



**Investor presentation**  
**IQ 2018 Results**  
**June 13, 2018**

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- 1** **Company Overview**
- 2 Opening Remarks
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- 4 Closing Remarks
- 5 Appendix

## credivalores

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



**Robust origination capabilities.** US\$2.4 billion disbursed in the past 15 years of experience in the financial sector in Colombia.



**Considerable portfolio size** of US\$465 million.



**Broad geographic footprint.** 84 branches and POS in retail locations and 94 customer centers across the country in alliance with telecom companies.



**Sizable exclusive sales force.** More than 516 sales representatives and 1,567 external advisors.



**Strong Balance Sheet.** US\$84 million total equity.

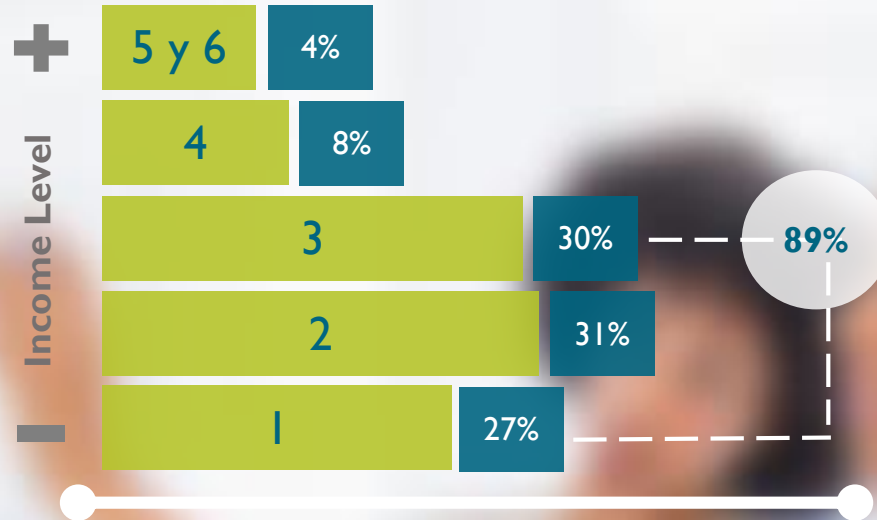


**Long-lasting partnerships** with employers, utility companies, insurance companies and retailers granting us access to more than 7.6 million potential clients.

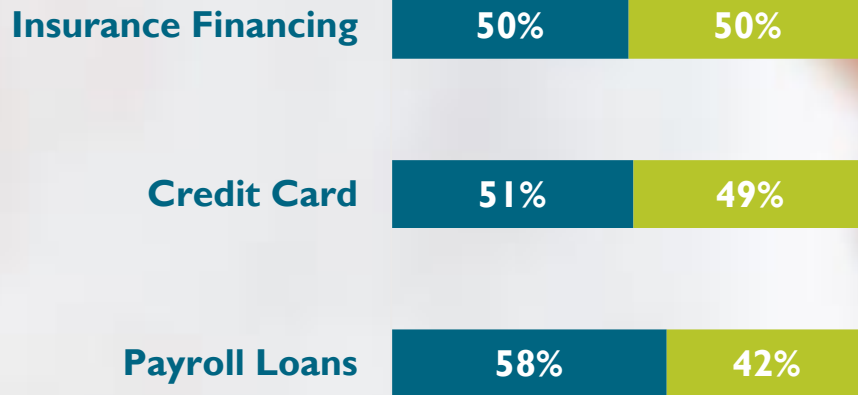
# Credivalores' Client Base Breakdown



## By socio economic level

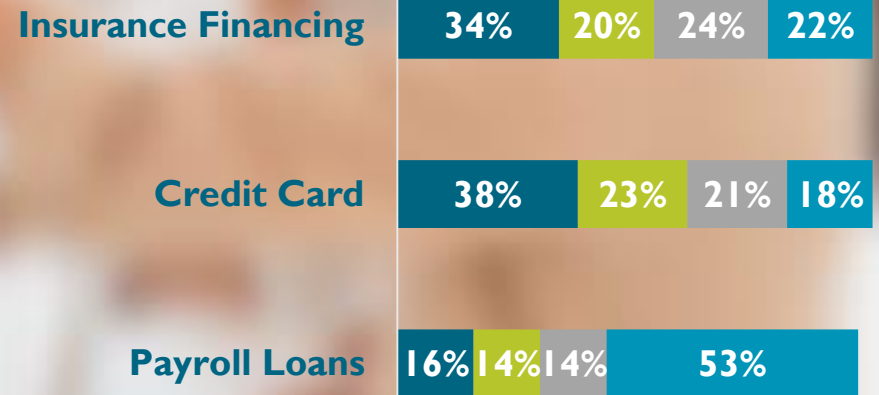


## By Gender



■ Male ■ Female

## By Age



■ < 35 ■ 36-45 ■ 46-55 ■ > 55

# Overview of Product Portfolio

**tu crédito cv**

Payroll loan

**crediluno**

Credit Card

**credi·póliza seguro  cv**

Insurance Financing

(as of March 30, 2018)

<b>Managed portfolio <sup>(1)</sup></b> <i>Thousand Million COP</i>	<b>\$691</b> US\$248 mm	<b>\$487</b> US\$175 mm	<b>\$111</b> US\$40 mm
<b>% of managed portfolio<sup>(2)</sup></b>	53.4%	37.6%	8.6%
<b>Average loan size</b> <i>Million COP</i>	<b>\$13.9</b> US\$5,004	<b>\$1.1</b> US\$413	<b>\$3.5</b> US\$1,242
<b>Average term at origination</b>	88 months	18 months	10 months
<b>Number of clients<sup>(3)</sup></b>	73,444	594,634	47,030
<b>Average rate charged<sup>(4)</sup></b>	23.9%	27.0%	26.6%
<b>NPLs (%)<sup>(5)</sup></b>	3.1%	5.4%	2.9%
<b>Distribution/ collection partners</b>	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
<b>Source of payment / guarantee</b>	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 30, 2018 FX rate of \$2,780.47 COP/USD

(2) The remaining 0.4% of managed portfolio consists of \$5,354 mm in microfinance loans.

(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 2018 on note 5.3 NPL calculation considers principal only.

1 Company Overview

2 **Opening Remarks**

3 IQ 2018 Results

4 Closing Remarks

5 Appendix

# Opening Remarks

## IQ 2018 Developments

### Improvements in Funding Profile

- Successful **reopening of the 9.75% senior unsecured notes due July 2022** for an additional amount of US\$75mm (feb-18), increasing the principal of the notes to US\$325 million.
- Proceeds of the reopening were used to **prepay unsecured foreign currency debt (US\$67 mm)** due in September 2018 and for general corporate purposes.
- **Partial usage of local committed secured credit lines** to fund loan origination during IQ 2018, meeting limits established under the covenants of the Description of the Notes.
- **Extension of average life of total debt** from 3.4 years (Dec-17) to 3.8 years (March-18).
- **Foreign currency debt fully hedged** with derivative instruments (NDFs, cross currency swaps and options)
- Suspension of portfolio sales as source of funding to strengthen balance sheet position.

### Credit Ratings and Awards

- Intl. long-term foreign currency **issuer rating confirmed by S&P at B+** (stable) on Dec-17, while other Colombian financial institutions were downgraded.
- Rating as **Loan Originator** from BRC Standard and Poor's confirmed at **AA** (stable) (March-2018).
- **2017 Best Social Impact Credit Provider in Colombia Award** granted by CFI during IQ 2018.

### Growth and Profitability

- 2018 will be a transitional year to recover previous profitability levels as revenues from portfolio sales will gradually be substituted by interest income from on balance portfolio.
- **Mitigation of FX volatility impacts on P&L** through FX hedging.
- **Improvement in operational and financial results:**
- **+15.7% (YoY) growth in Managed Portfolio and +13.1% (YoY) in Owned Portfolio**
- **+ 17% (YoY) growth in Net Interest Income and +87% (YoY) in Operating Income**
- **+ 15.4% (YoY) growth in Gross Financial Margin**
- **+ 221% (YoY) growth in Net Income** for the period

### Capitalization

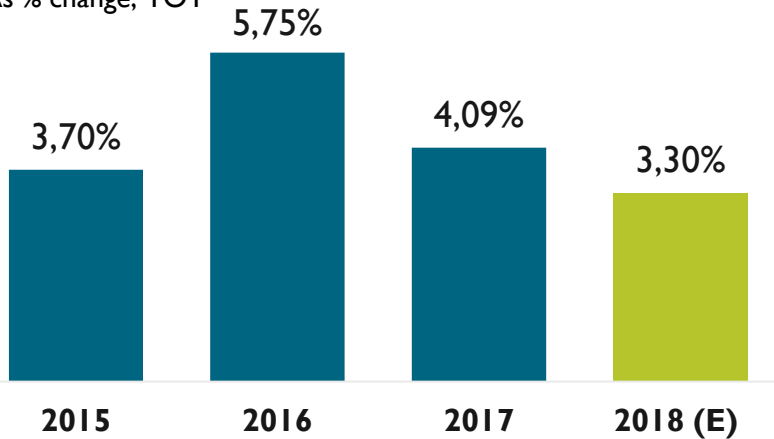
- **Strong equity position** to support expected growth in 2018 with an US\$84 million shareholders' equity.
- **Leverage ratio at 5.2x and solvency ratio at 14.5%.**
- **Covenant compliance as of March 2018** according to Description of the Notes



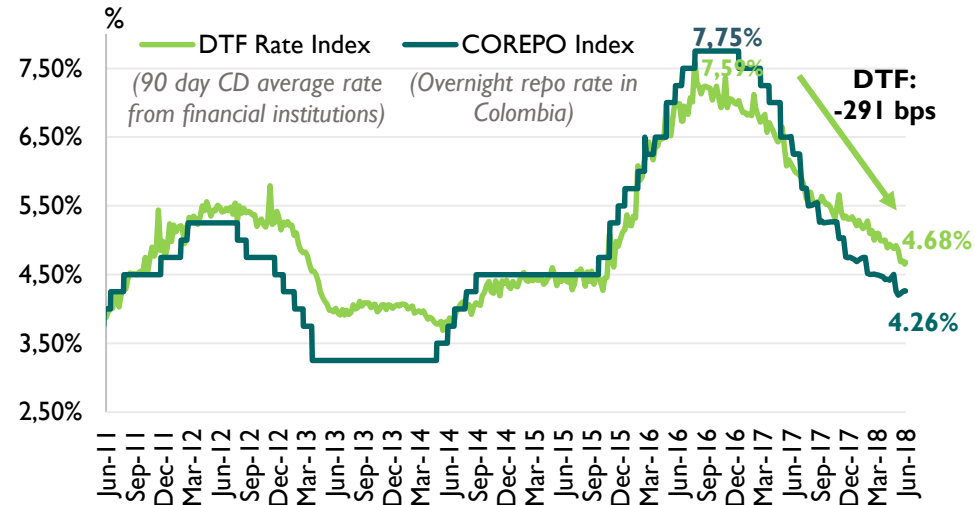
# IQ 2018 Main Highlights - Macro Conditions

## Inflation (1)

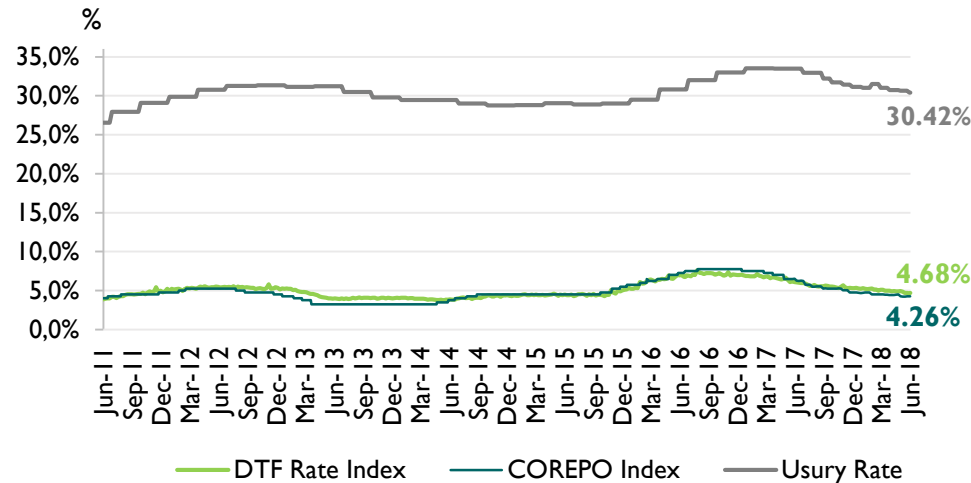
As % change, YOY



## Interest Rates (1)



## Usury Rate vs. Interest rates (3)



	2017	2018 (E)
DTF (1)	5,31%	4,60%

- Changes in calculation period of usury rate (4), starting on September 1<sup>st</sup>, 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 255 bps
- Discussions among government officials and banking representatives to deregulate the usury rate

Source:

(1) Central Bank and Latin Consensus (April, 2018).

