial assets loan portfolio	(5.5)	(17,335)	(6,461)	(14.6)	(47,432)
Loan portfolio impairment recoveries	–	–	–	–	–
Impairment of other accounts receivable	–	–	–	(1.9)	(6,114)
Gross Financial Margin	8.4	26,777	26,934	38.9	126,445
Other income	0.1	200	277	0.3	908
SG&A					
Employee benefits	(1.3)	(4,167)	(4,548)	(5.4)	(17,623)
Expense for depreciation and amortization	(0.5)	(1,590)	(1,295)	(2.3)	(7,409)
Other	(6.0)	(18,906)	(17,694)	(22.3)	(72,607)
Total Other Expenses	(7.8)	(24,663)	(23,537)	(30.0)	(97,639)
Operating Income	0.7	2,314	3,673	8.9	28,806
Financial income					
Exchange Rate Differences	0.05	156	2,077	3.4	8,638
Financial Instruments	–	–	–	–	–
Financial income and Other Income Recovery	0.1	294	124	0.1	2,524
Total financial income	0.1	450	2,201	3.4	11,162
Financial Expense					
Exchange Rate Differences	–	–	–	–	–
Financial Instruments	(0.7)	(2,133)	(536)	(8.9)	(28,943)
Total financial expense	(0.7)	(2,133)	(536)	(8.9)	(28,943)
Net Financial Income (Costs)	(0.5)	(1,683)	1,665	(5.5)	(17,781)
Net income before income tax	0.2	631	5,338	3.7	11,933
Income tax	(0.1)	(271)	(245)	(1.4)	(4,581)
Net income for the period	0.1	360	5,093	2.3	7,352

(1) Solely for the convenience of the reader, Colombian peso amounts have been translated into U.S. dollars at the FX rate as of March 31, 2019 of \$3,174.79 COP/USD

Balance Sheet

Million COP	As of March 31,		As of December 31		
	2019 (US\$ Million) ⁽¹⁾	2019 (Million COP)	2018 (US\$ Million) ⁽¹⁾	2018 (Million COP)	2017 Restated (Million COP)
Balance Sheet Data					
Cash and cash equivalents	38.6	122,666	61.4	195,085	121,948
Total financial assets at fair value	55.4	175,960	63.9	202,857	39,025
Total loan portfolio, net	350.5	1,112,615	359.9	1,142,524	1,052,671
Consumer loans	402.9	1,279,105	409.3	1,299,476	1,166,501
Microcredit loans	2.0	6,325	2.0	6,461	14,250
Impairment	(54.4)	(172,815)	(51.5)	(163,413)	(128,080)
Accounts receivable, net	112.5	357,009	104.1	330,651	183,511
Total financial assets at amortized cost	462.9	1,469,624	464.0	1,473,175	1,236,182
Investments in associates and affiliates	3.2	10,127	3.3	10,366	37,485
Current tax assets	4.2	13,389	3.8	12,059	8,191
Deferred tax assets, net	4.5	14,432	4.5	14,433	13,042
Property and equipment, net	0.3	884	0.2	788	913
Intangible assets other than goodwill, net	23.7	75,307	24.5	77,642	62,862
Total assets	592.9	1,882,389	625.7	1,986,378	1,519,648
Derivative instruments	6.6	20,948	8.4	26,762	17,686
Financial obligations	468.8	1,488,205	492.7	1,564,108	1,167,146
Employee benefits	0.3	970	0.3	1,096	1,154
Other provisions	1.0	3,078	0.1	343	302
Accounts payable	17.1	54,382	30.2	95,897	60,444
Current tax liabilities	0.7	2,093	0.7	2,197	1,100
Other liabilities	16.6	52,549	14.6	46,298	6,983
Total liabilities	511.0	1,622,225	547.0	1,736,701	1,254,815
Shareholders equity	81.9	260,164	78.6	249,677	264,833
Total liabilities and equity	592.9	1,882,389	625.7	1,986,378	1,519,648

(1) Solely for the convenience of the reader, Colombian peso amounts have been translated into U.S. dollars at the FX rate as of March 31, 2019 of \$3,174.79 COP/USD

9.75% US\$250 million Bond due July, 2022

Issuer	Credivalores- Crediservicios S.A.S.
Ranking	Senior Unsecured
Credit Rating	B+ (S&P) / B+ (Fitch)
Format	144 A / Regulation S
Principal	US\$250 million
Structure / Maturity	5NC3 / July 27, 2022
Coupon	9.75% (30/360) / Semi-annual
Yield / Price	10% / 99.035
Optional Redemption	Make Whole T + 50bps prior to July 27, 2020 \$104.875 on and after July 27, 2020 \$102.438 on and after July 27, 2021
Use of Proceeds	Refinancing of existing indebtedness (including mostly secured debt) and general corporate purposes
Minimum Denomination	US\$200,000 x US\$1,000
Settlement Date	July 27, 2017
Listing	Singapore Stock Exchange
Governing Law	New York
Joint Bookrunners	Credit Suisse and BCP Securities
Paying agent and Trustee	The Bank of New York
ISIN	144 A US22555LAA44 Reg S USP32086AL73
CUSIP	144A 22555L AA4 Reg S P32086 AL7

9.75% US\$75 million retap due July, 2022

Issuer	Credivalores- Crediservicios S.A.S.
Ranking	Senior Unsecured
Credit Rating	B+ (S&P) / B+ (Fitch)
Format	Regulation S
Original Principal	US\$250 million
Retap Amount	US\$75 million
New Principal Outstanding	US\$325 million
Structure / Maturity	5NC3 / July 27, 2022
Coupon	9.75% (30/360) / Semi-annual
Yield / Price	8.625% / 104,079%
Optional Redemption	Make Whole T + 50bps prior to July 27, 2020 104.875% on and after July 27, 2020 102.438% on and after July 27, 2021
Use of Proceeds	Refinancing of existing indebtedness and general corporate purposes
Minimum Denomination	US\$200,000 x US\$1,000
Settlement Date	February 14, 2018
Listing	Singapore Stock Exchange
Governing Law	New York
Initial Purchaser	BCP Securities
Paying agent and Trustee	The Bank of New York
ISIN	Reg S (reop) USP32086AN30
CUSIP	Reg S (reop) P32086 AN3

credivalores



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Credivalores Investor Relations Website



<https://credivalores.com.co/InvestorRelations>