

CRÉDITO REAL

Corporate Presentation

4Q19 Financial Update

CONTACT INFORMATION

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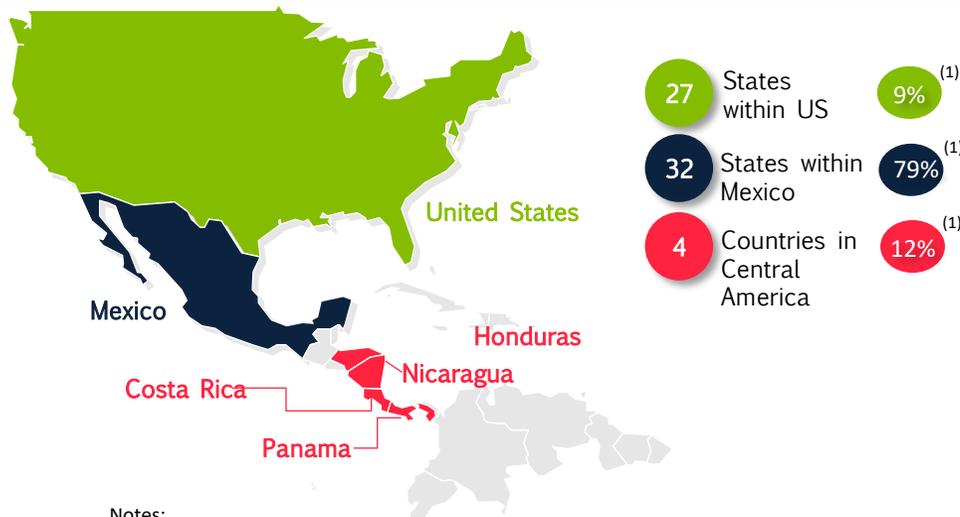


Overview of Crédito Real

Key Company Highlights

- + A leading specialty finance company in Mexico with a growing international presence (United States and Central America).
- + Highly recognized by its product offering, designed specifically for our customer base which is underserved by the traditional banking sector.
- + Over 26 years of experience in understanding the credit profile of customers and in developing and refining proprietary underwriting standards.
- + Listed on the Mexican Stock Exchange since 2012, being actively a public debt issuer in Mexico and in international bond-markets since 1995 and 2010, respectively.

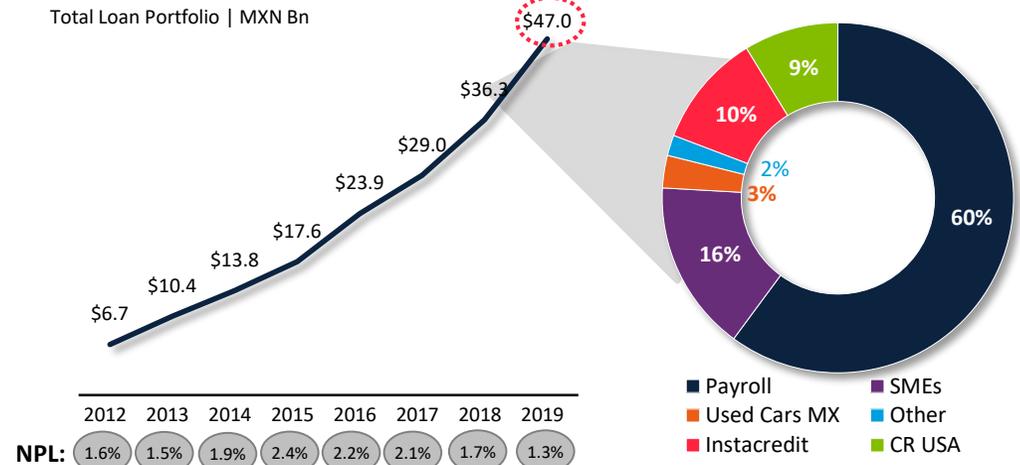
Market presence



Notes:

(1) Percentage of Loan Portfolio as of 4Q19.