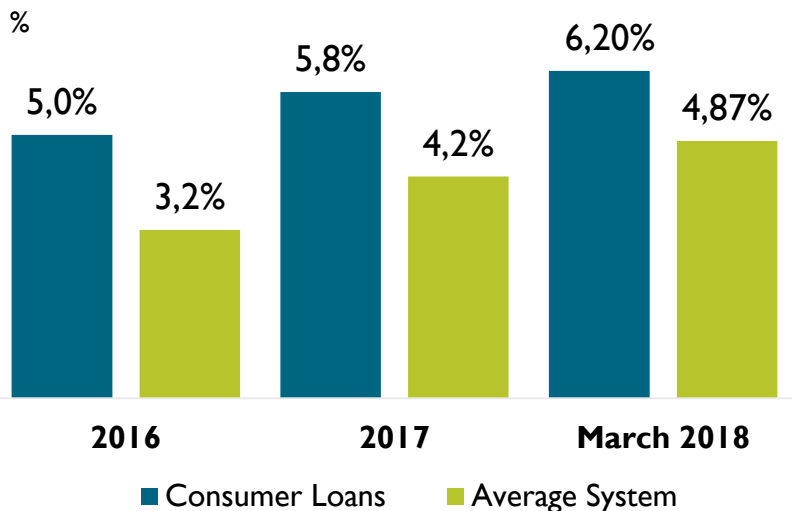
(3) Colombian Superintendence of Finance and Central Bank.

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

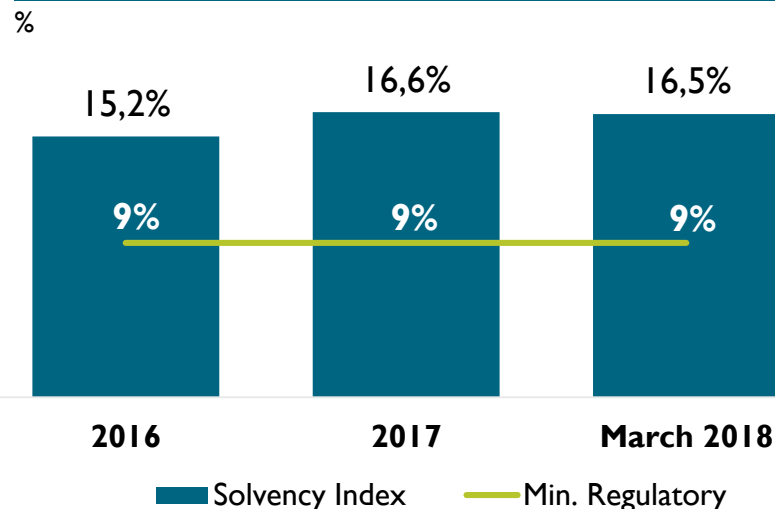
(5) Average interest rate paid by the borrowers and certified by the Superintendence of Finance based on the interest rates from microloans, 8 consumer loans, small amount consumer loans. Those transactions not reflecting market conditions are excluded from the calculation.

# IQ 2018 Main Highlights - Macro Conditions

## NPLs Financial System (1)

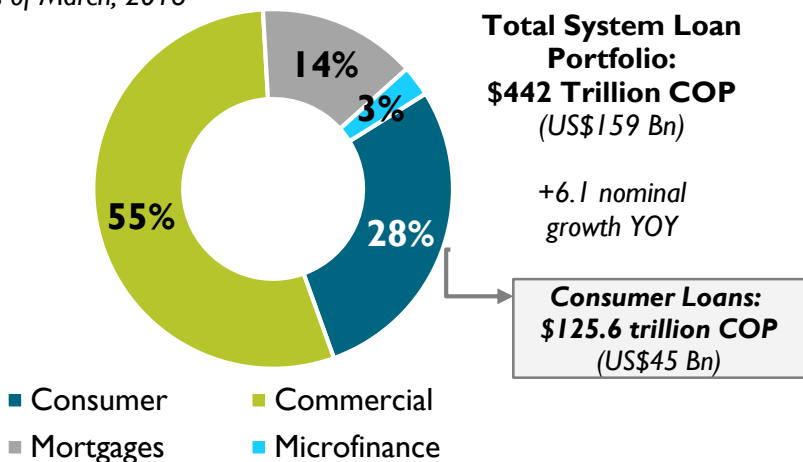


## Solvency Index Financial System (2)



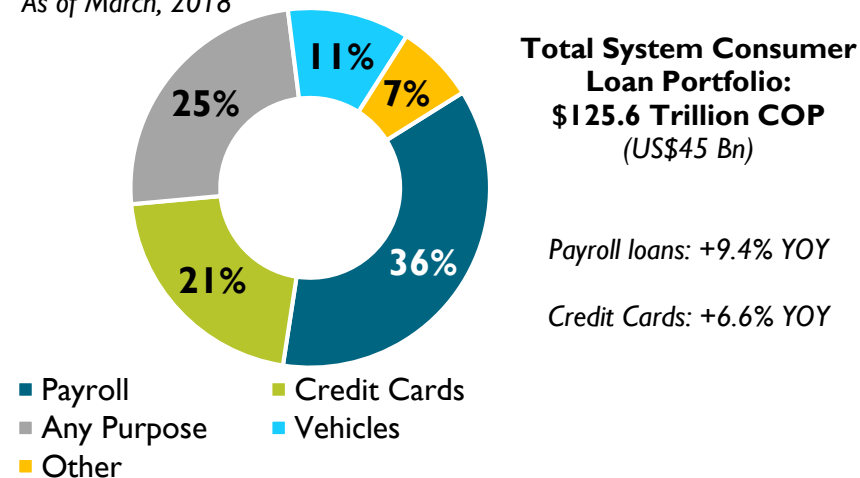
## Financial System Loans Portfolio by Type (3)

As of March, 2018



## Consumer Loans Portfolio by Type (3)

As of March, 2018



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

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2 Opening Remarks

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**3 IQ 2018 Results**

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4 Closing Remarks

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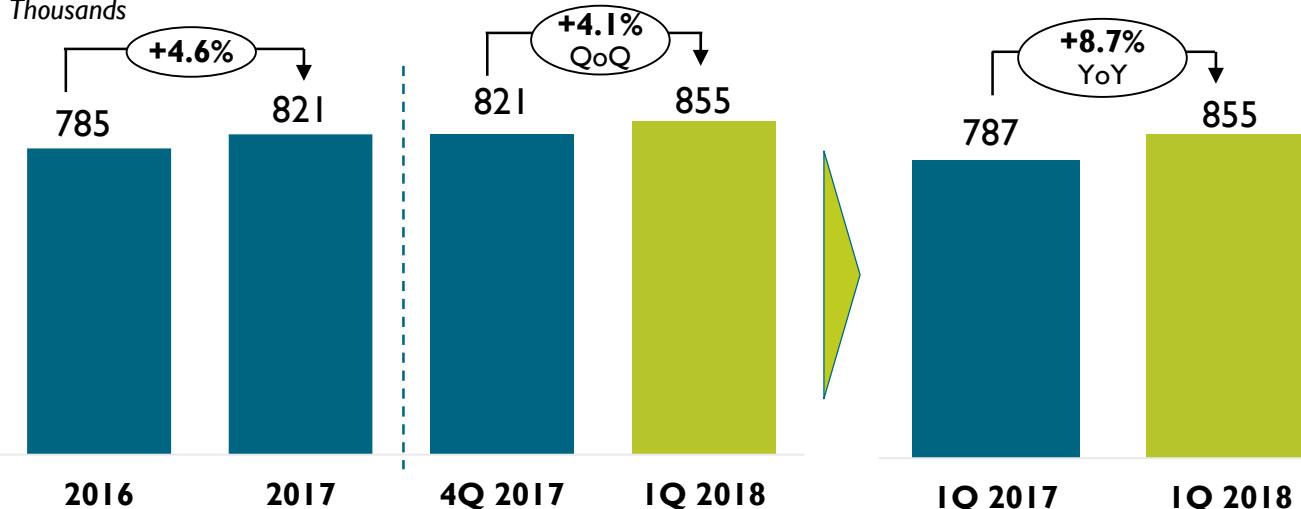
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# IQ 2018 Operating Results

## Number of Clients (1)

Thousands



QoQ client results due to:

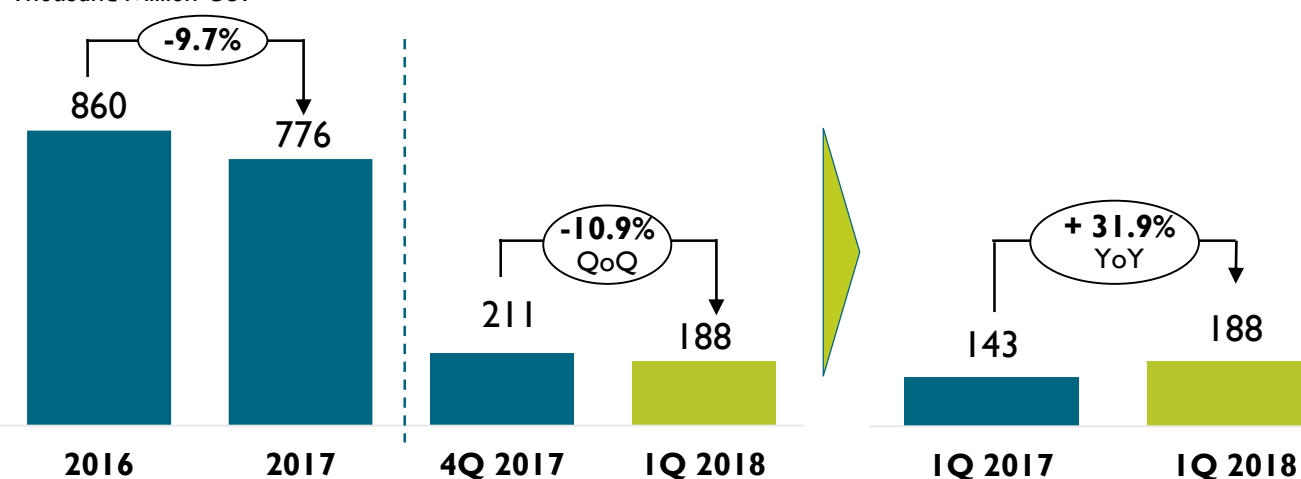
- 0.4% in payroll loans
- +6.8% in credit cards
- 8.4% in insurance financing
- No growth in retail insurance

**+8.7% (YoY)**

due to increase in number of clients of credit card and payroll loans

## Loan Portfolio Origination (2)

Thousand Million COP



QoQ origination results due to:

- 18.5% in payroll loans
- 10.2% in credit cards
- +3.3% in insurance financing

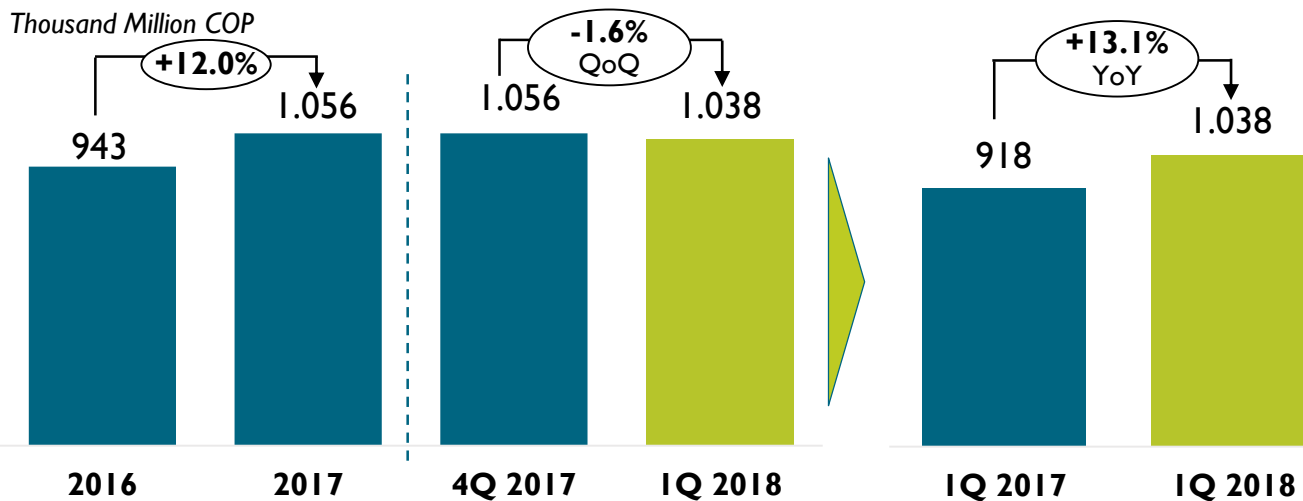
**+ 31.9% (YoY)**

due to large increase in payroll loans (+66%) and credit card (+20%) origination resulting from better liquidity position than in IQ 2017

