



Investor Presentation 2Q 2023 Results

credivalores

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Main Highlights

1.

- USD\$ 58,6 MM Capitalization (New Shareholder) with positive impact with a significant liability decrease

2.

- USD\$17 MM shareholders commitment with cash facilities

3.

- USD\$16 MM new ECP program notes (March 2023 exchange)

4.

- Solvency and leverage ratios recovery (dec/22 - jun/23), passing from -4,3% to 23,2% and from -46,7x to 6,9x respectively.

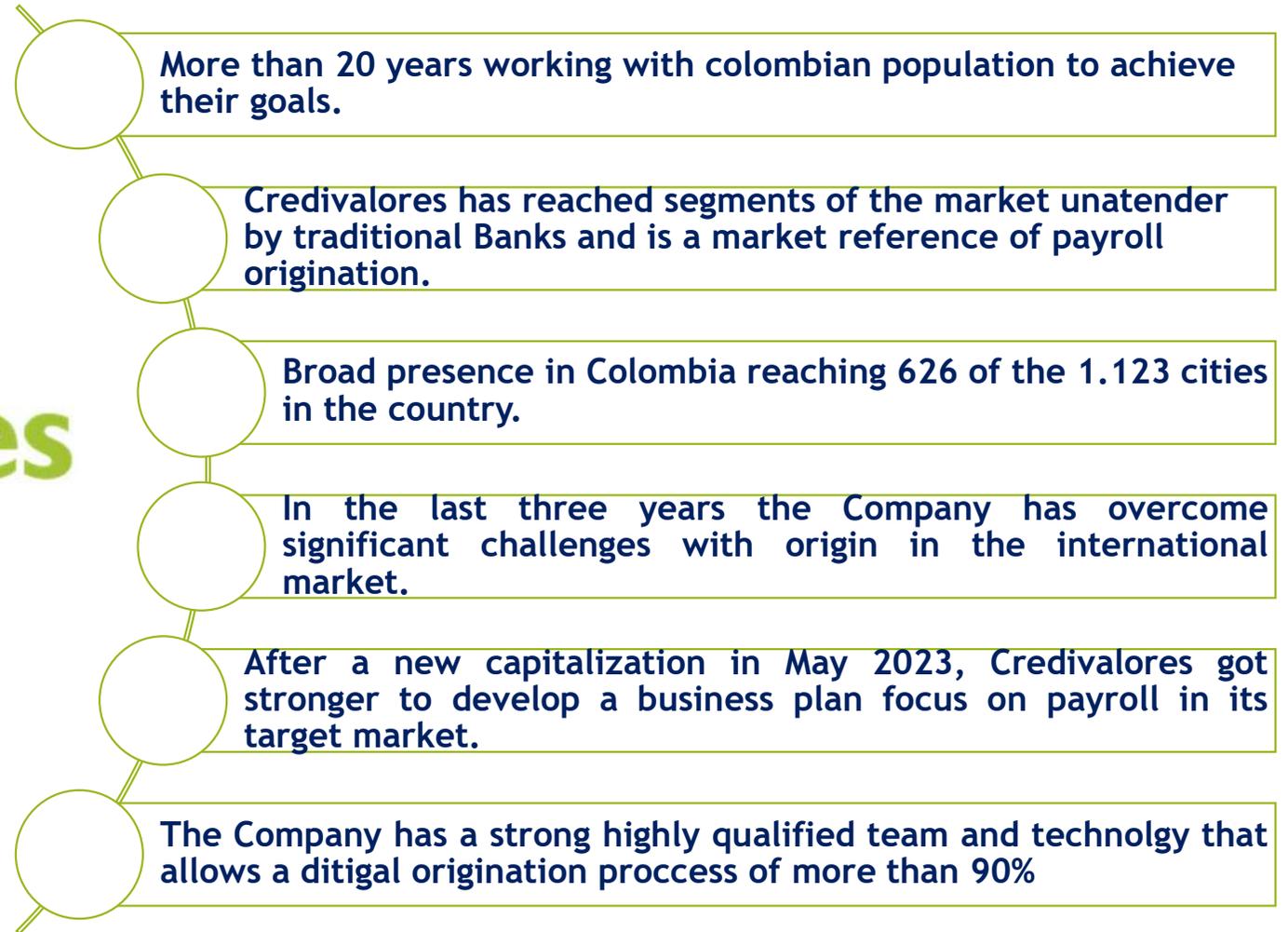
5.

- Payment of 100% debt maturities.

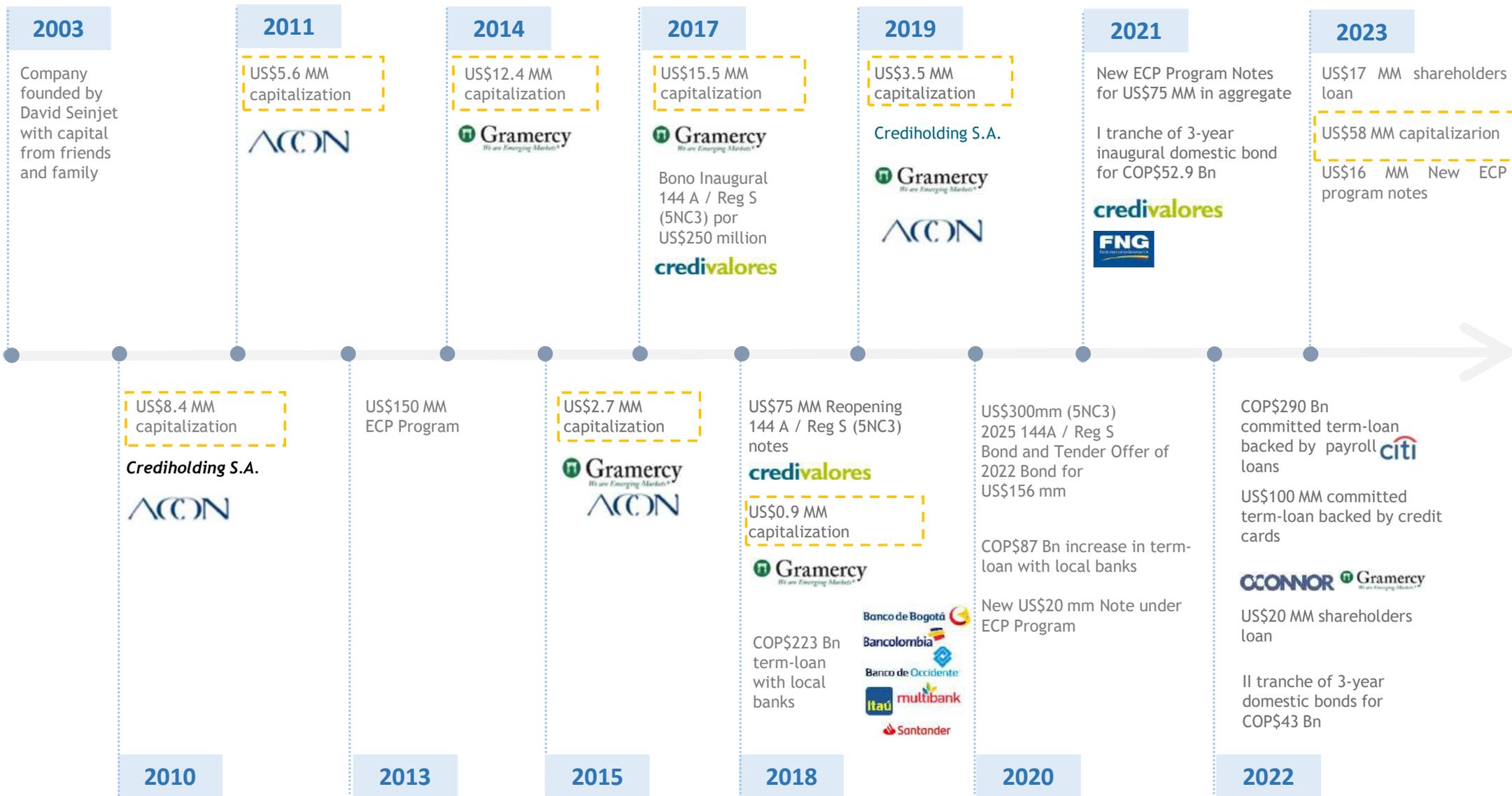
6.