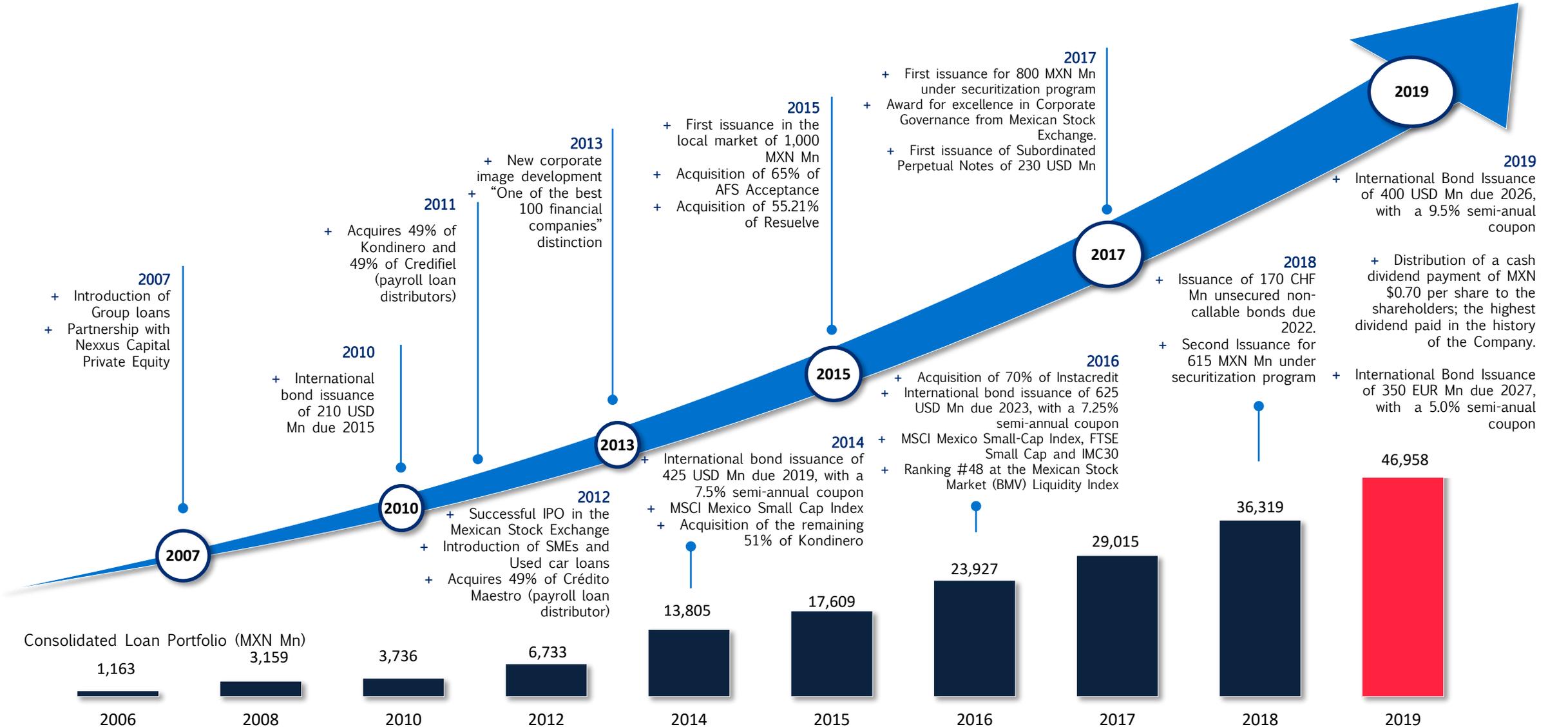
Consistently Growing Loan Portfolio



Selected Financials

MXN Mn	2015	2016	2017	2018	2019	CAGR / Avg. 2015-2019
Income Statement						
Interest Income	\$4,264	\$6,958	\$8,557	\$10,288	\$11,933	29.3%
Financial Margin	\$3,312	\$5,042	\$5,773	\$7,080	\$7,262	21.7%
Net income	\$1,371	\$1,714	\$1,661	\$1,955	\$1,980	9.6%
Balance Sheet						
Assets	\$25,996	\$35,915	\$42,238	\$49,562	\$61,592	24.1%
Debt	\$17,444	\$24,589	\$23,585	\$30,647	\$45,528	27.1%
Equity	\$6,713	\$9,277	\$14,768	\$15,809	\$16,064	24.4%
Key Ratios						
ROAA	6.0%	5.0%	4.5%	4.2%	3.6%	4.7%
ROAE	22.2%	20.2%	15.9%	12.9%	12.3%	16.7%
Capitalization	38.1%	38.8%	50.9%	43.5%	34.2%	41.1%
Efficiency	35.9%	55.2%	50.2%	42.4%	43.9%	45.1%

Corporate History

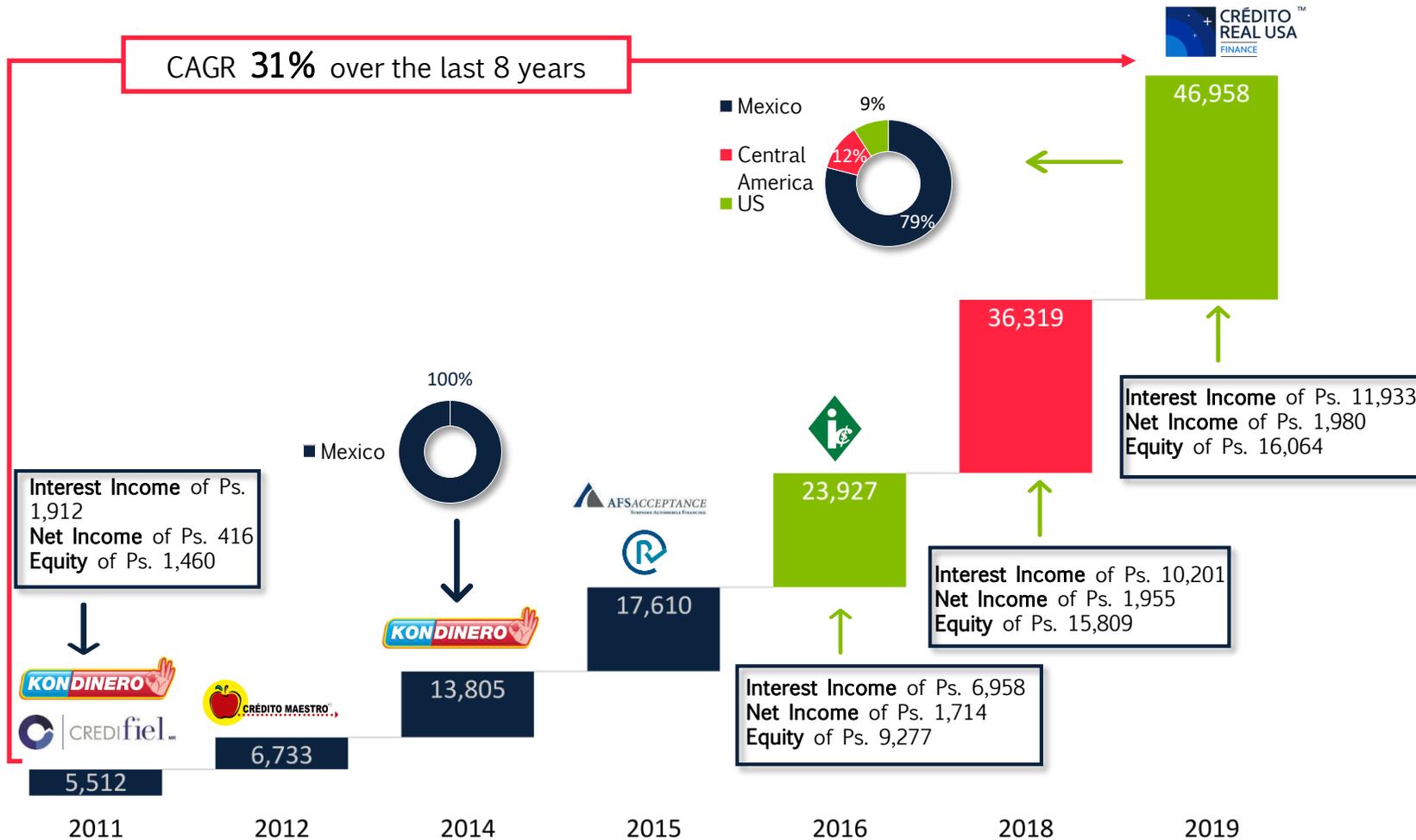


Key Investment Highlights



1 Products

Company's Evolution



Products

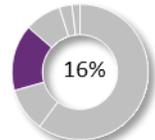
Payroll

Payroll-deducted loans to public employees and pensioners



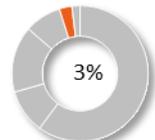
SMEs

Non-revolving lines to fund working capital and investment activities, as well as leasing