# IQ 2018 Operating Results

## Owned Loan Portfolio (1)

Thousand Million COP



QoQ owned portfolio results due to:

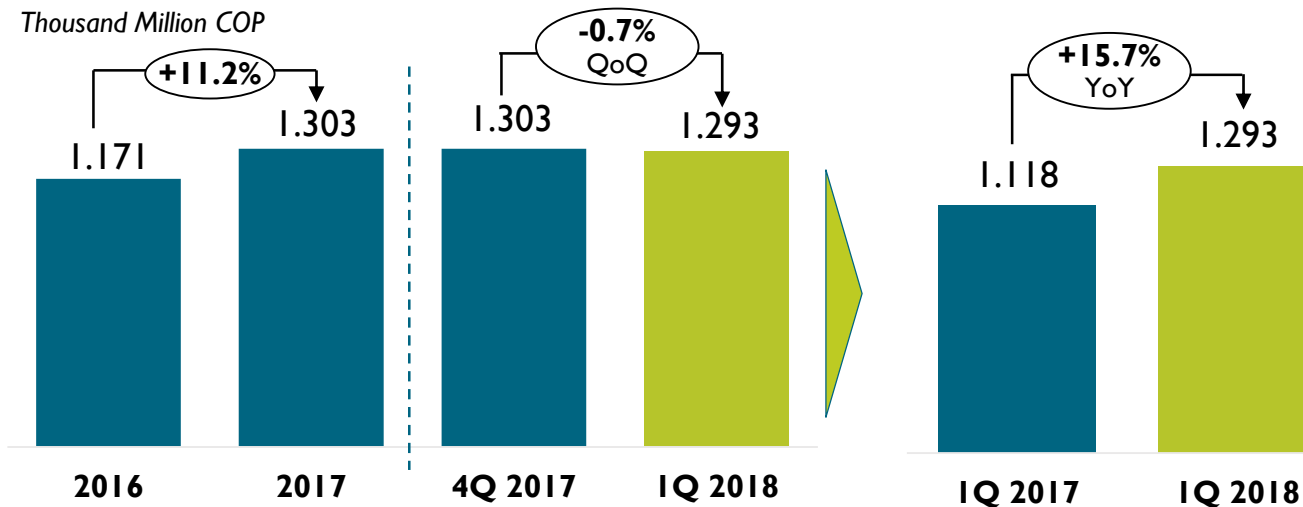
- 3.4% in payroll loans
- +0.4% in credit cards
- 0.1% in insurance financing

**+ 13.1% (YoY)**

due to loan portfolio growth in insurance financing (+22.3%) and payroll loans (+14.3%)

## Managed Loan Portfolio (2)

Thousand Million COP



QoQ managed portfolio results due to:

- 1.0% in payroll loans
- +0.4% in credit cards
- 0.1% in insurance financing

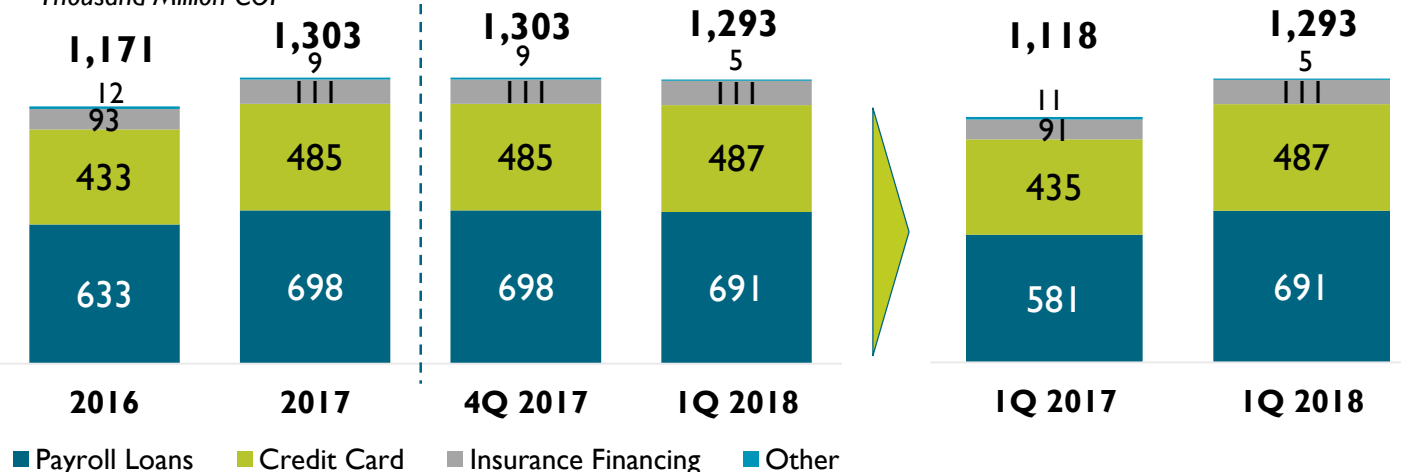
**+ 15.7% (YoY)**

due to loan portfolio growth in insurance financing (+22.3%) and payroll loans (+18.8%)

# IQ 2018 Operating Results

## Managed Loan Portfolio by Product

Thousand Million COP

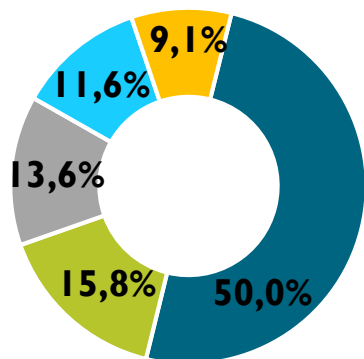


QoQ managed loan portfolio results due to:

Stable participation of all products: payroll loans (53.4%), credit cards (37.6%) and insurance financing (8.6%)

## Payroll Loans Breakdown

As of March 2018



Top 25 clients



0.7% of portfolio

0.11%

single client exposure

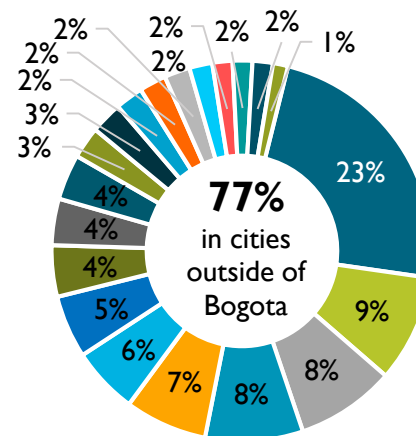
84.2%

among retirees and government employees (1)

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

## Payroll Loan Portfolio Breakdown by Geography

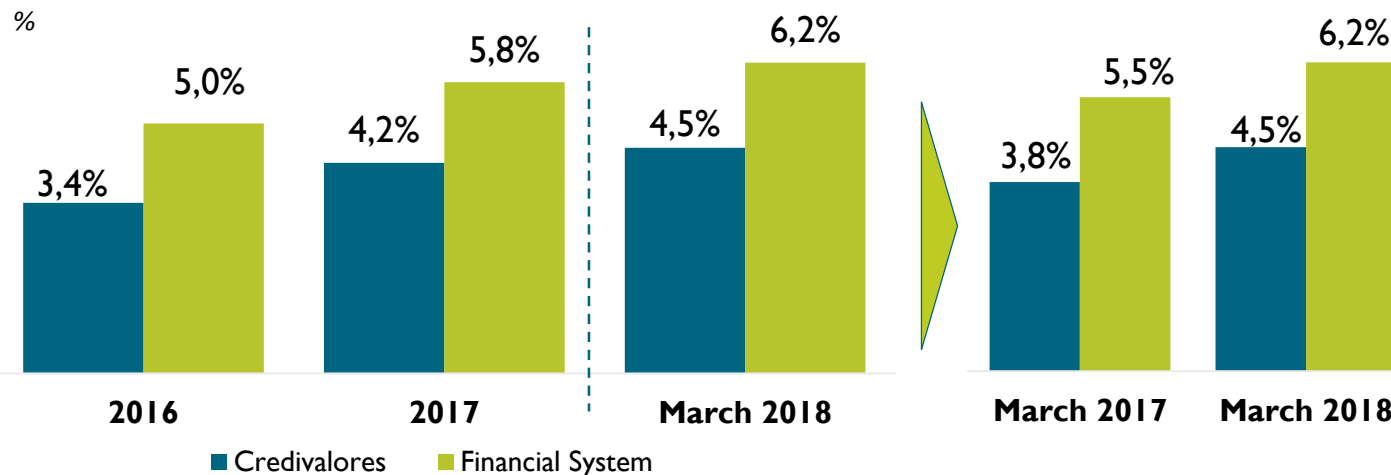
As of March 2018



- Bogota
- Valle del cauca
- Atlántico
- Other
- Córdoba
- Tolima
- Quindío
- Sucre
- Huila
- Caquetá
- Cesar
- Antioquia
- Bolívar
- Magdalena
- Risaralda
- Santander
- Caldas
- Norte de Santander
- Meta
- Boyacá

# IQ 2018 Operating Results

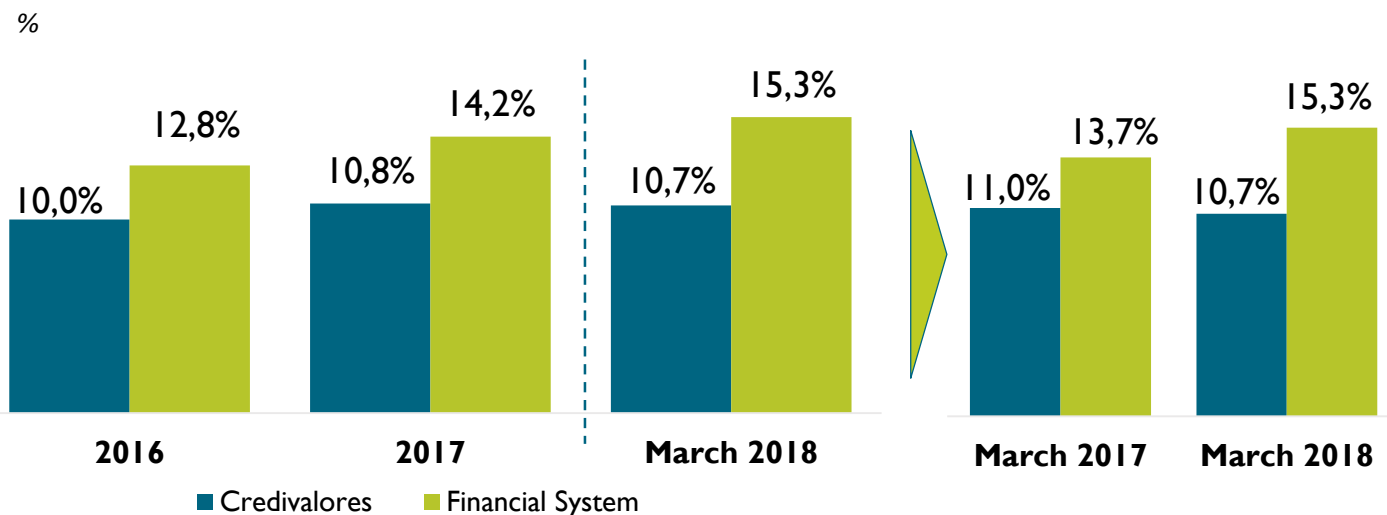
## NPLs Consumer Loans (1)



**NPLs increased** due to slowdown in Colombian economy and credit card performance

**NPLs still below systems' average** due to underwriting policies for payroll loans focused on retirees and government officials with **top quality credit profile**

## NPLs Consumer Loans (Including Write-Offs) (2)



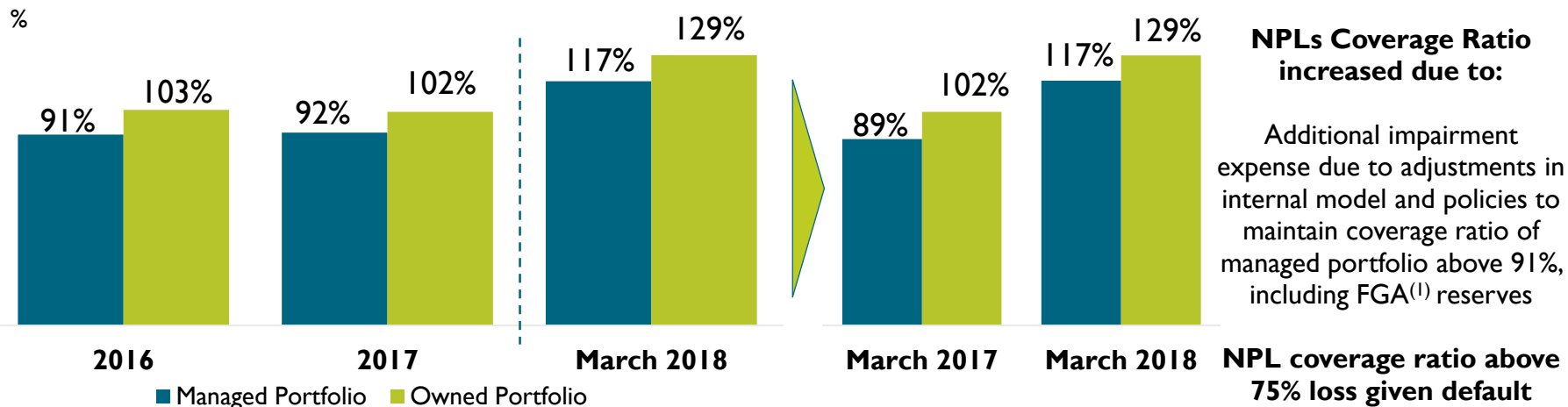
Credivalores shows **better NPL performance** than the **Colombian financial system**, even after including write-offs for comparison reasons

(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 2018 on note 5.3 NPL calculation considers principal only.