- Productive and quality asset that allowed obtaining resources with collateralized funding.

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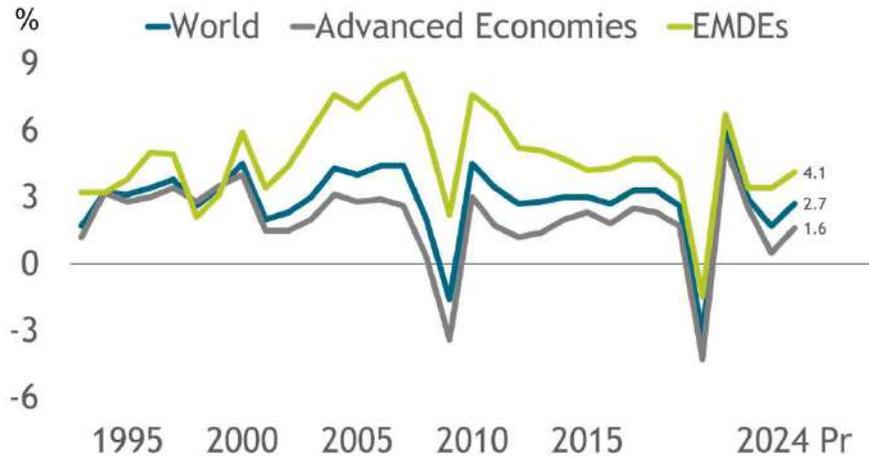


Continued success for over 20 years, with strong support from shareholders to access a diversified funding base...

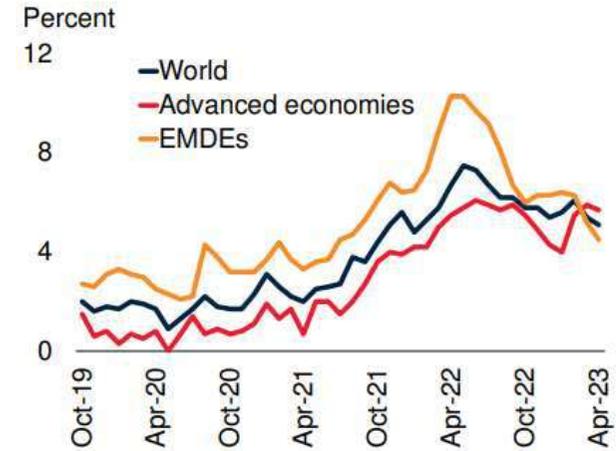


Challenging Macroeconomic Conditions with Stabilization Forecast

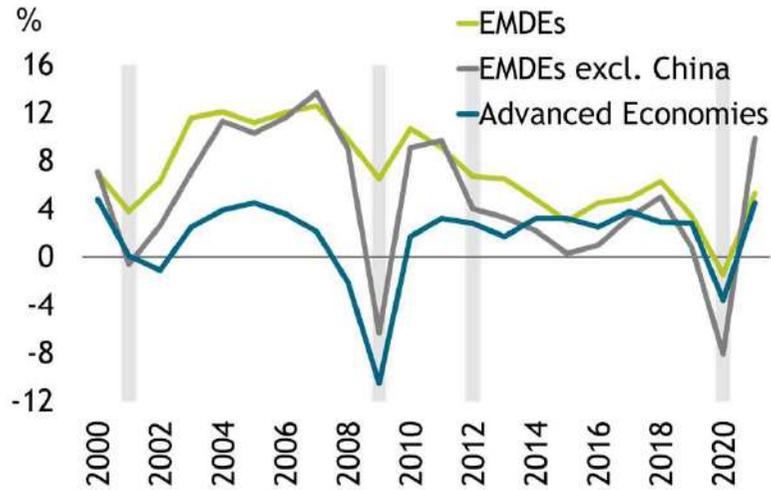
GDP Growth - Recovery Forecast (1)



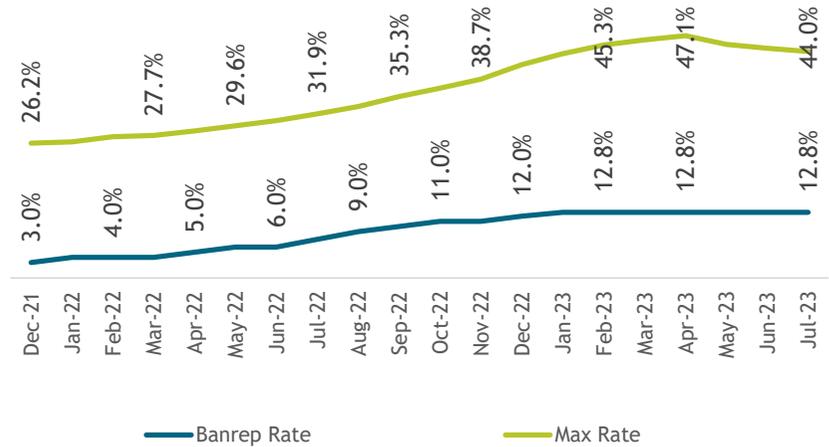
Decrease in the Growth Rate of Inflation (2)



Expected Increase in the Investment (1)



Colombian Central Bank's policy rate and maximum rate



1. Falling Long- Falling Long-Term Growth Prospects. Trends, Expectations, and Policies. World Bank Group. <https://openknowledge.worldbank.org/server/api/core/bitstreams/fe0880d1-ffb-430f-bab4-d3dbdda7470e/content>
 2. <https://openknowledge.worldbank.org/server/api/core/bitstreams/6e892b75-2594-4901-a036-46d0dec1e753/content>

Credivalores is a success story ...

reflects the company's specialization and knowledge of its target market located in population unattended by traditional banks, a competitive origination and operational model in the payroll business and a consolidated capacity in development of strategic relationships with allies to offer credit card product

Specialization and focus



- **CV:** Non-bank financial company, **leader in the origination of consumer loans in Colombia** with more than 20 years of experience.



- Clear vision of the segment to deepen and consolidate distribution channels.



- + 70% of payroll portfolio in low-income population

- 90% of payroll portfolio in pensioners and government employees



- Better risk profile in the payroll segment due to collections through the payroll paying entity.

We are where the client need us

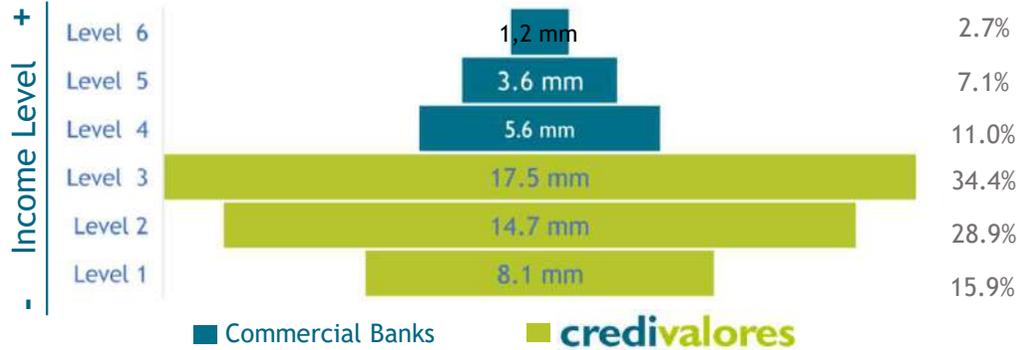
- **Portfolio in 626 cities** attended by our commercial team.
- **+1.000 direct and indirect advisors** nationwide.
- **5 commercial mobile units**
- **260 active arrangements between private and public companies to manage payrolls**
- Collections through draft operators with nationwide presence.



Focus on underserved market segment with growth potential...