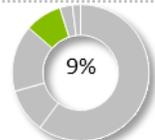
Used Cars MX

Loans for used cars through strategic alliances with car dealers and internal salesforce



CR USA

Loans for used cars, and for SMEs through strategic partners



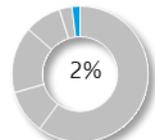
Instacredit

Consumer Loans, Auto Loans, SMEs Loans and Home Equity Loans in Central America



Others

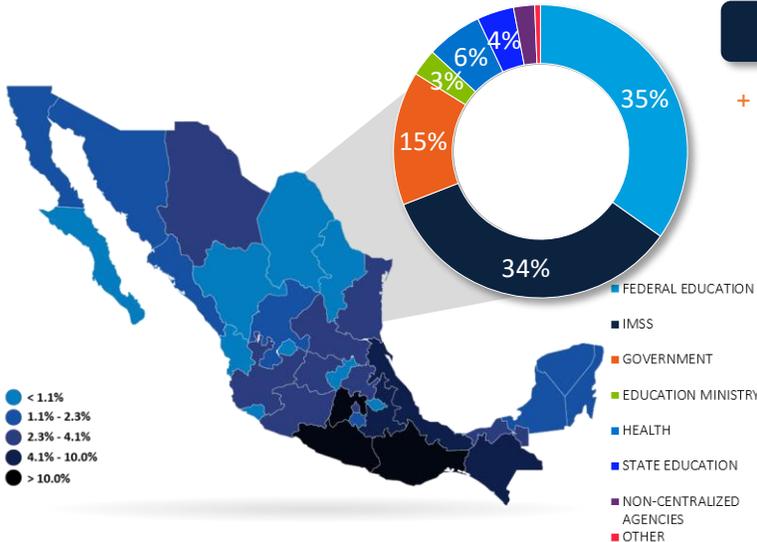
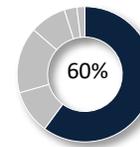
Integrated by Group Loans and Durable Goods



+ Profitable growth through our product diversification.

+ Sustained double-digit growth rates.

Payroll

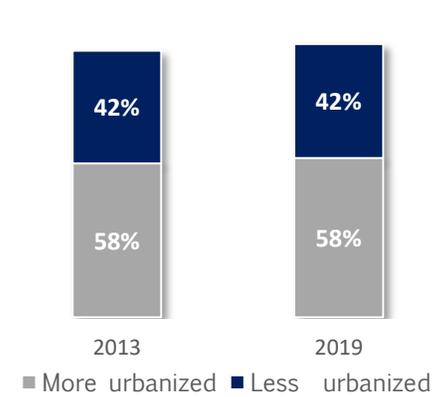


Product overview

+ Personal loans granted mainly to unionized state and federal public-sector employees, retirees and pensioners



Addressing the unbanked public employees



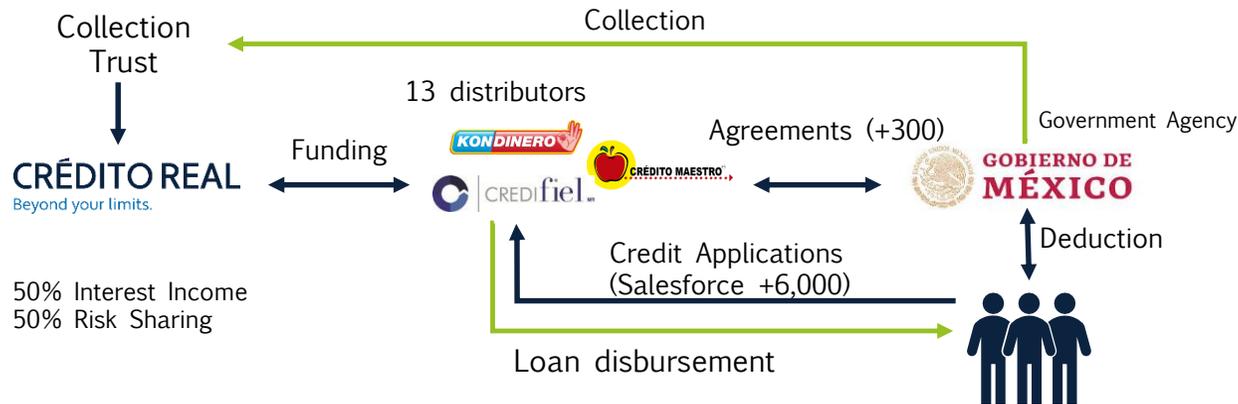
+ 40 minutes
Commute to a branch



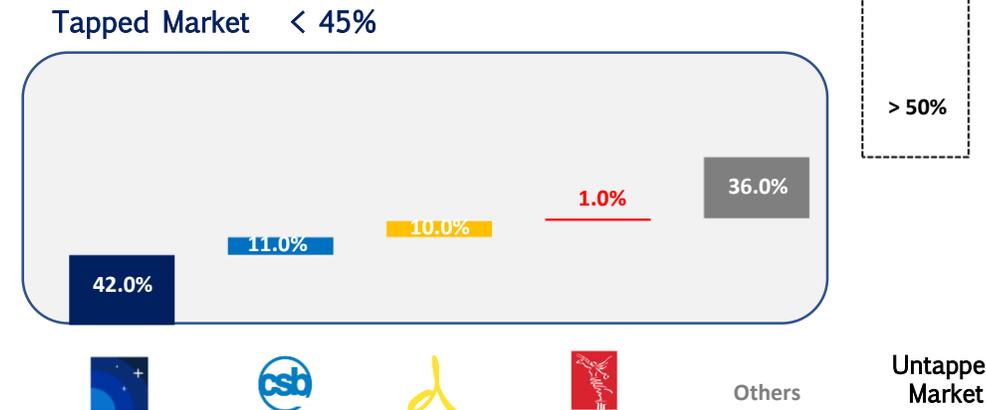
14 bank branches
For every 100,000 population

Source: National Survey of Occupation and Employment (ENOE), population aged 15 years and older

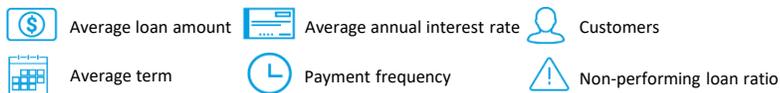
Origination and collection process



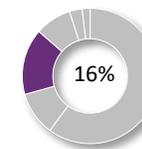
Market Share



Source: Company estimates, based on AMDEN's information and financial reports as of 4Q19.