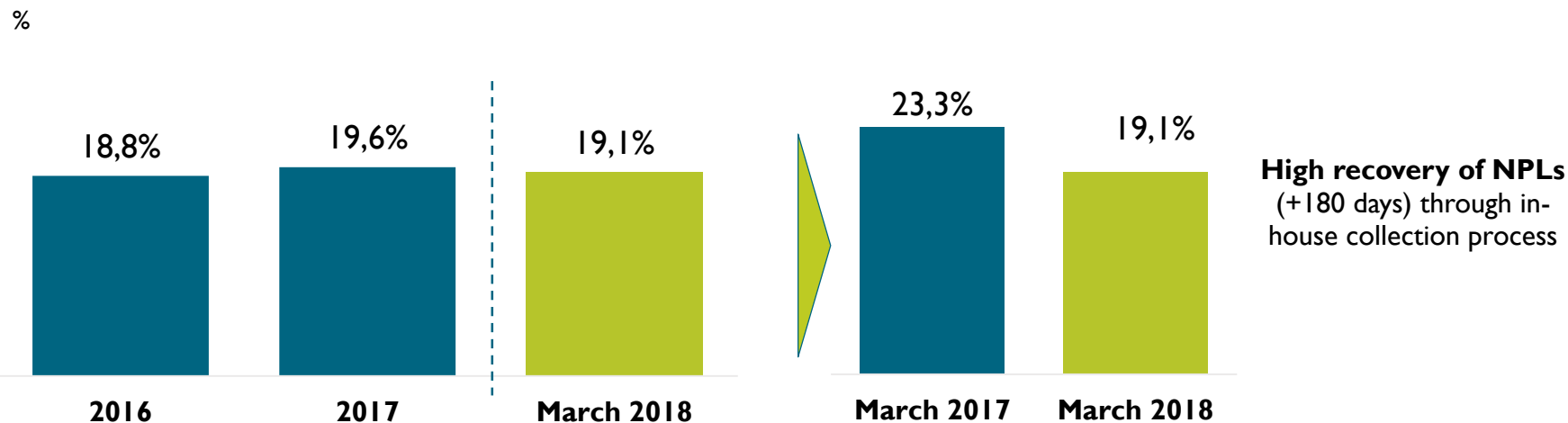
(2) Given Credivalores' policy of not writing off loans, we calculate the equivalent ratio of the financial system for comparative basis.

# IQ 2018 Operating Results

## NPLs Coverage Ratio (+60) <sup>(1)</sup>



## NPLs Recovery Statistics (+180) <sup>(2)</sup>



(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 certain of our clients with higher risk profiles. 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.

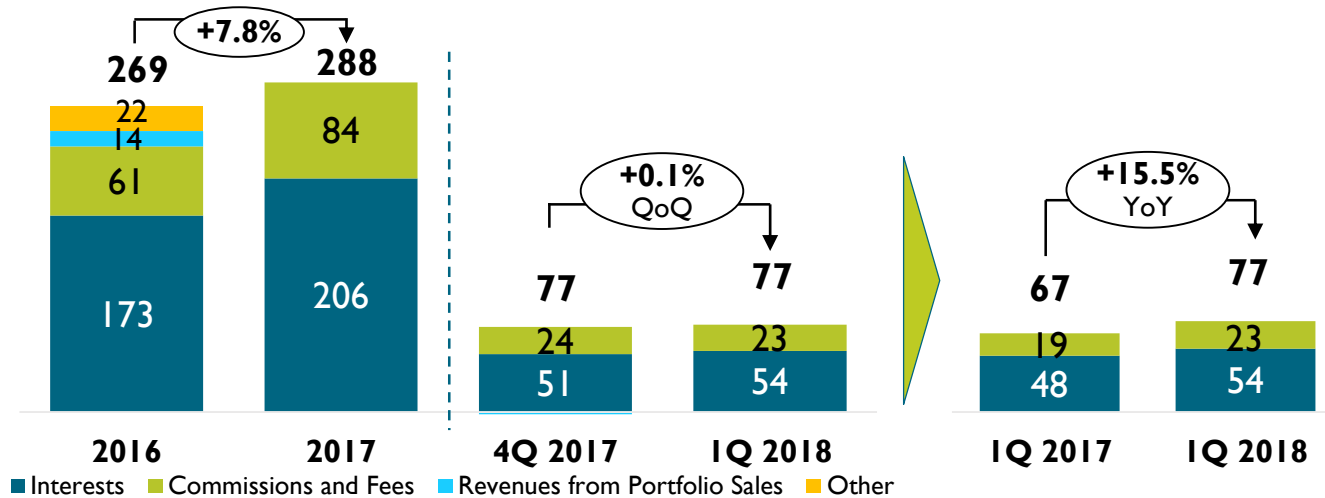
(2) Measured as the percentage recovered of the balance of accounts past due 180 days of the preceding year.



# IQ 2018 Financial Results- Income Statement

## Interest Income (1)

Thousand Million COP



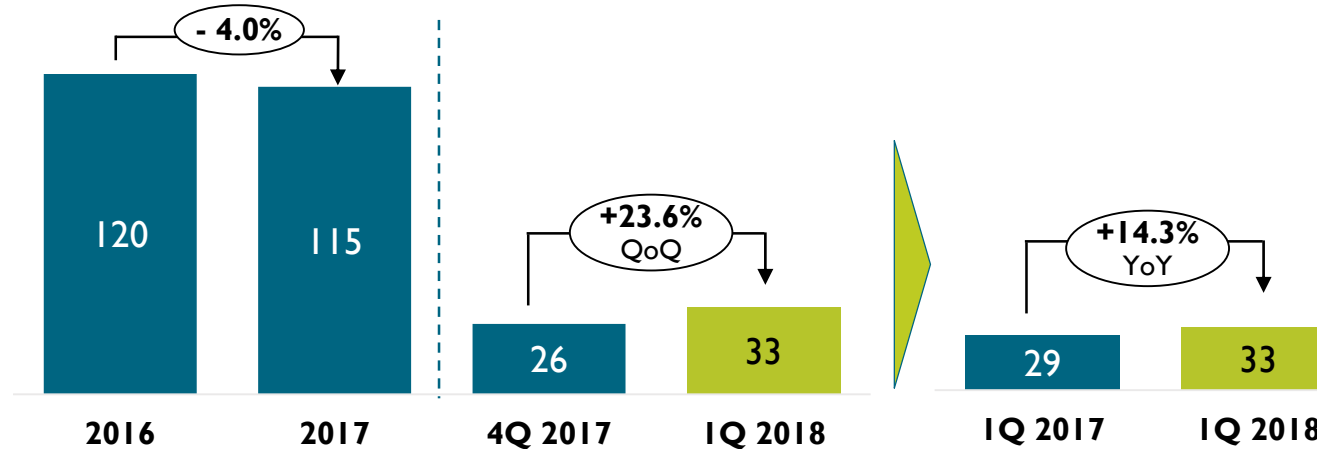
**QoQ interest income results due to:**

**+ 5.2% in interests**  
**-2.1% in commissions and fees**

**+ 15.5% (YoY)**  
 offsetting revenues from portfolio sales and other items (13% of interest income in 2016)

## Gross Financial Margin (1)

Thousand Million COP



**QoQ gross financial margin results due to:**

**+0.1% in interests**  
**-1.6% in financial costs**  
**- 42.7% in net impairment**

**+ 14.3% (YoY)**  
 due to higher net interest income (+17%) and higher net impairment expense (+44.6%)

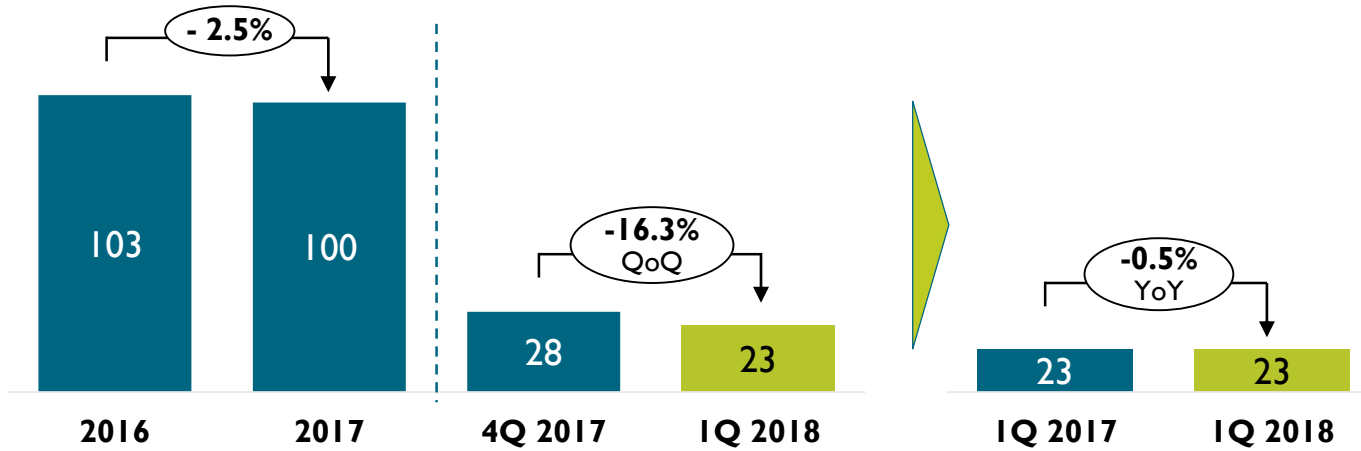
Source:

(1) As stated in the P&L of the Financial Statements as of March 31, 2018.

# IQ 2018 Financial Results- Income Statement

## SG&A- Other Expenses <sup>(1)</sup>

Thousand Million COP



**QoQ other expenses results due to:**

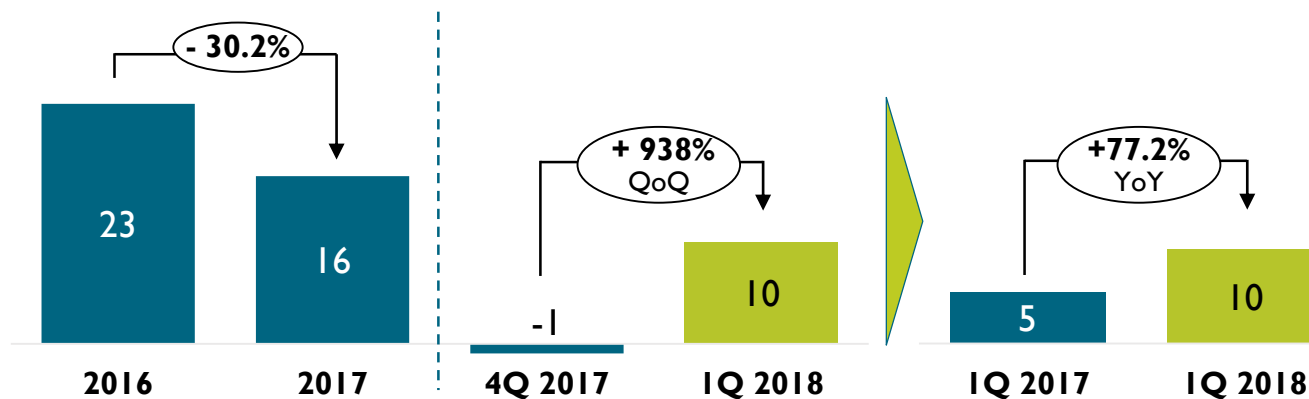
- 18.2% in legal, insurance and taxes expenses
- 20.4% in depreciation and amortization
- 6.6% in employee benefits