Wide customer base (79.2% of the total population)

Colombian total population as 2020 november: 50.9 millions



... between pensioners and low income population

Credivalores Demographic Distribution

Payroll
Portfolio



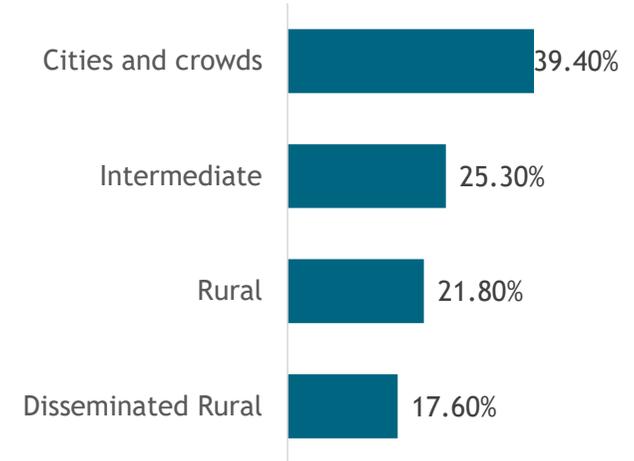
63% > 50 years old
67% low income population



61% 39%

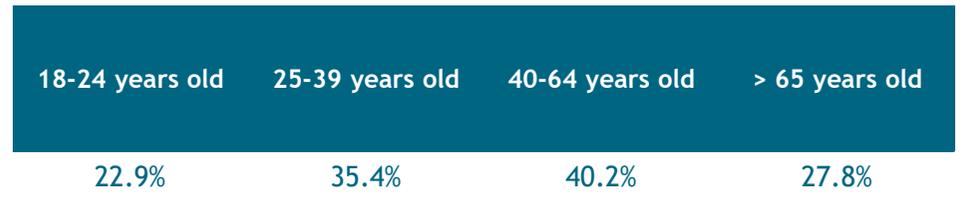
Adults with Current Credit Products by Rurality

Adult Population with Active Credits = 13 mm (Dic. 2021) ⁽¹⁾
34% of the Colombian adult population



...with low access to credit in Colombia ⁽¹⁾

Access to credit by age



(1) Reporte de Inclusión Financiera 2021. Banca de Las Oportunidades. Superintendencia Financiera de Colombia

Differential characteristics of the company...

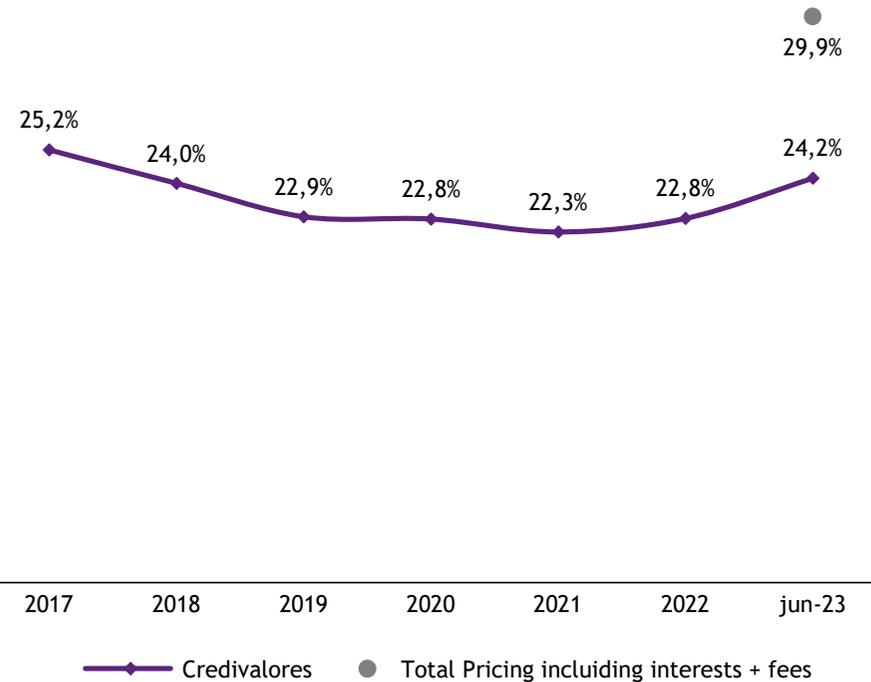
Credivalores has distinguished itself by providing an agile service in payroll approval and disbursement allowing access to credit to populations unattended by traditional Banks whose alternative is onerous informal obligations.

| Products Differentials | | |
|--|--|---|
| Opportunity | Access | Agility |
| <ul style="list-style-type: none"> We reach far regions. Pensioners market deepen. | <ul style="list-style-type: none"> Credit to low-income population. Specialization y middle and small size cities. | <ul style="list-style-type: none"> 48 hours payroll disbursement Instant preapproval Digital Process |

Differentials supported by a clear understanding of the business model and the market in which Credivalores operates

- Higher asset quality due to a focus mainly on pensioners and government employees
- An own risk model with IFRS 9 standard that allows to adequately segment the profile of our clients.
- Coverage schemes adjusted to the risk profile of the market segment:
 - Endorsements
 - Insurances
- Target market aligned with UN's sustainable goals.

Payroll Origination Rates 2017 - june 23 (%Annual Rate)



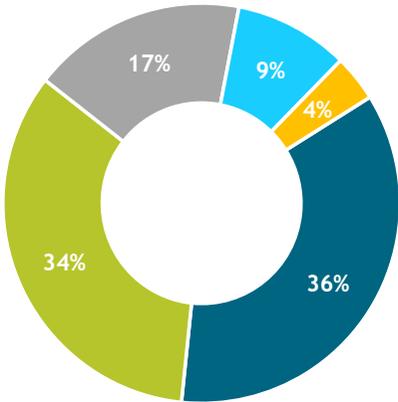
the regulated and stable local payroll market represents a unique opportunity in contrast with other regional players

Regulatory framework for payroll lending ⁽¹⁾

-  Regulated rates
-  Payroll loans follow borrower
-  Central payroll lenders registry
-  Limits on lending
-  Direct lending to employees



-  Predictable operating environment
-  Enhanced recoveries
-  Fair competition and fraud prevention
-  Sustainable lending, enhancing asset quality
-  No labor union intervention, clients are free to choose lender



Colombian Consumer Lending Portfolio :
 COP\$213 trillions
 (US\$45.6 billion)
 +9,7 % YoY

Payroll: +4,9% YOY

Credit Card: +15,0% YOY

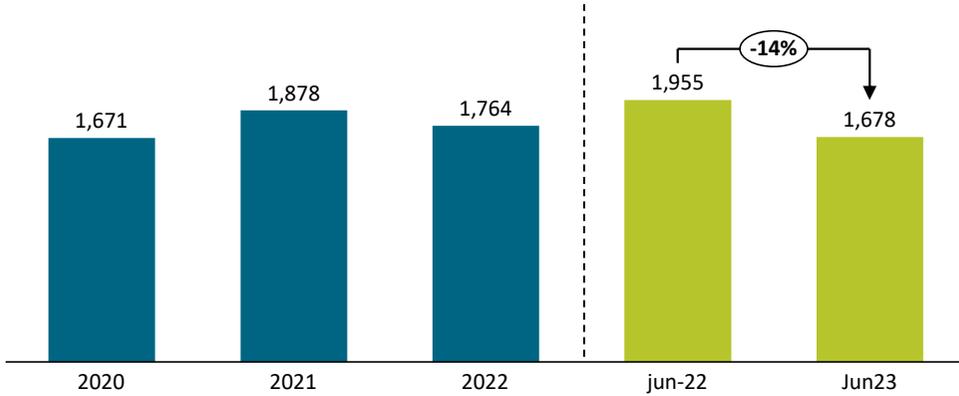
■ Any Purpose ■ Payroll ■ Credit Cards ■ Vehicles ■ Others

(1) Colombia has a specific law (Law 1527, enacted in 2012) and a general regulatory framework that regulates payroll loans.
 (2) Colombian Superintendence of Finance (CSF). Latest available report on consumer loans portfolio by type (April 30, 2023). Includes only financial institutions regulated by the CSF.