SMEs



Product overview

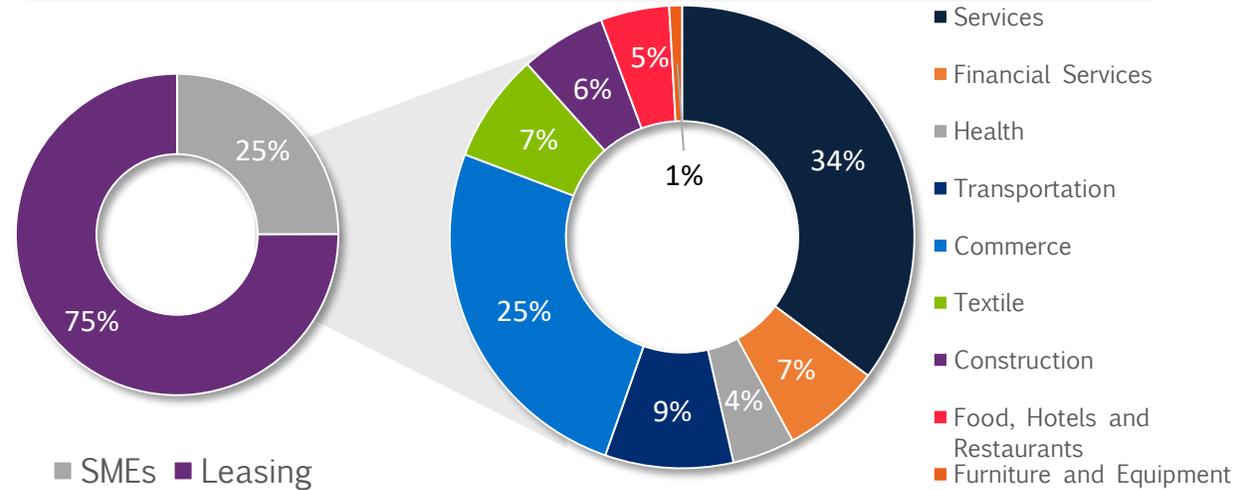


Presence throughout 22 states

Providing financing sources to **small and medium businesses** for working capital requirements and investment activities as well as leasing

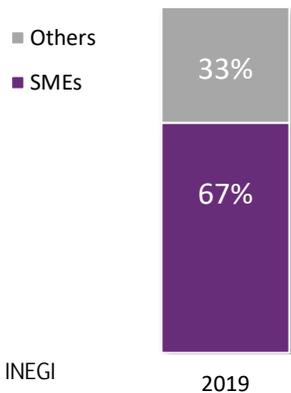


Portfolio composition



Potential market

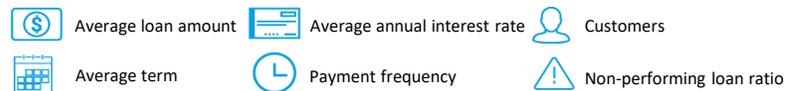
Enterprises in Mexico



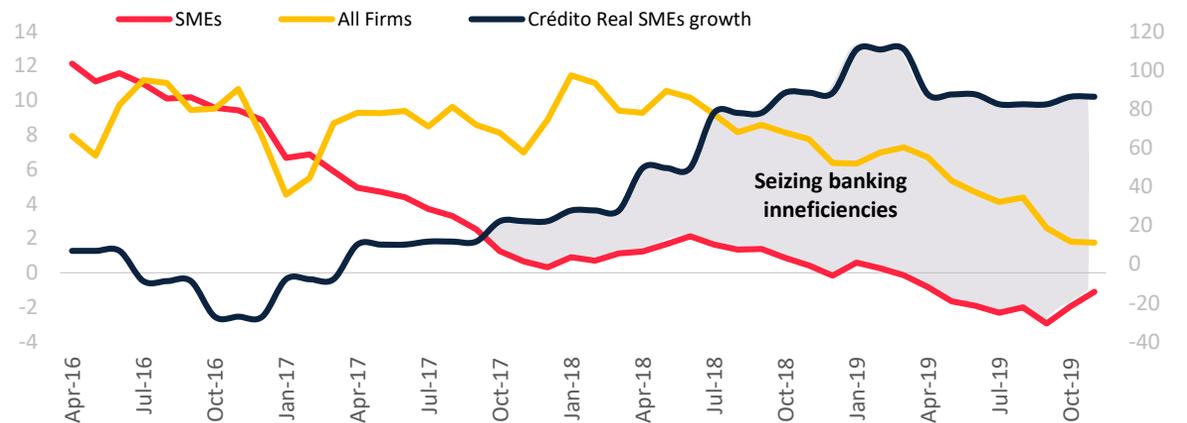
SMEs penetration with traditional bank



Source: INEGI



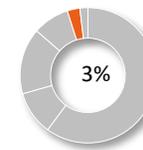
Addressing segment opportunities



SMEs and All Firms lines represent Performing Commercial Banks Credit to Non-Financial Private Firms, while CREAL represent the SMEs loan portfolio growth