**- 0.5% (YoY)**

as a result of the annual cost saving program

## Operating Income

Thousand Million COP



**QoQ operating income due to:**

- + 23.6% in gross financial margin
- 16.3% in other expenses

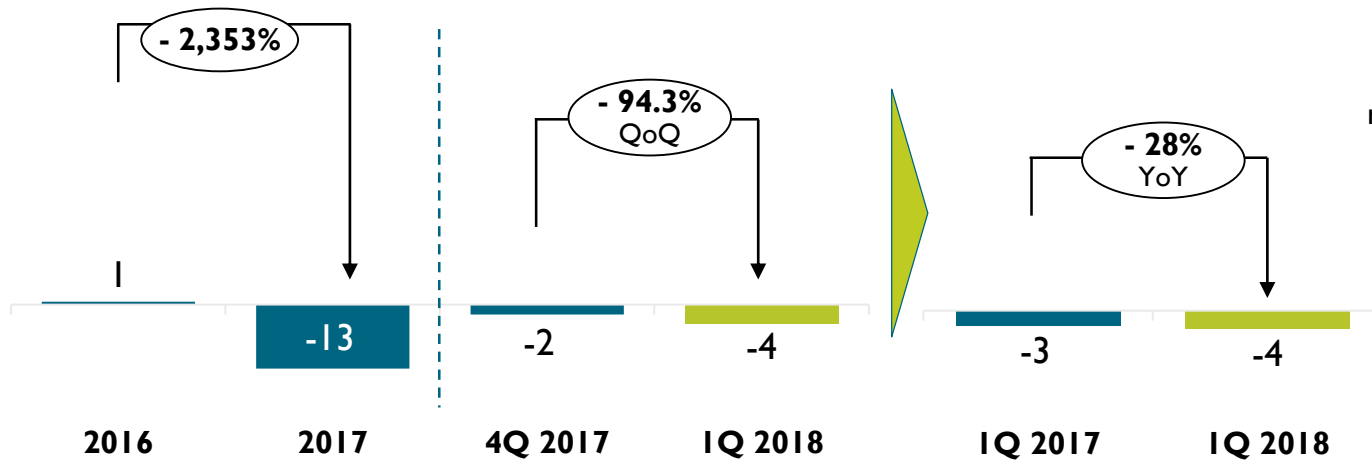
**+77.2% (YoY)**

due to higher net interest income and controlled SG&A expenses

# IQ 2018 Financial Results- Income Statement

## Net Financial Income / Expenses (Non-Operating) <sup>(1)</sup>

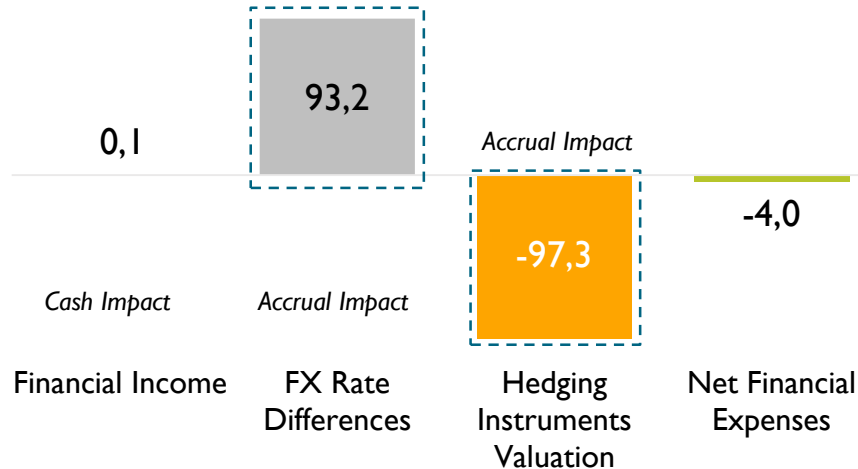
Thousand Million COP



**Non-recurring items <sup>(2)</sup>** resulted in an **increase in non-operating financial expenses** during the first quarter of 2018

## Net Financial Income / Expenses (Non-Operating) IQ 2018 <sup>(1)</sup>

Thousand Million COP



**6.8% COP appreciation (COP\$204 / USD) vs. USD** between December 2017 and March 2018 resulted in:

- ✓ Positive impact from FX rate differences and...
- ✓ Negative hedging instrument valuations (accrual impact)
- ✓ Minimum impact on P&L from FX rate fluctuations

Source:

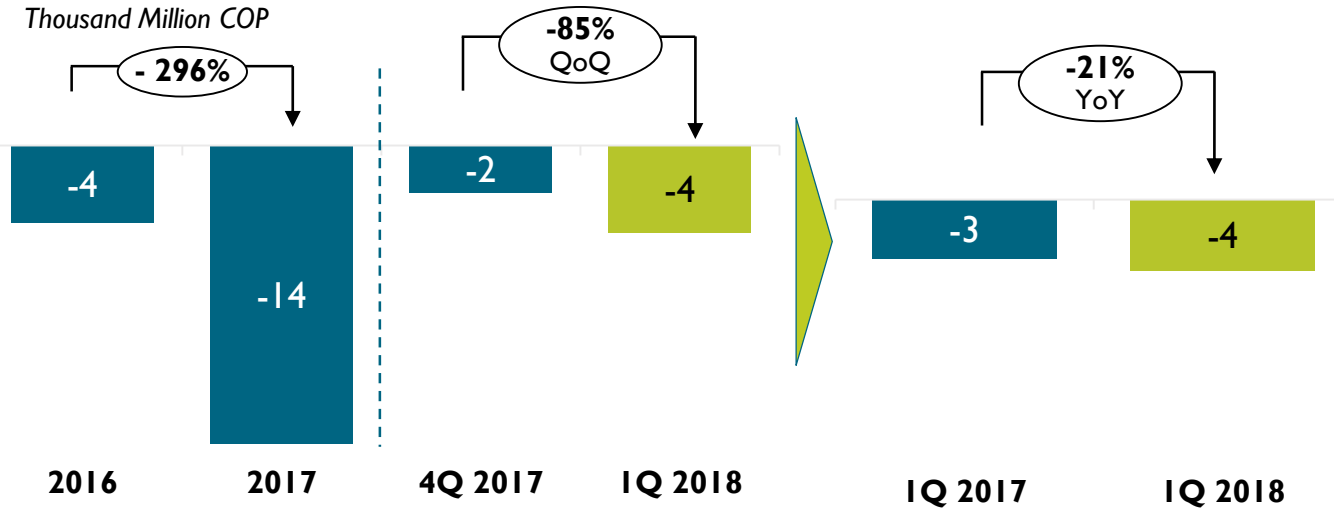
(1) Includes FX rate differences (income or expenses) arising from the hedging position on foreign currency debt and forward valuations (expenses/ income).

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

# IQ 2018 Financial Results- Income Statement

## Non-Recurring Items

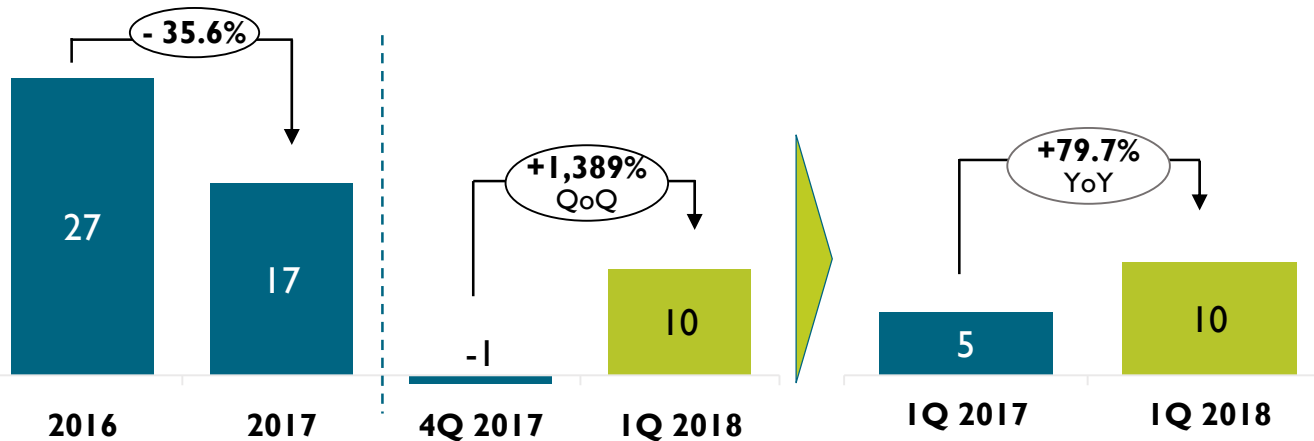
Thousand Million COP



**As of March 31, 2018**  
 100% of principal of foreign currency debt, including the 9.75% US\$325 mm bond due 2022, was hedged to COP

## Net Income Before Taxes and Non-Recurring Items

Thousand Million COP



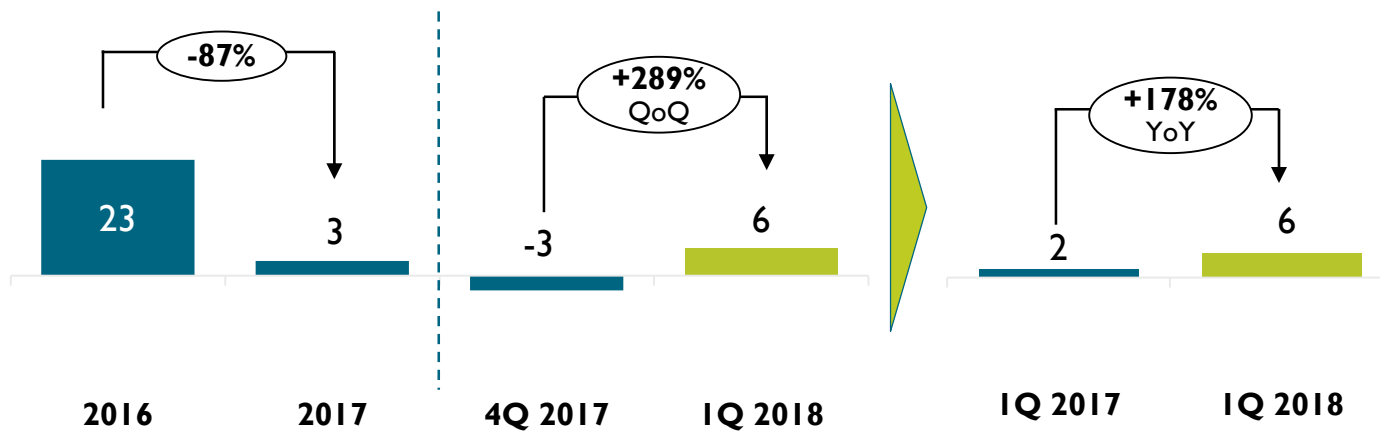
**+ 79.7% (YoY) in net income before taxes and non-recurring items due to:**

Higher operating income and the offset of FX rate differences by hedging instruments valuations, lowering the P&L impacts from FX rate fluctuations

# IQ 2018 Financial Results- Income Statement

## Net Income Before Taxes

Thousand Million COP



**QoQ net income before taxes:**

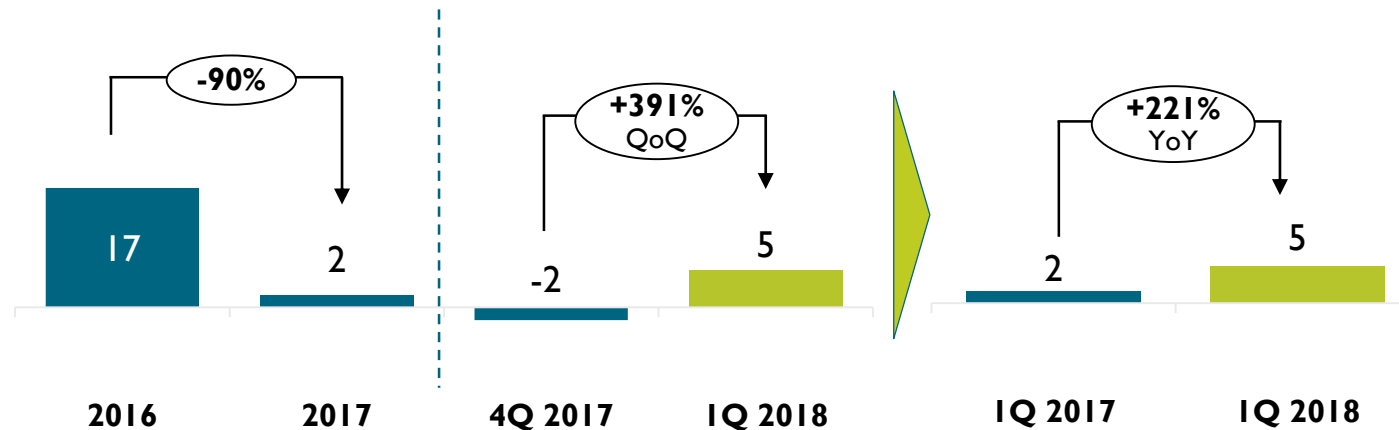
**+938% in operating income**  
**+94% in non-operating net financial expenses**

**+178% (YoY)**

due to higher operating income and mitigated negative impact of FX rate differences in the P&L through hedging instruments' valuations