Liabilities Decrease after Shareholders Capitalization - Low Concentration in Short-term debt

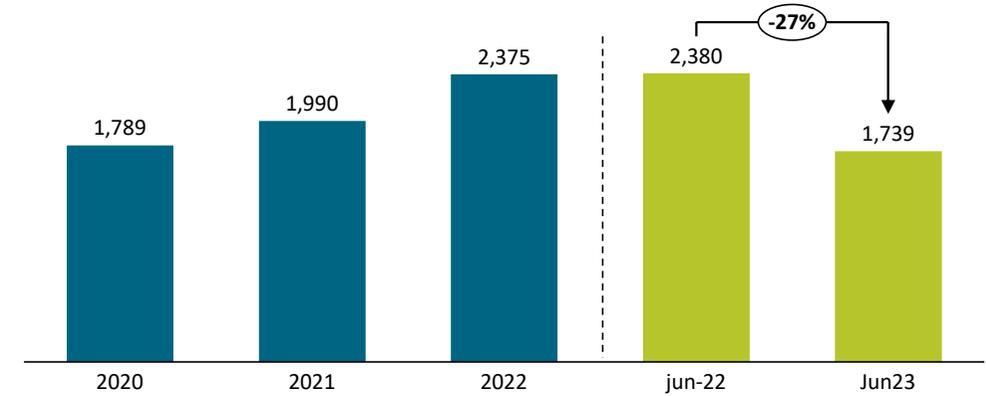
Loan Portfolio

Thousand Million COP\$

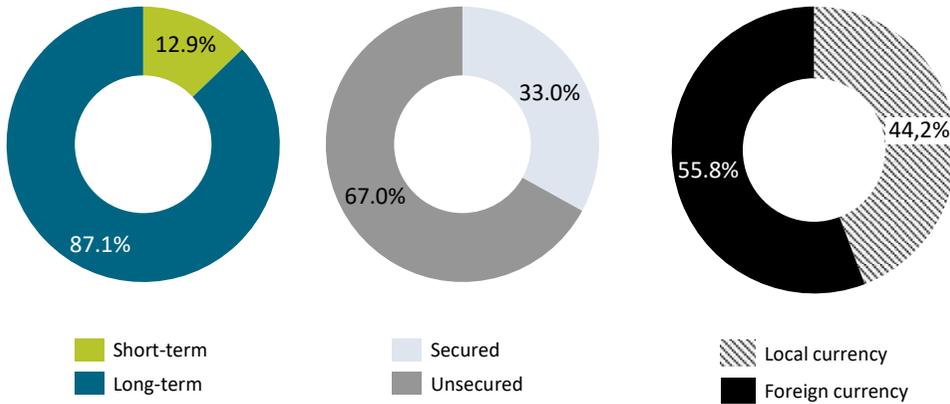


Financial Liabilities, Net ⁽¹⁾

Thousand Million COP\$



Liabilities by Kind and Term ⁽²⁾



Comments

- The company has been showing an adequate financial management by observing a further decrease in its financial liabilities by more than COP\$641 thousand million while the portfolio only decrease by COP\$277 thousand million.
- On the other hand, it is observed that in the short term at the end of June the company only has 12.9% of short-term financial obligations.
- The company's new strategy for its operation has been supported with secured debt which represents 33% of the total

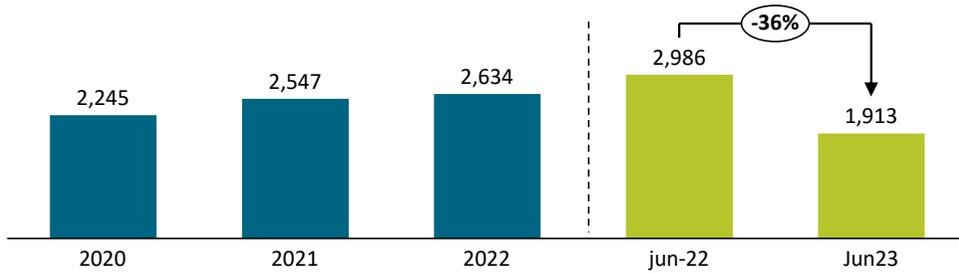
1. Net from transaction costs and hedges.
 2. On Total financial liabilities of thousand million COP\$1,815 as June 2023

Equity recovery vs growth ...

Significant Decrease of the Company's Liabilities

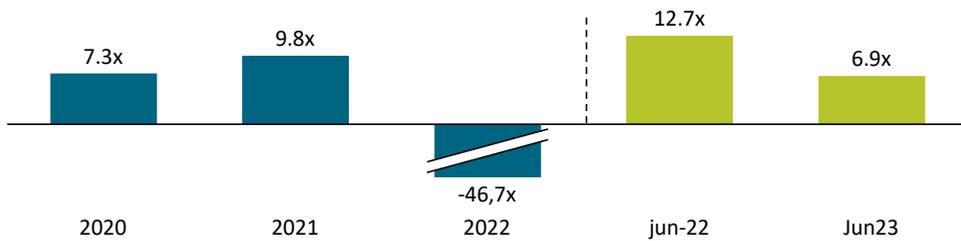
Thousand million COP\$

This strengthening is reflected in the liquidity strategy by reducing the company's liabilities by more than COP\$1,073 thousand million, **represented in a 36% reduction.**



Leverage Ratio Recovery (1)

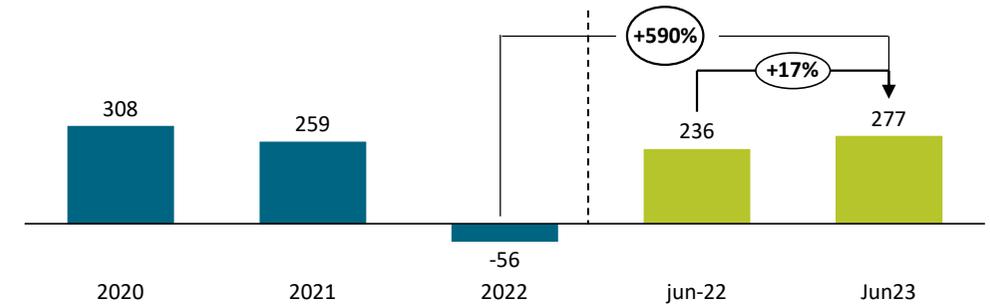
The strengthening of the balance sheet has led to stabilizing and improving leverage levels, even reaching lower levels than in **previous years**



Equity strengthening after capital contribution

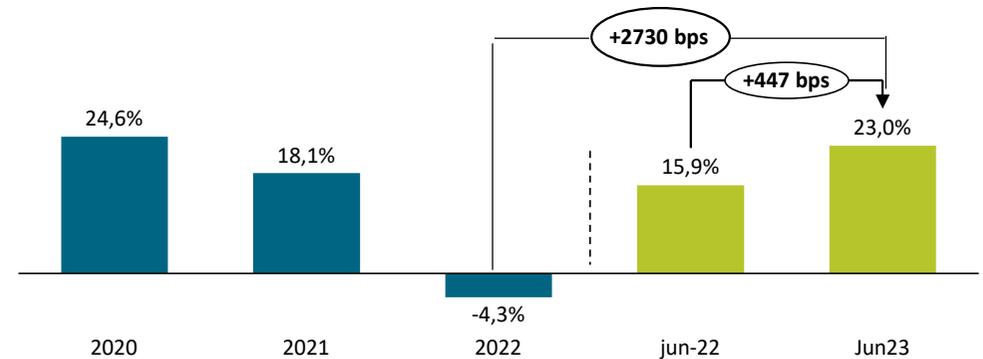
Thousand million COP\$

The company recovers and increases the capital compared to the same period of the year 2022 and in turn strengthens it compared to the end of the same year in more than COP \$333, thousand million with a growth of 590%



Solvency Ration Recovery (2)

With the Capitalization, a significant recovery of solvency is observed, going from **-4.3%** in 2022 to **23%** in June 2023 with a growth of 2,730 bps.