Source: BANXICO

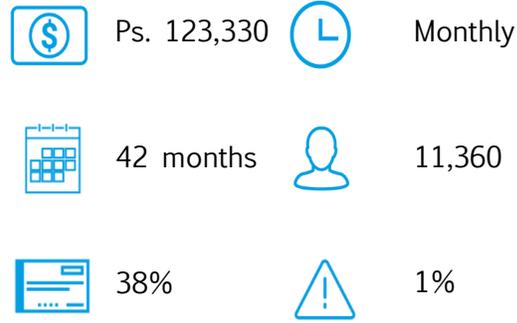
Used Cars MX



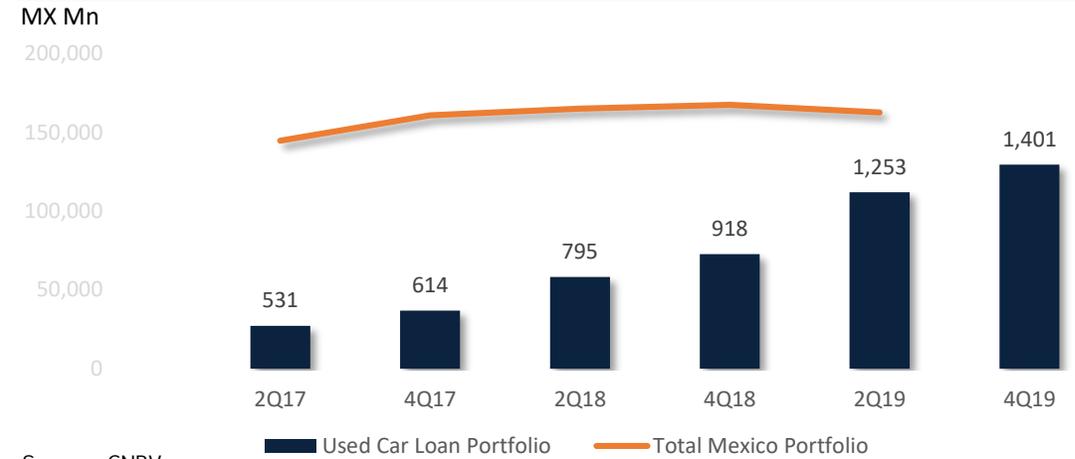
Product overview



+ Focused on financing **semi-new and used cars** through strategic alliances with a network of distributors that use their own sales force to promote our loans

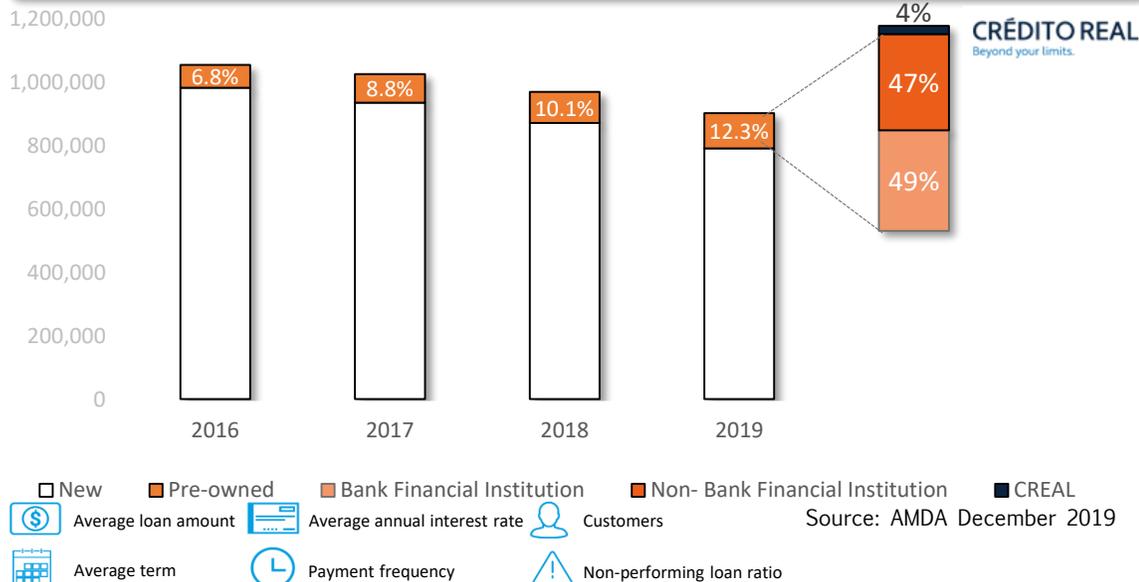


Portfolio performance against the market

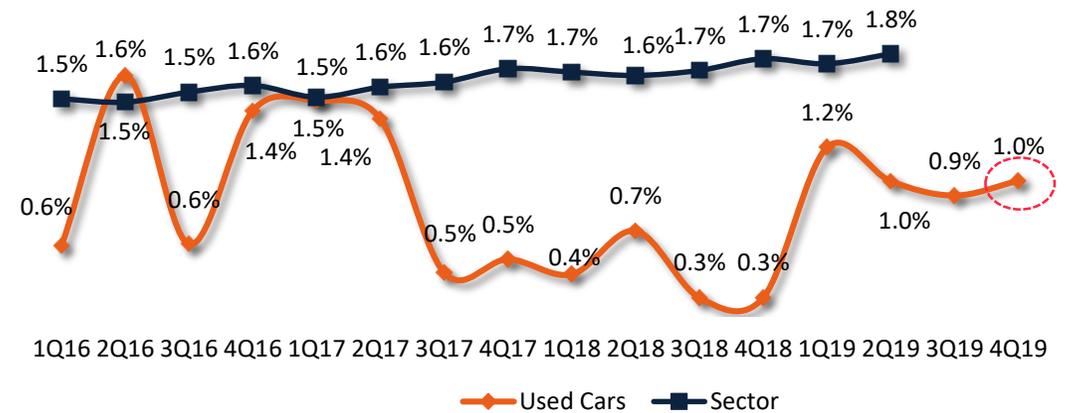


Source: CNBV

Auto market development



Attractive low-risk business



Source: CNBV

Product overview

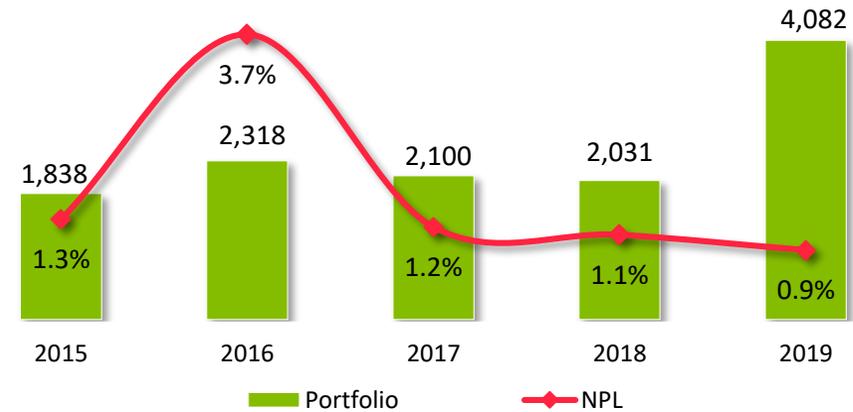


Headquarters

+ Commercial and financing business for used cars through our strategic alliances