## Net Income for the Period

Thousand Million COP



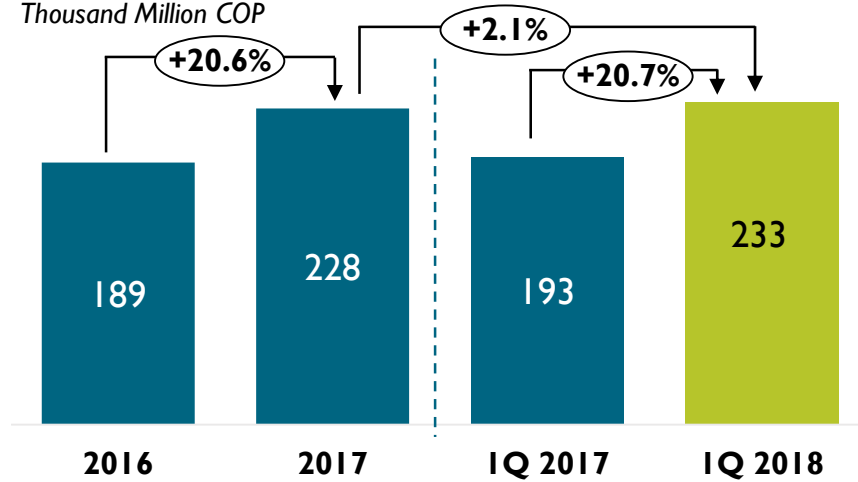
**+ 221% (YoY)**

as a result of higher operating income and controlled impact of non-operating items

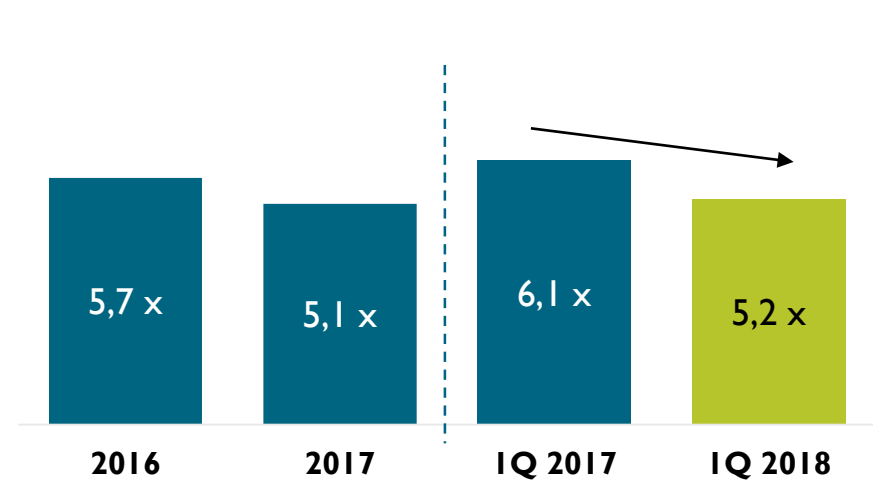
# IQ 2018 Financial Results- Balance Sheet

## Shareholders' Equity Evolution

Thousand Million COP

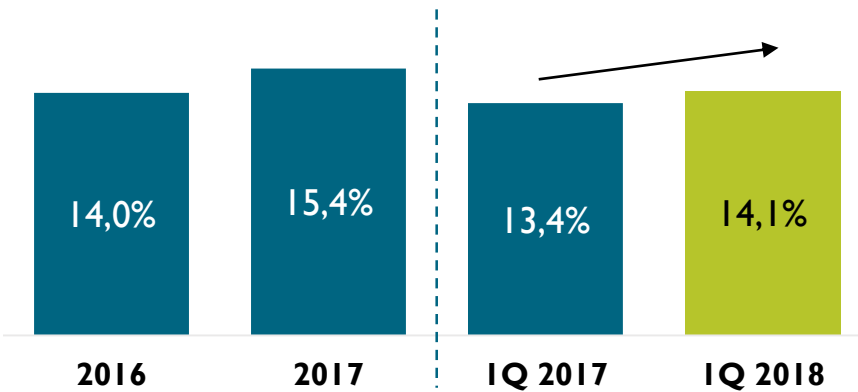


## Leverage Ratio (Debt <sup>(1)</sup> /Equity)



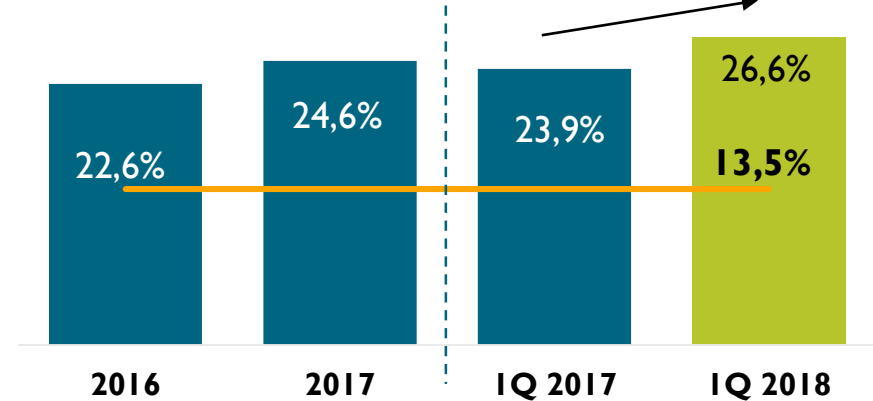
## Solvency Ratio (Equity/ Assets)

%



## Capitalization Ratio <sup>(2)</sup>

%



— Covenant from I 44A / Reg S Bond

Source:

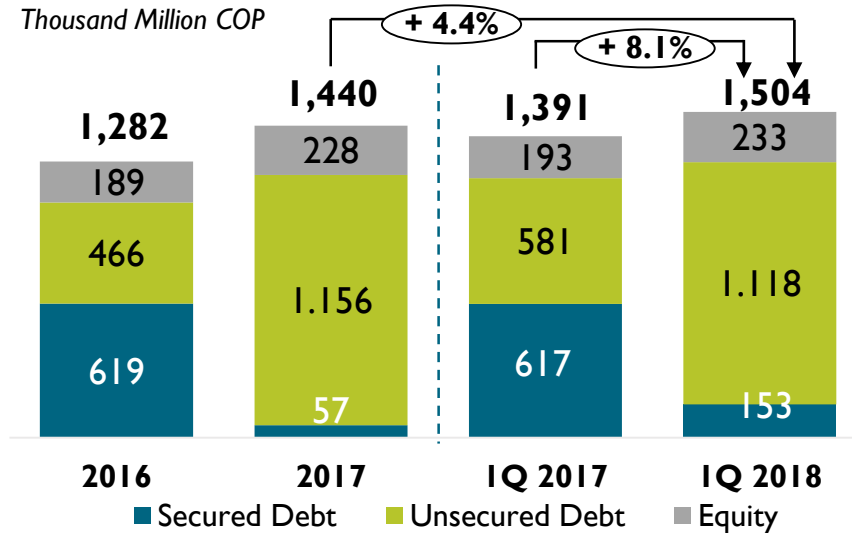
(1) Calculated based on Financial Obligations net of transaction costs.

(2) Calculated as total shareholders' equity divided by net loan portfolio (defined as owned loan portfolio less impairment of financial assets and FGA reserve) (as defined under "Description of the Notes of the Offering Memorandum").

# IQ 2018 Financial Results- Balance Sheet

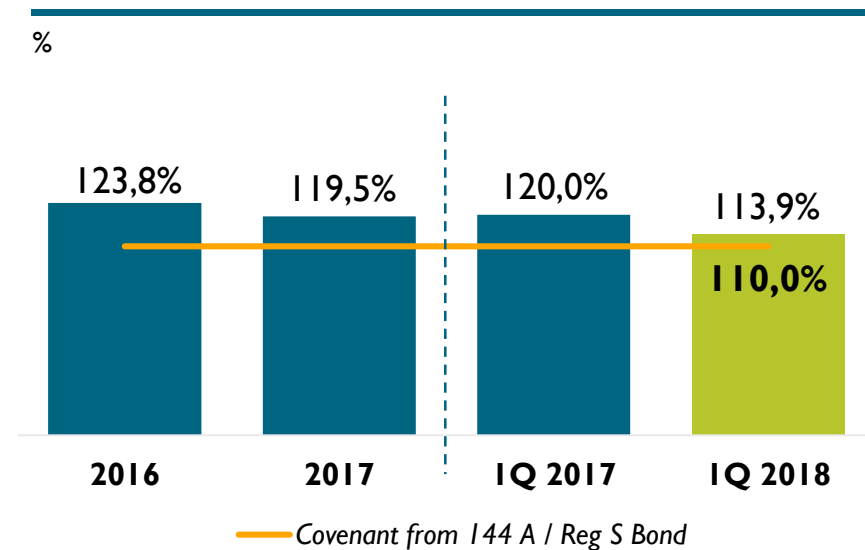
## Capitalization Evolution

Thousand Million COP



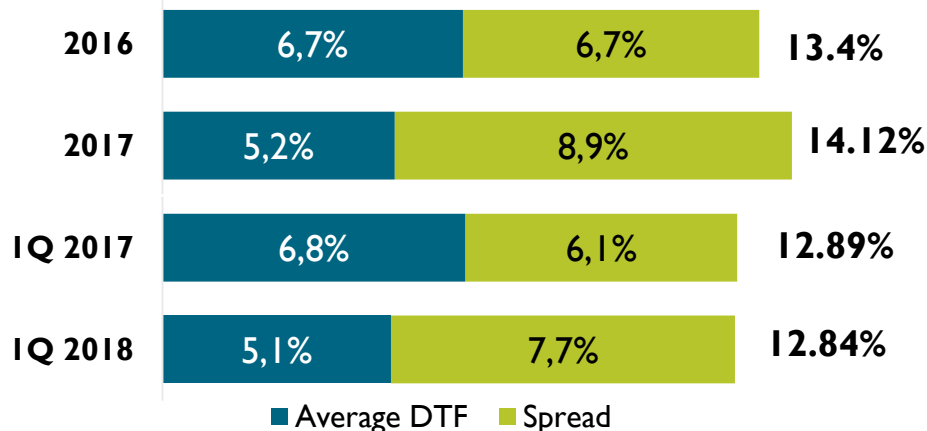
## Unencumbered Assets / Unsecured Debt (1)

%



## Average Funding Cost (2) (%)

As of March 31, 2018



**Lower cost of funding in IQ 2018 vs. Dec 2017 (-136 bps)**

**Average spread over DTF rate increased due to:**

- Higher participation of USD denominated debt with an average interest rate of 9.4% (in USD), with higher funding costs due to FX hedging
- Negative carry while being able to apply the proceeds from foreign currency indebtedness

Source:

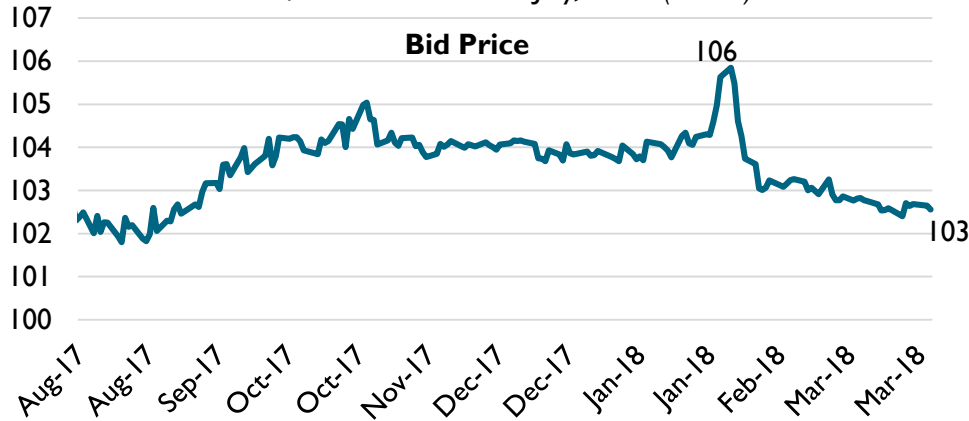
(1) Unencumbered Assets defined as Total Assets less intangible assets, net deferred tax assets and any other assets securing other indebtedness. Unsecured Indebtedness, means any Indebtedness other than Secured Indebtedness, including Net Obligations under Hedging Obligations.

(2) Not including transaction costs and fees.