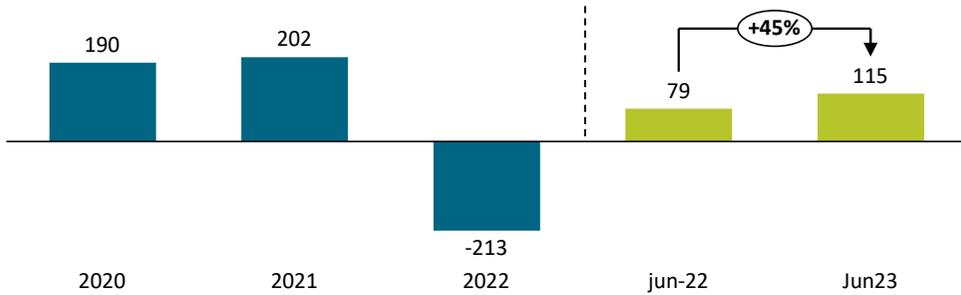
1. Debt / Equity
2. Equity / Net Portfolio

Income and Margin Recovery

Net Interest Growth (1)

Thousand Million COP\$

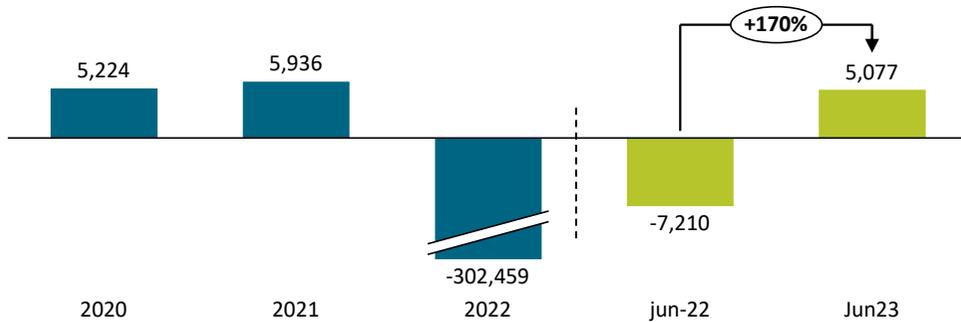
In the last year the company recovered its net income by having a growth of more than **COP\$ 35,569 million**



Positive Net Income

Thousand Million COP\$

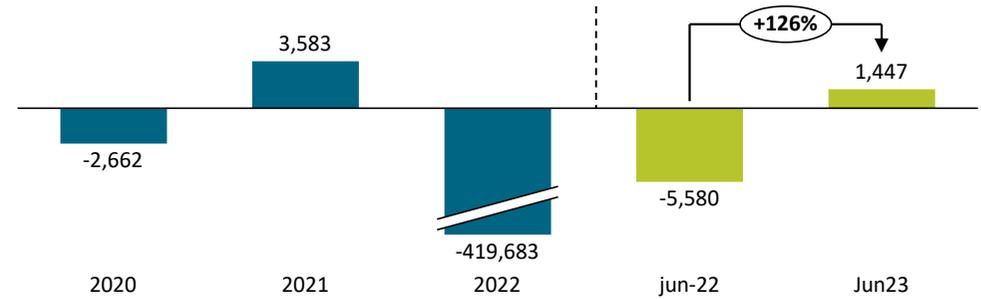
Also net income goes from **-COP\$7.200 million** to **COP\$5.100 million POSITIVE**



Operational Margin Recovery

Thousand Million COP\$

Reflected in the operational margin in more than **COP\$7.027 million**



Efficiency Ratios Recovery (2)

SG&A exc. D&A / Net interest and similar

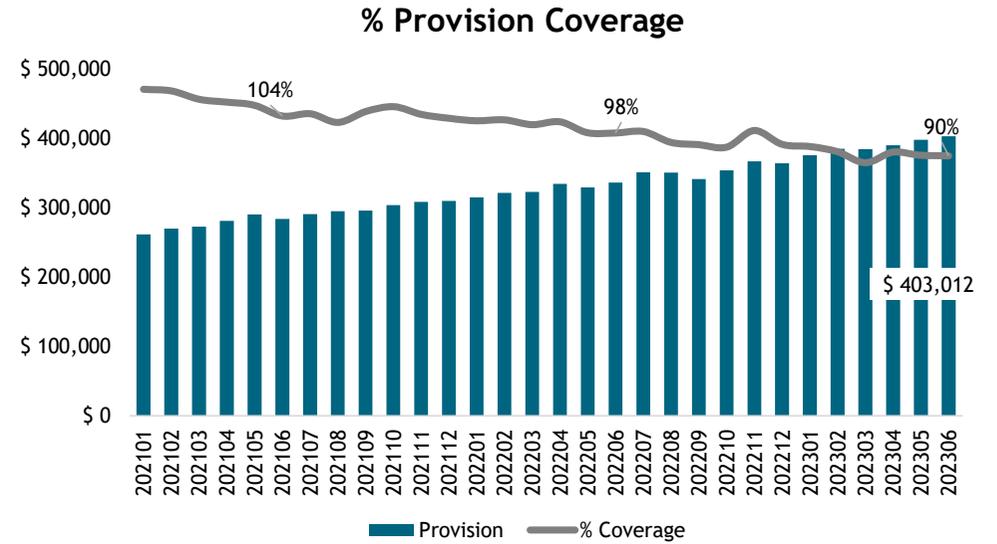
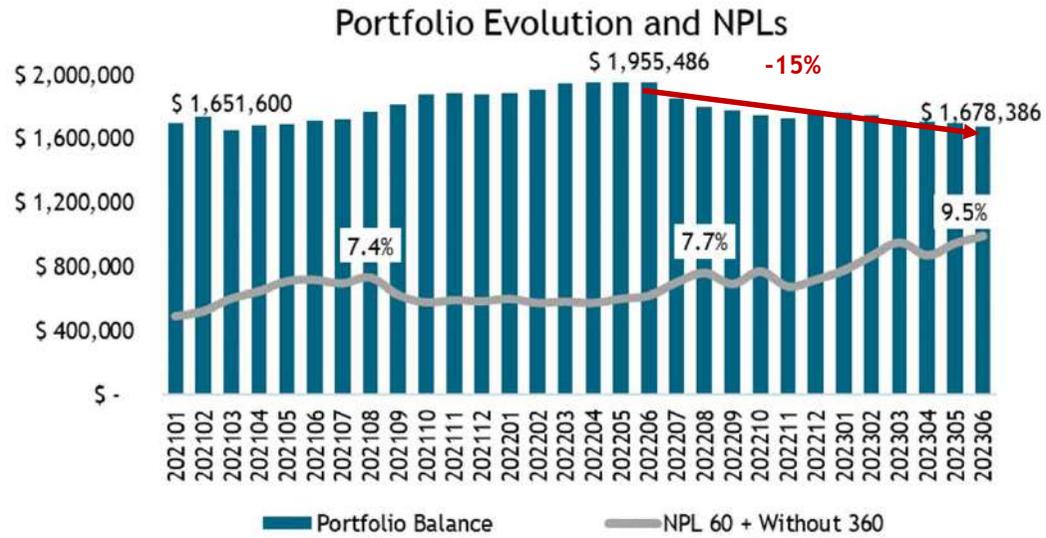
As a result of the positive management in the company's operation strategy and the control of expenses, the efficiency ratios are recovered as a result of the control and monitoring of expenses