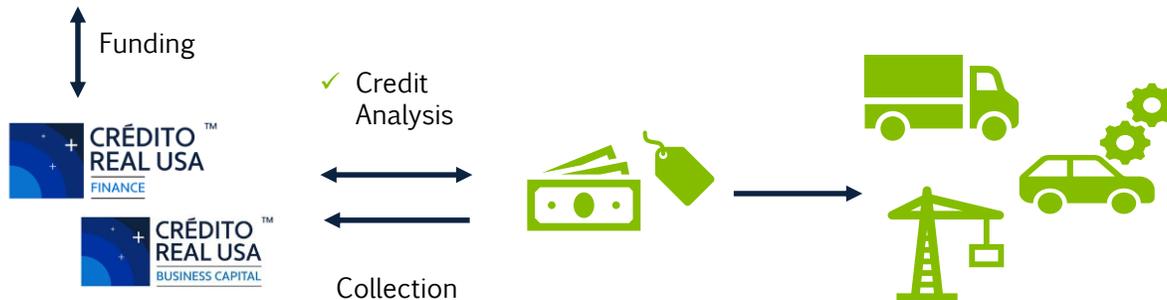
Ps. 332,370	Monthly
66 months	12,280
23%	0.9%

Portfolio Evolution



Origination and Collection Process

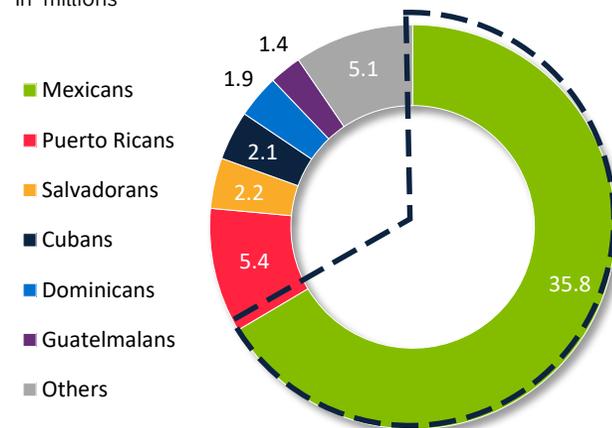
CRÉDITO REAL
Beyond your limits.



Average loan amount	Average annual interest rate	Customers
Average term	Payment frequency	Non-performing loan ratio

Hispanics in the US

In millions

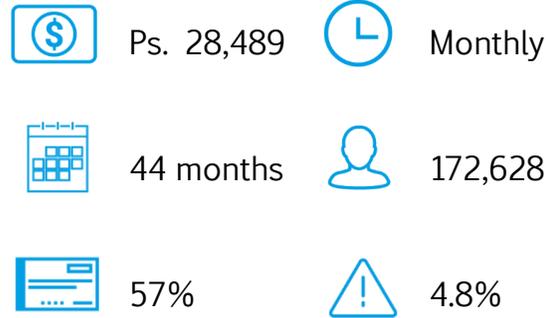


+ Biggest hispanic market outside Mexico with more than 58 million people, which represents a big **opportunity** to offer our financial services in the US.

Source: Pew Research Center as of 2015.

Product overview

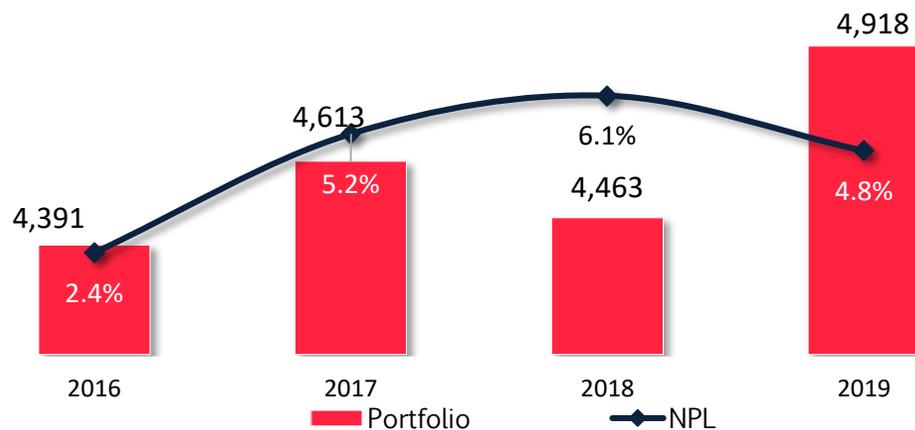
+ Consumer loans, SMEs loans, auto loans and mortgage loans granted in Costa Rica, Nicaragua and Panama



Portfolio by product

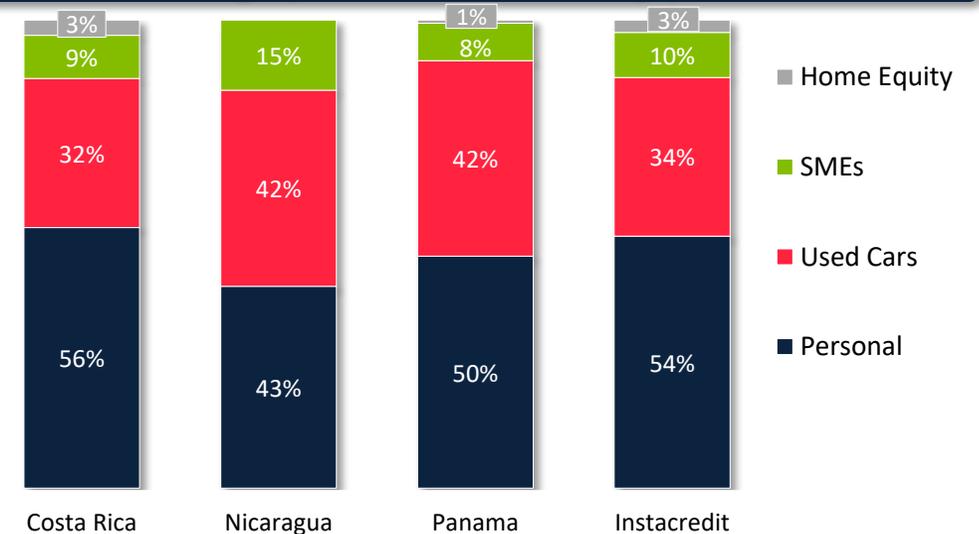
Products	Personal	Used Cars	Small Business	Home Equity
% Mix Portfolio	52.4%	32.2%	12.8%	2.6%
Customers	117,024	32,514	22,064	1,026
Avg. Loan Amount	\$18,813	\$41,643	\$24,375	\$106,020
Avg. Term	40 months	49 months	41 months	57 months
Avg. Interest Rate	62%	49%	57%	52%