# IQ 2018 Debt Profile

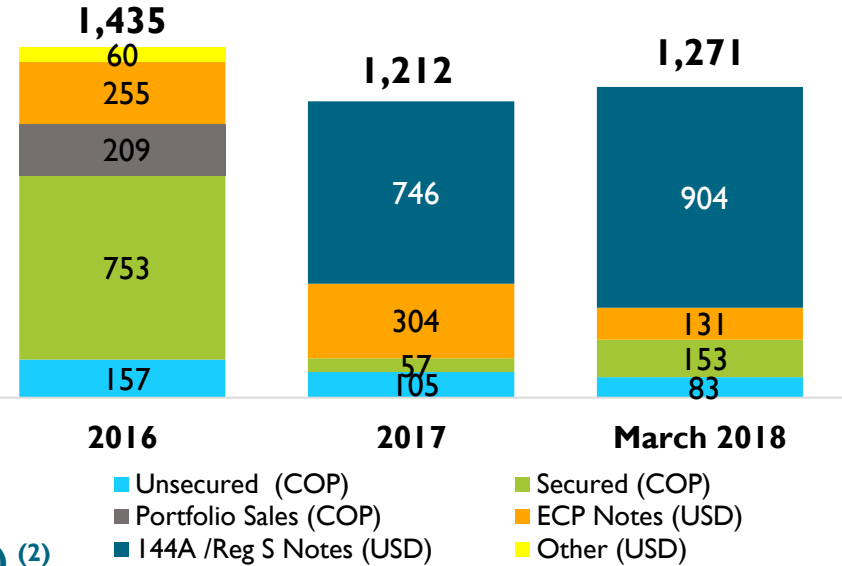
## I44 A / Reg S Bond Issuance

Debut transaction in international bond markets and retap  
9.75% US\$325 mm bond due July, 2022 (5NC3)



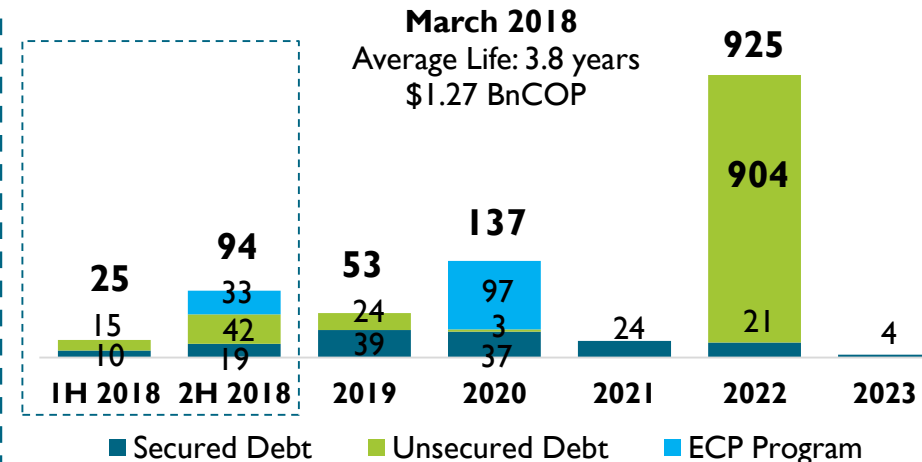
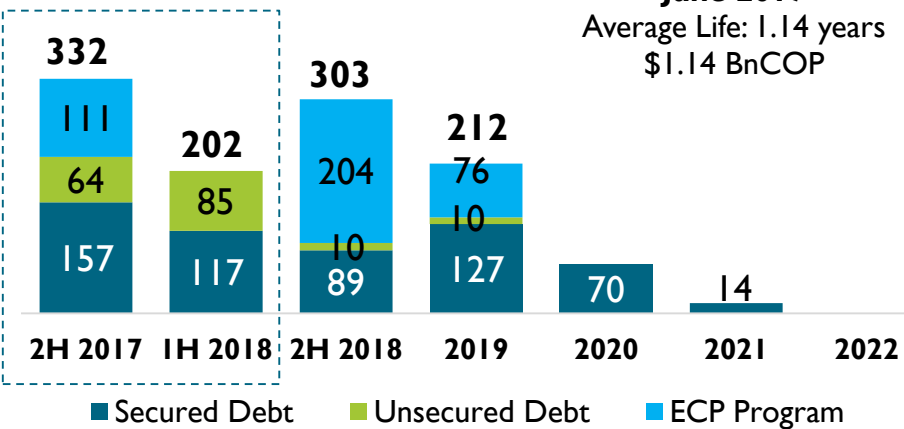
## Financial Obligations by Source (1)

Thousand Million COP



## Debt Maturity Profile (Before and after bond issuance) (2)

Thousand Million COP



(1) Gross of transaction costs

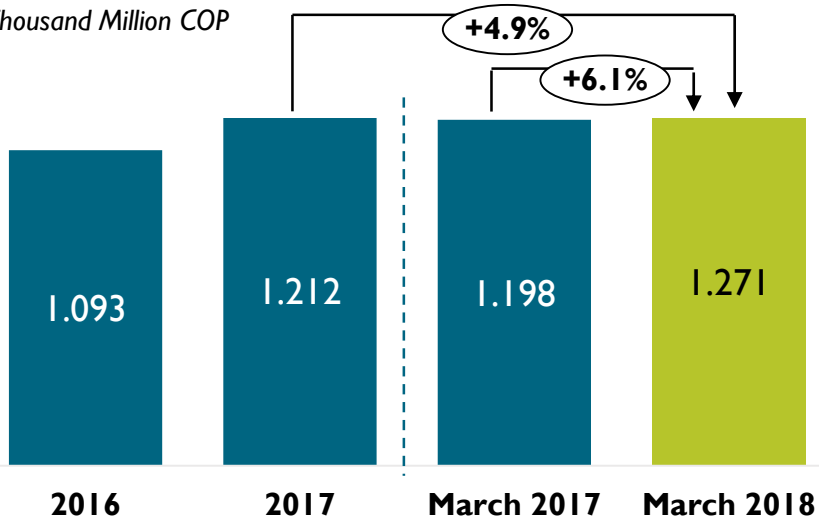
(2) Figures converted to US\$ using the FX rate of \$2,780.47 COP/USD as of March 31, 2018.



# IQ 2018 Financial Obligations

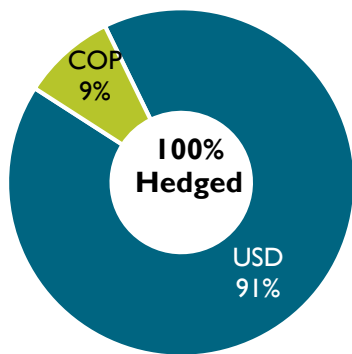
## Financial Obligations <sup>(1)</sup>

Thousand Million COP

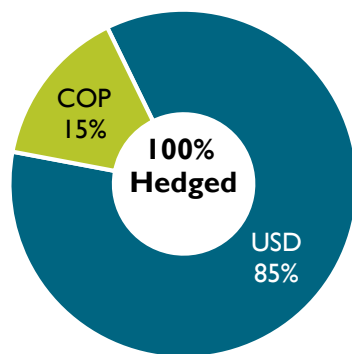


## By Currency

%  
December, 2017



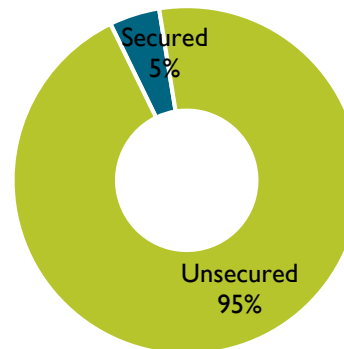
March, 2018



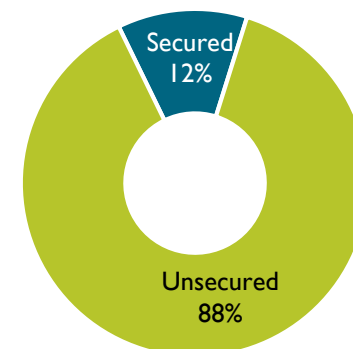
## By Type

%

December, 2017



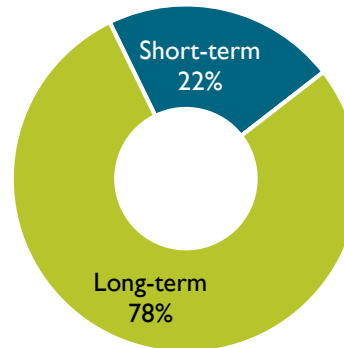
March, 2018



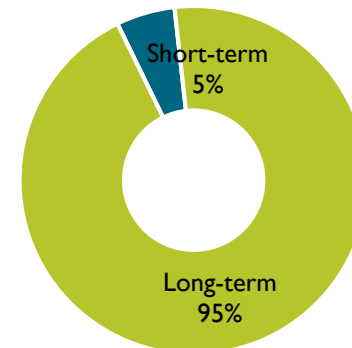
## By Term <sup>(2)</sup>

%

December, 2017



March, 2018



Source:

(1) Including transaction costs.

(2) Short-term debt maturities are due in less than 12 months and long-term maturities are due in more than 12 months.

1 Company Overview

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2 Opening Remarks

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3 IQ 2018 Results

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4 **Closing Remarks**

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5 Appendix

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# Closing Remarks

<b>Funding Sources</b>	<ul style="list-style-type: none"><li>▪ <b>Initiatives in place to further diversify our investor base</b> including local sources of debt, multilateral loans and international capital markets</li><li>▪ <b>Average life of debt</b> should remain above 3 years to mitigate refinancing risks</li><li>▪ <b>Strong focus on pricing strategy and productive portfolio</b> to guarantee substitution of portfolio sales as a source of funding</li></ul>
<b>Risk Management</b>	<ul style="list-style-type: none"><li>▪ <b>100% of foreign currency debt hedged to pesos</b> with a dynamic risk management strategy</li><li>▪ <b>Impacts on financial statements from IFRS 9 adoption:</b><ul style="list-style-type: none"><li>✓ Higher impairment expenses (\$47 billion pesos) that are reflected in the shareholders' equity as first time adoption effects</li><li>✓ Write-offs of loan portfolio (\$22.4 billion pesos) following impairment tests</li><li>✓ Higher expenses (\$2 billion pesos) from valuation of derivative instruments in the OCI account of the shareholders' equity</li></ul></li></ul>
<b>Growth and Profitability</b>	<ul style="list-style-type: none"><li>▪ <b>Strong equity position</b> to support expected growth after the 2017 capitalization</li><li>▪ <b>Portfolio growth expectations</b> for 2018 between <b>1.7x and 2.0x</b> the system</li><li>▪ Adjustments in cost structure, specially in administrative expenses, to reach expected efficiency ratios (57%-58%)</li><li>▪ <b>Profitability</b> already recovering to reach ROE and ROA levels of 2015</li></ul>
<b>Management Team</b>	<ul style="list-style-type: none"><li>▪ <b>Strengthening of management team</b> with the recent recruitment of Hector Chaves, as CFO</li><li>▪ <b>Improvements in controls and key performance indicators</b> for management</li></ul>



**Patricia Moreno**

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**Credivalores Investor Relations Website**

<https://credivalores.com.co/en/investors>

**1** Company Overview

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**2** Opening Remarks

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**3** IQ 2018 Results

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**4** Closing Remarks

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**5** Appendix

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# Credivalores History

14 years of track record



First lines of credit with local and intl. institutions

2003

2004

2008

2009

2010

2012

2013

2014

2015

2017

2018



Consolidation of alliances with 7 public utility companies

BRC  
Standard & Poor's  
S&P Global

Initial local loan originator rating: AA-



US\$25mm loan from IFC



ACON acquires 32.9% stake

Euro Commercial Paper Program of US\$150 mm is put in place



Follow on for COP\$9,3 mm



IFC loan raised to US\$45 mm



Migration to Visa network for the credit card



B+ International Rating

BRC  
Standard & Poor's  
S&P Global

Local loan originator Rating upgrade to AA



Capitalization for US\$18.6 mm



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



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



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

Source: Company.