1. Interest Income + Fees - Financial cost interest
 2. SG&A exc D&A / NIM + Fees

Total Portfolio NPLs

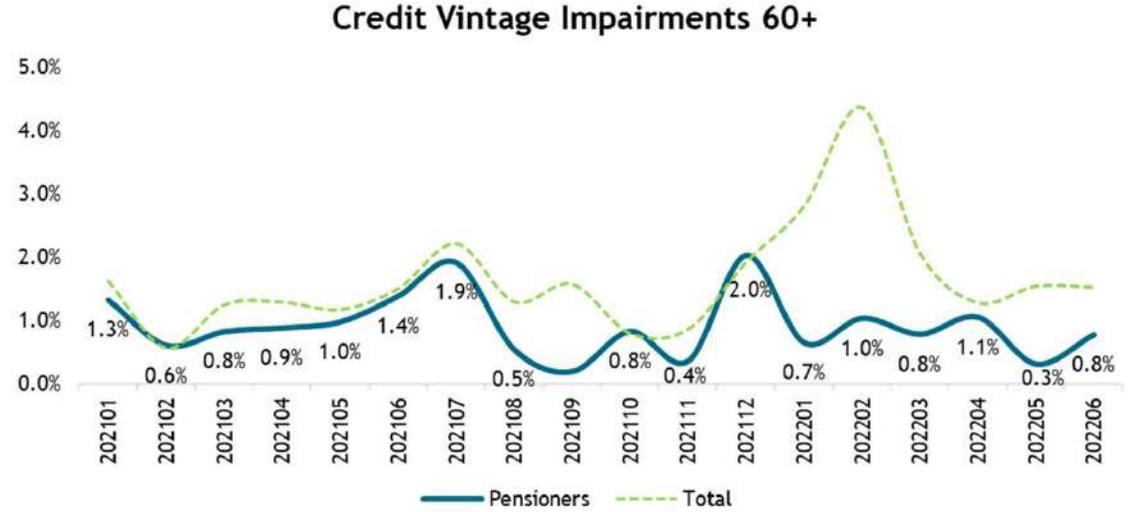
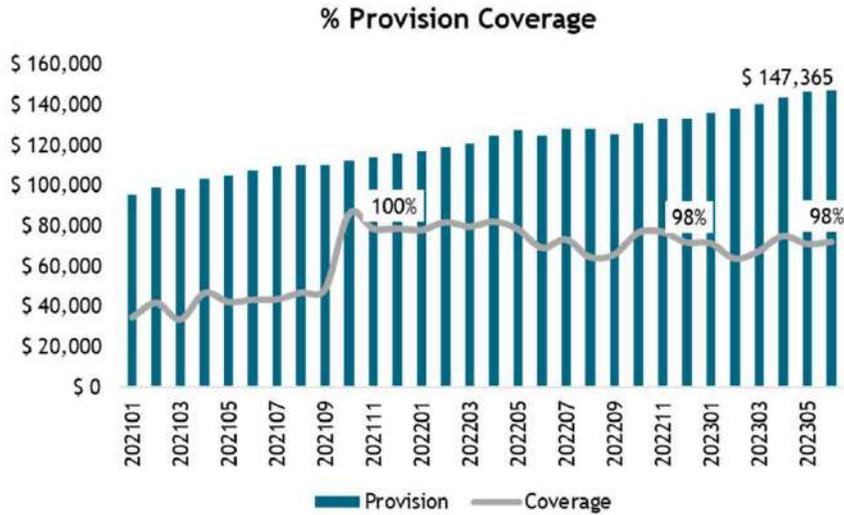
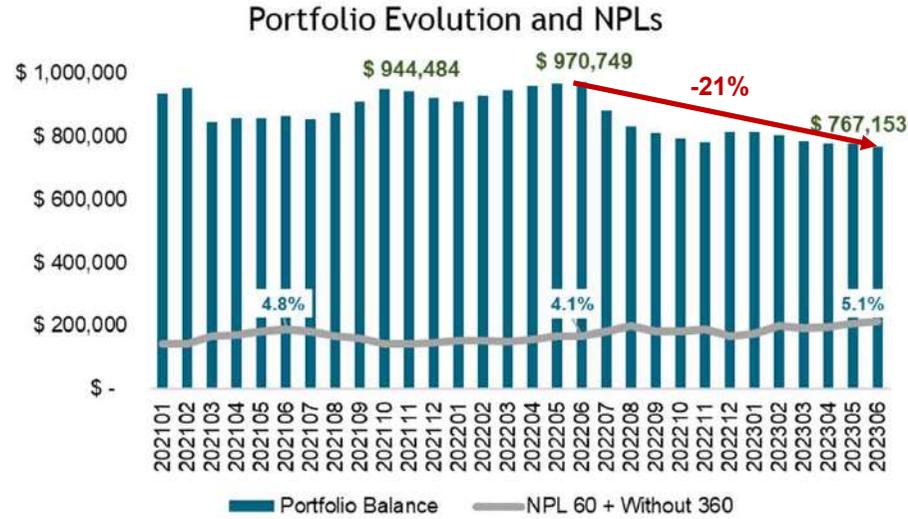
COP million



- The portfolio balance presented a decrease of 15% in the last year, impacting the evolution of the NPL indicator.

Payroll Portfolio NPLs

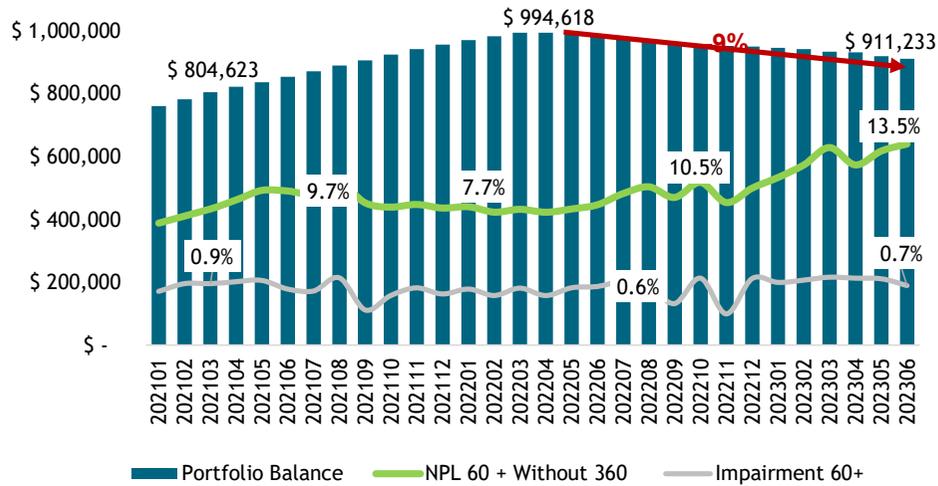
COP\$ million



Credit Card NPLs

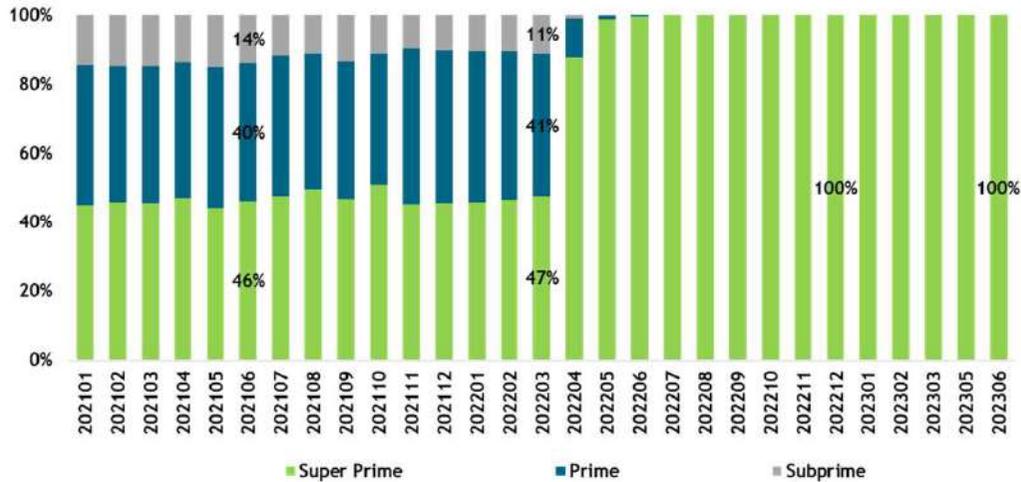
COP\$ million

Portfolio Evolution, NPL and Impairment

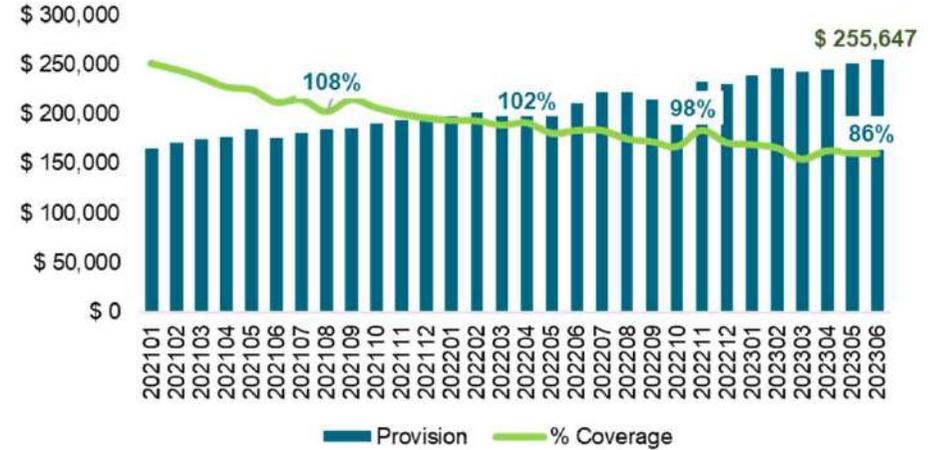


2021: Expansion of origination through commercial allies
 2022-IIS y 2023: Decrease in portfolio balance and impairment stability