Portfolio evolution

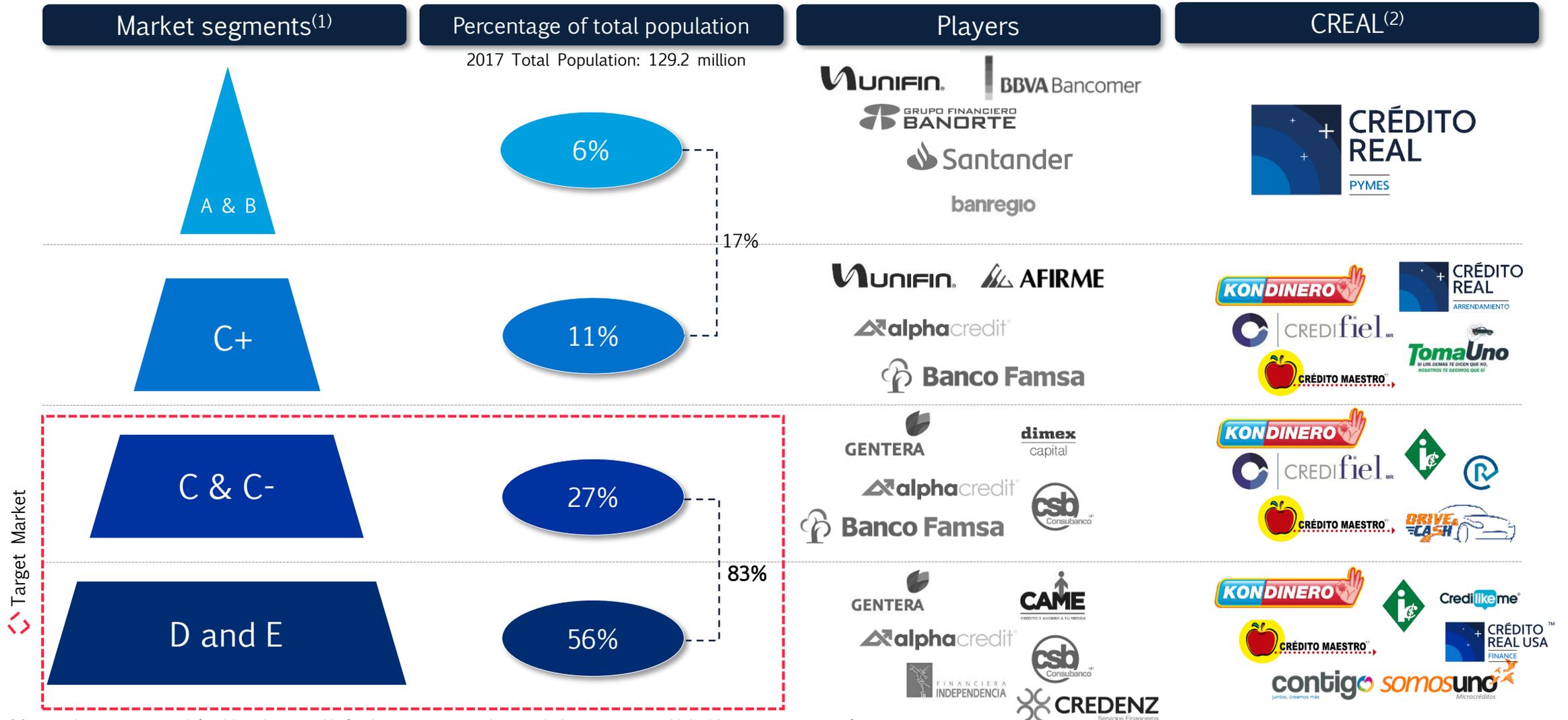


- Average loan amount
- Average term
- Average annual interest rate
- Payment frequency
- Customers
- Non-performing loan ratio