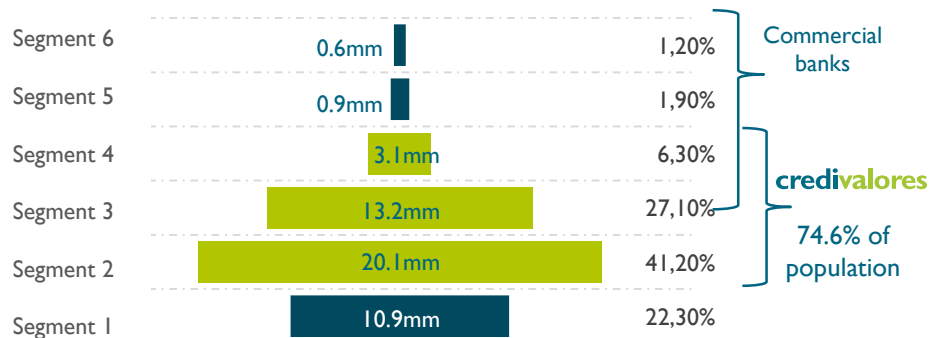
## Traditional banks



<b>Commercial</b>	High dependence on branch network	<ul style="list-style-type: none"> <li>Exclusively trained and developed sales force</li> <li>Customer approached on site</li> </ul>
<b>Product</b>	Multiproduct portfolios / cross selling	<ul style="list-style-type: none"> <li>Specialized and customized products</li> </ul>
<b>Market segment</b>	Mid and high income segments – High average loan size – Standard credit analysis – Limited presence in small and mid-size cities	<ul style="list-style-type: none"> <li>Low and mid income segments</li> <li>– Small average loan size</li> <li>– Credit scoring according to product nature and clients' risk profile</li> <li>– Small and mid-size cities</li> </ul>
<b>Processes</b>	Complex internal process and slow response times  Additional documents required for analysis	<ul style="list-style-type: none"> <li>Agile processes and response time</li> <li>Complimentary information from alliances</li> </ul>

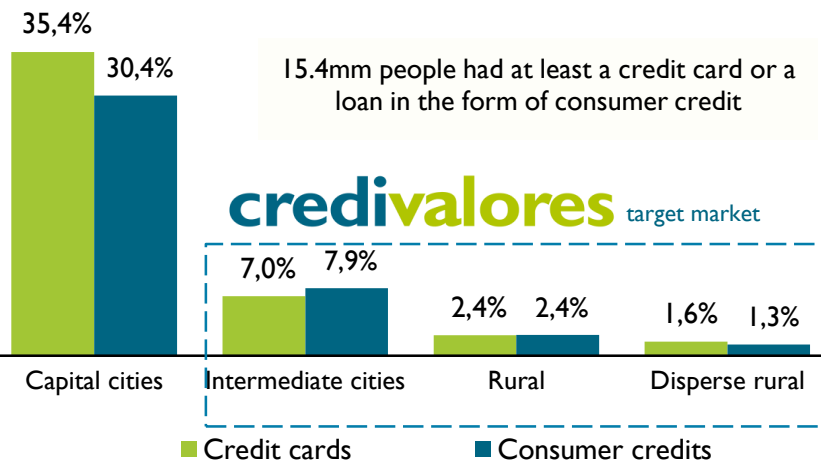
## Potential client base = 74.6% of Colombia's population

Total population as of December 2016: 48.8 million



## Focus on less penetrated small and intermediate cities

Population with access to credit, % of inhabitants (Dec. 2015)



Source: Company, DANE. Colombian Financial Superintendence

# Shareholders Structure

## Simplified ownership structure

(as of March 31, 2018)



### David Seinet CEO

- Founder and President of Credivalores
- Chairman of Board of Directors at Grupo la Cabaña
- Over 20 years of experience

### Zulma Villar Executive VP

- Over 28 years of experience in the financial sector, client management for retail and SMEs
- Worked previously as VP of Products and Marketing at Corpbanca and VP of Innovation and Marketing at BBVA

### Jose Luis Alarcon Chief Business Intelligence

- Over 11 years of experience in the banking sector
- Worked previously at UNIBANCO and MF Advisors

## Key Shareholders

**Crediholdings  
(Seinet family)**  
35.01%

- ✓ Founding family
- ✓ Involved in the sugar business since 1944 (Ingenio La Cabaña)

**Gramercy**  
(US\$5.8bn  
AUM)  
34.75%

- ✓ 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

**ACCON**

(US\$5.3bn  
AUM)  
24.64%

- ✓ Private equity Firm focused on middle-market investments in Latam, including:



Home organization and  
houseware products



Rigid plastic packaging for cosmetics and  
personal care

- ✓ Shareholders of Credivalores since 2010

Source: Company.



# Income statement (Rearranged for Analysis)

Million COP	As of March 31,			As of December 31		
	2018 (Million US\$) <sup>(1)</sup>	2018 (Million COP)	2017 (Million COP)	2017 (Million US\$) <sup>(1)</sup>	2017 (Million COP)	2016 (Million COP)
<b>Income Statement Data:</b>						
Interest income and similar	27.6	76,855	66,560	104.3	289,865	269,013
Financial costs (interest)	(13.7)	(38,217)	(33,530)	(52.8)	(146,686)	(126,222)
<b>Net interest and similar</b>	<b>13.9</b>	<b>38,638</b>	<b>33,030</b>	<b>51.5</b>	<b>143,179</b>	<b>142,791</b>
Impairment of financial assets loan portfolio	(2.9)	(8,143)	(12,827)	(8.2)	(22,889)	(23,261)
Loan portfolio impairment recoveries	(0.7)	2,082	8,352	(0.6)	(-1,668)	558
Impairment of other accounts receivable	(2.2)	(3,329)	(333)	(1.2)	(3,329)	–
<b>Gross Financial Margin</b>	<b>11.7</b>	<b>32,577</b>	<b>28,222</b>	<b>41.5</b>	<b>115,293</b>	<b>120,088</b>
<b>Other income</b>	<b>0.1</b>	<b>277</b>	<b>283</b>	<b>0.3</b>	<b>957</b>	<b>5,638</b>
SG&A						
Employee benefits	(1.6)	(4,548)	(4,522)	(6.6)	(18,414)	(20,005)
Expense for depreciation and amortization	(0.4)	(1,028)	(921)	(1.5)	(4,233)	(3,824)
Other	(6.4)	(17,694)	(17,936)	(27.9)	(77,643)	(79,041)
<b>Total Other Expenses</b>	<b>(8.4)</b>	<b>(23,270)</b>	<b>(23,379)</b>	<b>(36.1)</b>	<b>(100,290)</b>	<b>(102,870)</b>
<b>Operating Income</b>	<b>3.4</b>	<b>9,584</b>	<b>5,126</b>	<b>5.4</b>	<b>15,960</b>	<b>22,856</b>
Financial income						
Exchange Rate Differences	33.5	93,152	14,322	–	–	10,980
Hedging Instruments Valuation	–	–	–	–	–	–
Financial income	0.0	124	276	0.5	1,472	4,209
<b>Total financial income</b>	<b>33.5</b>	<b>93,276</b>	<b>14,598</b>	<b>0.5</b>	<b>1,472</b>	<b>15,189</b>
Financial Expense						
Exchange Rate Differences	–	–	–	(2.8)	(7,887)	–
Hedging Instruments Valuation	(35.0)	(97,255)	(17,710)	(2.3)	(6,518)	(14,615)
<b>Total financial expense</b>	<b>(35.0)</b>	<b>(97,255)</b>	<b>(17,710)</b>	<b>(5.2)</b>	<b>(14,405)</b>	<b>(14,615)</b>
<b>Net Financial Income (Costs)</b>	<b>(1.4)</b>	<b>(3,980)</b>	<b>(3,112)</b>	<b>(4.7)</b>	<b>(12,933)</b>	<b>574</b>
<b>Net income before income tax</b>	<b>2.0</b>	<b>5,606</b>	<b>2,014</b>	<b>1.1</b>	<b>3,028</b>	<b>23,430</b>
Income tax	(0.1)	(245)	(346)	(0.4)	(1,222)	(6,230)
<b>Net income for the period</b>	<b>1.9</b>	<b>5,361</b>	<b>1,668</b>	<b>0.6</b>	<b>1,806</b>	<b>17,200</b>

(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, 2018 of \$2,780.47 COP/USD

# Income statement

Million COP	As of March 31,			As of December 31		
	2018 (Million US\$) <sup>(1)</sup>	2018 (Million COP)	2017	2017 (Million US\$) <sup>(1)</sup>	2017 (Million COP)	2016
<b>Income Statement Data:</b>						
Interest income and similar	27.6	76,855	66,560	104.3	289,865	269,013
Financial costs (interest)	(13.7)	(38,217)	(33,530)	(52.8)	(146,686)	(126,222)
<b>Net interest and similars</b>	<b>13.9</b>	<b>38,638</b>	<b>33,030</b>	<b>51.5</b>	<b>143,179</b>	<b>142,791</b>
Impairment of financial assets loan portfolio	(2.2)	(6,061)	(4,475)	(8.8)	(24,557)	(22,703)
Impairment of other accounts receivable	–	–	(333)	(1.2)	(3,329)	–
<b>Gross Financial Margin</b>	<b>11.7</b>	<b>32,578</b>	<b>28,222</b>	<b>41.5</b>	<b>115,293</b>	<b>120,088</b>
<b>SG&amp;A</b>						
Employee benefits	(1.6)	(4,548)	(4,522)	(6.6)	(18,414)	(20,005)
Expense for depreciation and amortization	(0.4)	(1,028)	(921)	(1.5)	(4,233)	(3,824)
Other	(6.4)	(17,694)	(17,936)	(27.9)	(77,643)	(79,041)
<b>Total other expenses</b>	<b>(8.4)</b>	<b>(23,270)</b>	<b>(23,379)</b>	<b>(36.1)</b>	<b>(100,290)</b>	<b>(102,870)</b>
<b>Net Operating Income</b>	<b>3.3</b>	<b>9,308</b>	<b>4,844</b>	<b>5.4</b>	<b>15,003</b>	<b>17,218</b>
Financial income						
Exchange Rate Differences	33.5	93,151	14,322	–	–	10,980
Other Income Recoveries	0.0	46	183	–	–	3,915
Hedging Instruments Valuation	–	–	–	–	–	–
Financial income	0.0	78	93	0.5	1,472	294
<b>Total financial income</b>	<b>33.5</b>	<b>93,276</b>	<b>14,598</b>	<b>0.5</b>	<b>1,472</b>	<b>15,189</b>
Financial Expense						
Exchange Rate Differences	–	–	–	–	–	–
Hedging Instruments Valuation	(35.0)	(97,255)	(17,710)	2.3	(6,518)	(14,615)
<b>Total financial expense</b>	<b>(35.0)</b>	<b>(97,255)</b>	<b>(17,710)</b>	<b>2.3</b>	<b>(6,518)</b>	<b>(14,615)</b>
<b>Net Financial Income (Costs)<sup>(2)</sup></b>	<b>(1.4)</b>	<b>(3,980)</b>	<b>(3,112)</b>	<b>4.7</b>	<b>(12,933)</b>	<b>574</b>
<b>Other income</b>	<b>0.1</b>	<b>277</b>	<b>283</b>	<b>0.3</b>	<b>957</b>	<b>5,638</b>
<b>Net income before income tax</b>	<b>2.0</b>	<b>5,606</b>	<b>2,014</b>	<b>1.1</b>	<b>3,028</b>	<b>23,430</b>
Income tax	(0.1)	(245)	(346)	(0.4)	(1,222)	(6,230)
<b>Net income for the period</b>	<b>1.9</b>	<b>5,361</b>	<b>1,668</b>	<b>0.6</b>	<b>1,806</b>	<b>17,200</b>

(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, 2018 of \$2,780.47 COP/US

(2) Non-operating

# Balance Sheet

Million COP	As of March 31,		As of December 31		
	2018 (US\$ Million) <sup>(1)</sup>	2018 (Million COP)	2017 (US\$ Million) <sup>(1)</sup>	2017 (Million COP)	2016
<b>Balance Sheet Data</b>					
Cash and cash equivalents	61.1	169,866	43.9	121,948	122,964
<b>Total financial assets at fair value</b>	<b>32.4</b>	<b>90,198</b>	<b>14.0</b>	<b>39,025</b>	<b>26,155</b>
<b>Total loan portfolio, net</b>	<b>362.5</b>	<b>1,007,815</b>	<b>378.6</b>	<b>1,052,671</b>	<b>953,874</b>
Consumer loans	414.9	1,153,559	419.5	1,166,501	1,044,230
Microcredit loans	4.7	13,027	5.1	14,2560	14,835
Impairment	(57.1)	(158,771)	(46.1)	(128,080)	(105,191)
<b>Accounts receivable, net</b>	<b>85.9</b>	<b>238,708</b>	<b>66.0</b>	<b>183,511</b>	<b>189,482</b>
<b>Total financial assets at amortized cost</b>	<b>448.3</b>	<b>1,246,523</b>	<b>444.6</b>	<b>1,236,182</b>	<b>1,143,356</b>
Investments in associates and affiliates	13.0	36,096	13.5	37,485	9,408
Current tax assets	3.3	9,174	2.9	8,192	2,799
Deferred tax assets, net	13.8	38,397	4.7	13,042	13,982
Property and equipment, net	0.3	892	0.3	913	1,017
Intangible assets other than goodwill, net	22.0	61,242	9.4	26,047	28,836
<b>Total assets</b>	<b>594.3</b>	<b>1,652,388</b>	<b>533.3</b>	<b>1,482,834</b>	<b>1,348,517</b>
<b>Derivative instruments</b>	<b>48.2</b>	<b>134,027</b>	<b>6.4</b>	<b>17,686</b>	<b>16,958</b>
<b>Financial obligations</b>	<b>434.9</b>	<b>1,209,331</b>	<b>419.8</b>	<b>1,167,146</b>	<b>1,084,974</b>
Employee benefits	0.4	1,102	0.4	1,154	1,198
Other provisions	0.2	513	0.1	302	1,021
Accounts payable	13.5	37,509	21.7	60,445	47,633
Current tax liabilities	0.7	1,961	0.4	1,100	4,503
Other liabilities	12.6	35,034	2.5	6,983	3,107
<b>Total liabilities</b>	<b>510.5</b>	<b>1,419,977</b>	<b>451.3</b>	<b>1,254,816</b>	<b>1,159,394</b>
<b>Shareholders equity</b>	<b>83.8</b>	<b>232,911</b>	<b>82.0</b>	<b>228,018</b>	<b>189,123</b>
<b>Total liabilities and equity</b>	<b>594.3</b>	<b>1,652,388</b>	<b>533.3</b>	<b>1,482,834</b>	<b>1,348,517</b>

(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, 2018 of \$2,780.47 COP/USD

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

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

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

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



# credivalores