Origination by Risk Level



% Provision Coverage



- 86% coverage of 60+ past-due portfolio
 - Origination focus on Super Prime clients to minimize impairments.

Credit Vintage Impairments 60+



Business Plan Supported in 5 Pillars

Payroll Specialization

- Deepening with this product in the target market that the company knows and has the know how.
- The foregoing seeking to maintain historical growth and with a portfolio mainly in payroll.
- Profitability approach according to the target market.

Focus on Efficiencies

- Optimize, automate and document processes with a value chain assurance approach.
- Reorganization of the company structure focused on key skills of the core business.
- Productivity improvement supported by the digital strategy.

Profitability

- Strategic management that seeks disciplined growth and the assurance of operational results.
- Implementation of a currency hedging strategy.
- Take advantage of the competitive attribute of the payroll product to maintain pricing according to the target market

Selling of the Credit Card Business Unit

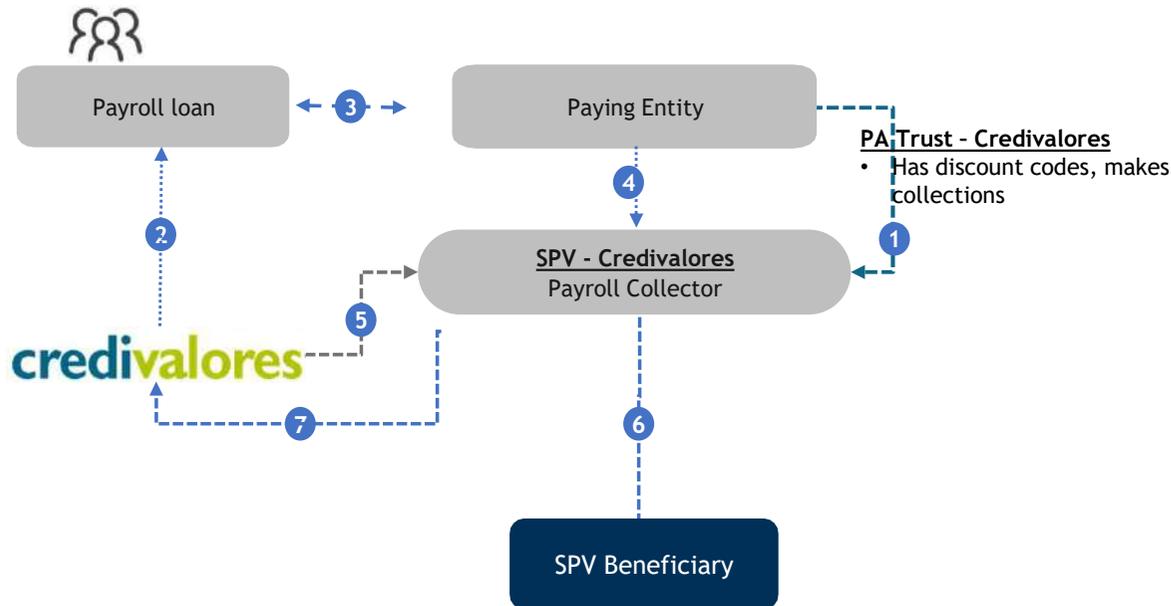
- Cash generation from the sale of the credit card business unit
- Optimization in the cost structure with the reorganization of the processes associated with the product

ESG Sustainable Practices

- Attention to population unattended by traditional banks in levels of the population with low income and in rural areas
- Digital origination schemes
- High standards of solid corporate governance
- Strengthening of the sustainability team and reporting under GRI and SASB standards

New Origination Process 2023 - Operational Process payroll origination - 2023

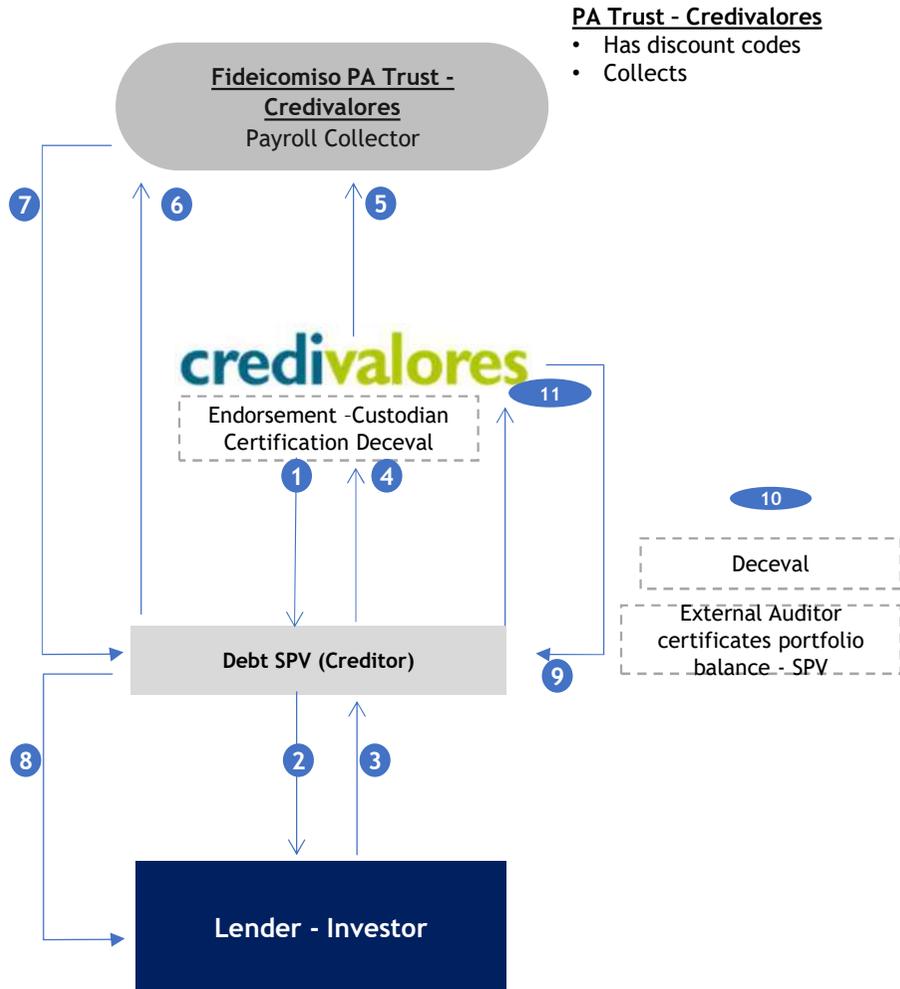
SPV Trust Credivalores



1. The paying entity assigns payroll discount code to SPV Trust-Credivalores to generate credit for its employees.
2. Credivalores offers and approves credit to employees, under the policies established in Law 1527 and the paying entity with the SPV code Trust-Credivalores.
3. The paying entity performs the payroll deduction to the employee on a monthly basis in accordance with the incorporation files, news and forms sent by Credivalores.
4. Paying entity makes the draft of the payroll deductions made to its employees, to SPV Trust-Credivalores and sends the detailed form of the draft made by the debtor to CV.
5. CV applies to the portfolio the drafts made by the paying entity to each debtor.
6. SPV Trust-Credivalores - CV perform monthly reconciliation of collections vs portfolio application and the Trust makes the transfers to the beneficiaries of the flow collected according to the irrevocable instructions of transfer, as beneficiaries of the promissory notes.
7. The collection surplus after the payment of the beneficiaries is transferred to Credivalores

(1) Constitution SPV payroll collections "Crediservicios - Matriz" 2006 first payroll securitization.

New Origination Process 2023- Debt SPV



1. Credivalores endorses the property portfolio with or without liability to the debtor SPV, which is an administration, guarantee and source of payment trust.
2. The endorsed portfolio is guarded and certified by Deceval under the SPV Trust - Credivalores contract in favor of the new beneficiary:

Deceval dematerialized promissory notes
3. The Debtor SPV after the portfolio contribution made by CV and certified by Deceval, formally requests the Creditor a disbursement equivalent to the value contributed in kind by CV.
4. The Creditor makes the disbursement of the credit requested to the Debtor SPV.
5. The Debtor SPV makes a transfer to CV for the concept of restitution in money of the contribution made.
6. The Trust - Credivalores SPV makes the payment in favor of the Debtor spv as beneficiary of collection of the endorsed portfolio, relating one by one the promissory notes for marking.
7. The Debtor SPV as beneficiary of the collection, sends to the Trust - Credivalores SPV an instruction indicating the financial Institution, account number where they must make the draft of the collection received.
8. The Trust - Credivalores SPV sends monthly to the Debtor SPV the collection received in favor of the beneficiary, once the Cash Flow conciliation process has been carried out the Debtor SPV of the cash flow received by concept of collection, makes the payment of the obligations with its Creditors according to the defined payment cascade.
9. Credivalores sends to the Debtor SPV a detailed report on the status of the portfolio, details of the collection drawn and reconciled by the PA Trust - Credivalores and applied to each debtor (capital, interest, fee) on a monthly basis.
10. Monthly Trust - Credivalores SPV certifies the stock in Deceval of the guarantees endorsed and administered in favor of the beneficiary and PWC certifies to the PA Debtor the principal balance of the portfolio and its arrears bands.
11. Debtor SPV confirms to the Investor the fulfillment of the payment cascade, compliance with coverage and collaterals and rotates in favor of the Settlor the cash surpluses

Contributing to the UN's sustainable development goals through our businesses...

ESG Commitments

Environmental

Credivalores has a nationwide presence achieved through strategic alliances for loan origination and digitalization of the underwriting process resulting in efficiency, agility and low environmental impact.

In 2019 Credivalores received the **Silver Award** from the Colombian Stock Exchange, granted to the financial entities with the largest issuance of dematerialized promissory notes.

Social

The foundation of our business model is financial inclusion, granting access to loans to the underserved population by the traditional commercial banks.

 **67%** of total loan portfolio among lowest income levels (1-3)

 **65%** of total loan portfolio in small and medium cities

 **63%** of payroll loan portfolio among pensioners

Good Governance

Successful business model and decision-making process based on ethics and transparency following high standards of corporate governance:

- ✓ **Fixed income Issuers** in the domestic and international capital market
- ✓ Participants of the **Corporate Governance Survey** from the Financial Superintendence
- ✓ **Ethics Line** in place since 2019: anonymous, confidential and independent





 Colombia (1)

- Only **27% of the population older than 65 years** has access to credit
- Only **17% of the population in rural areas** has access to credit

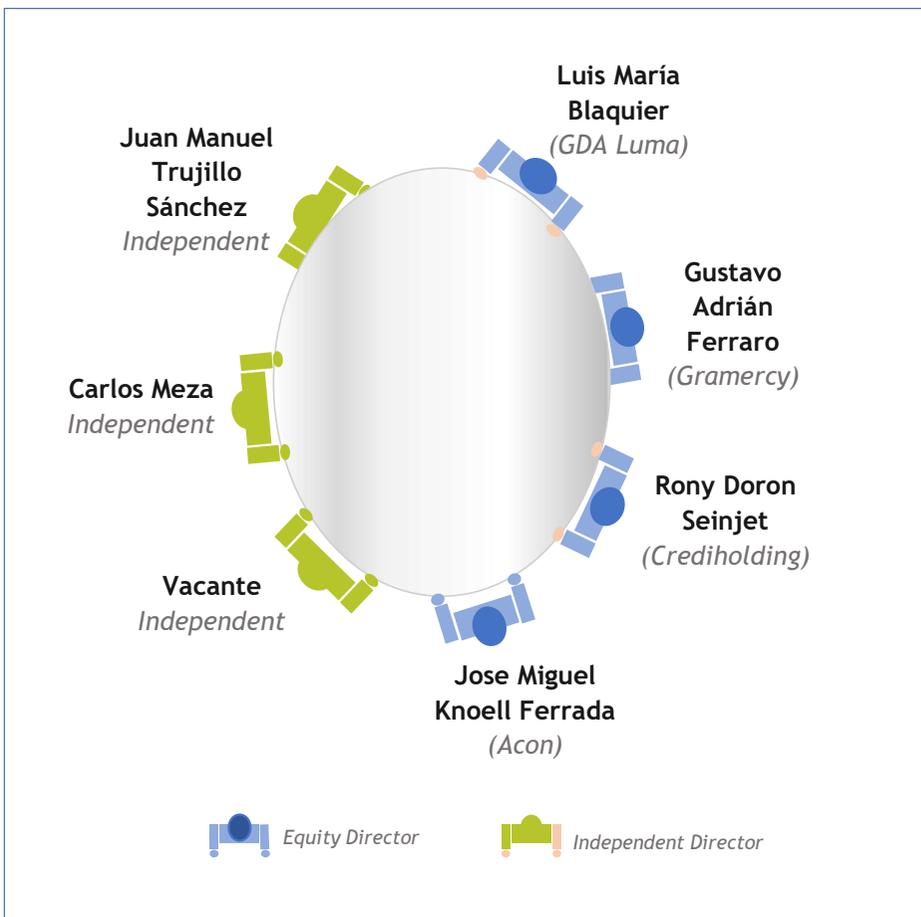
credivalores Clients

 **63%** of the payroll loan portfolio among **pensioners**

 **65%** of total loan portfolio in **small and medium cities**

Management and Corporate Governance

Board of Directors



Shareholders (1)

| | |
|---|--|
| GRAMERCY 41.91% | <ul style="list-style-type: none"> ✓ Asset manager focused on emerging markets. ✓ High-yield investments and credit and equity. performanceInversionistas de Credivalores desde 2014 a través de su brazo de capital privado. ✓ Credivalores investors since 2014 through its private equity arm. |
| CREDIHOLDINGS 20.59% | <ul style="list-style-type: none"> ✓ Founding Company ✓ Investors in the sugar mill business since 1944 and in the infrastructure, construction and financial sectors. |
| GDA LUMA 20,00% | <ul style="list-style-type: none"> ✓ Asset manager with experience in North America, Europe and Latin America ✓ History of collaborative work schemes with stakeholders |
| ACON 14.49% | <ul style="list-style-type: none"> ✓ Private equity asset manager focused on medium-sized investments in the Latin American market ✓ Credivalores investor since 2010 |

(1) As July 5, 2023.



Our New Shareholder GDA LUMA

- ✓ GDA Luma is an American investment fund, specializing in supporting companies and working collaboratively with stakeholders to carry out disciplined recapitalizations and operational transformations.
- ✓ The GDA Luma team has experience in investments of more than US\$6 billion in North America, Europe and Latin America.
- ✓ Proven industry expertise to drive successful operational transformations and grow strategic partnerships.
- ✓ Long-standing association with Gramercy.
- ✓ It brings its experience to Credivalores and strengthens not only its capital structure but also its corporate governance, through its investment portfolio with a vocation for long-term staying.



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Credivalores Investor Relations Website

<https://www.credivalores.com.co/index.php/en/investor-relations>



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