Geographic concentration by product



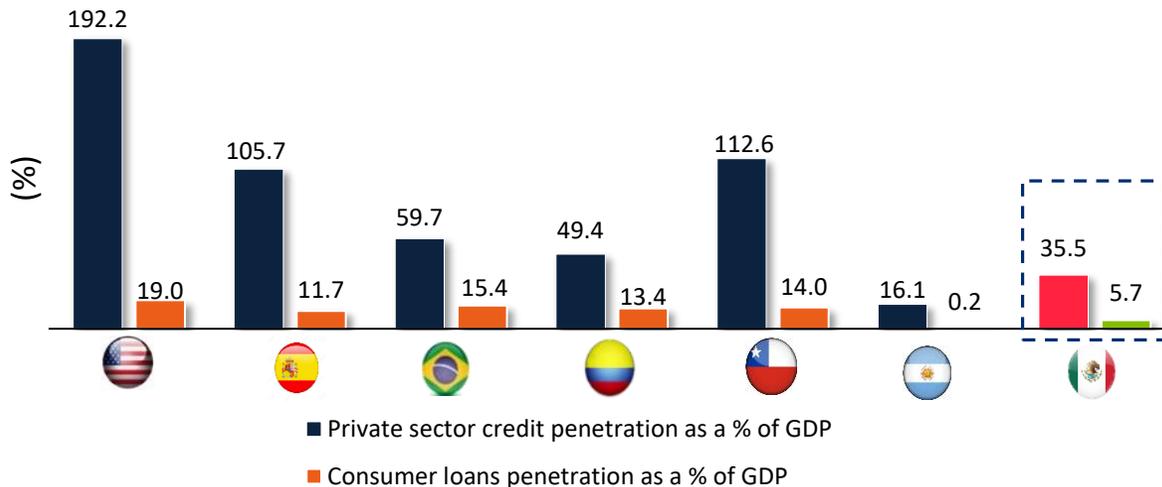
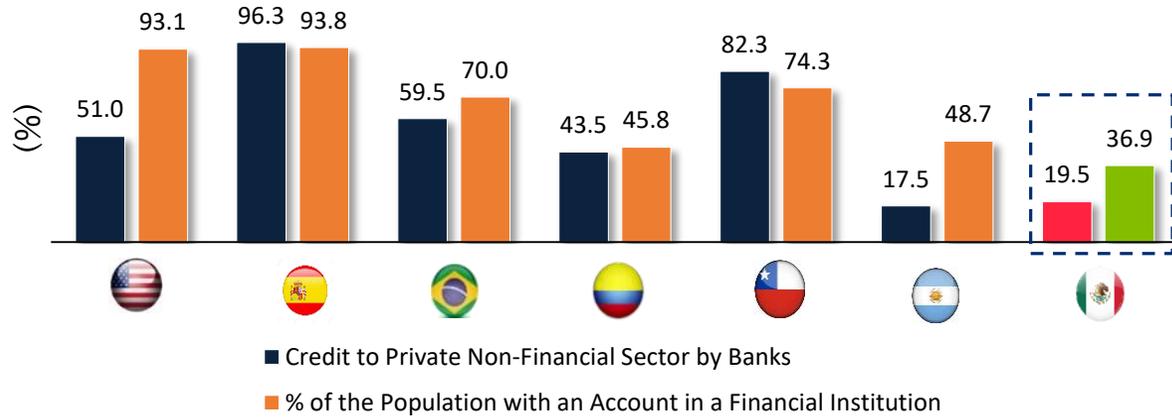
Market opportunity – Focused on Underserved Segments (1/2)



(1) Market segments are defined based on monthly family income, in accordance with the categories established by AMAI: Segment E, from Ps.0.00 to Ps.2,699; Segment D, from Ps.2,700 to Ps.6,799; Segment C, from Ps.11,600 to Ps.34,999, Segment C+, from Ps.35,000 to Ps.84,999, Segment A and B, from Ps.85,000 or more.

(2) The market segments of Instacredit and Crédito Real USA are defined based on their average loan amount as of 4Q19.

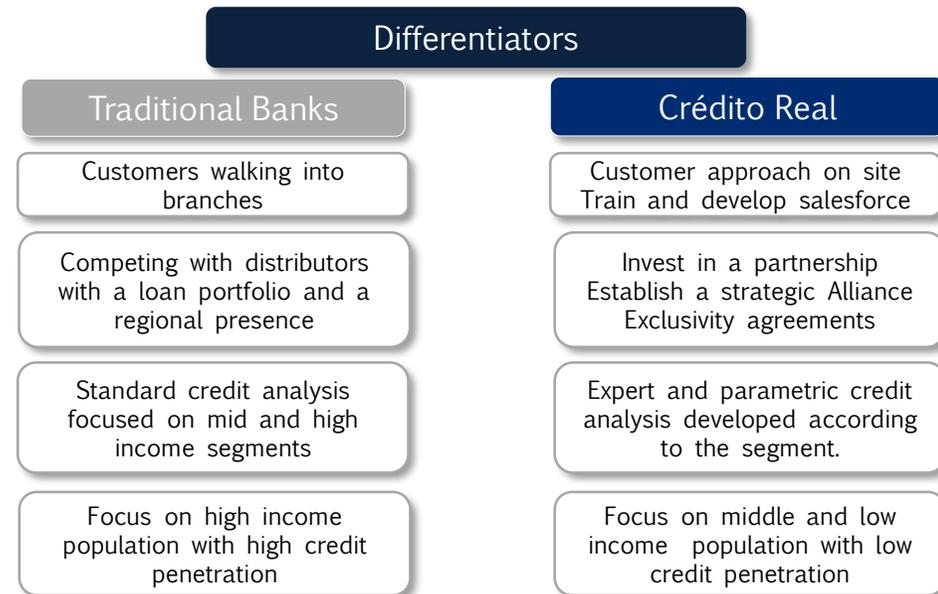
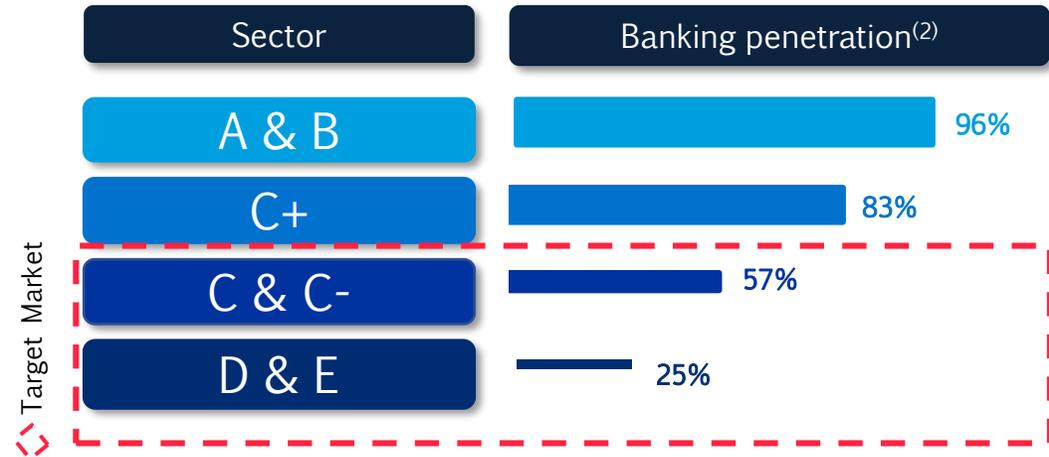
Market opportunity – Focused on Underserved Segments (2/2)



Source: CNBV, ENIF, BCRA, BCRB, SBIF, SBS, Superfinanciera de Colombia, IMF and World Bank.
 Note: Serving an underpenetrated market date reported as of 2017. Bancarization reported as of 2013.

(1) US show figures as of 2016,

(2) Population utilizing banking services. Income level by bracket (approximate annual amount in US\$): "A/B" +108,400; "C+" 76,500; "Cm/C" 29,700; "D" 8,900; "E" 3,400.

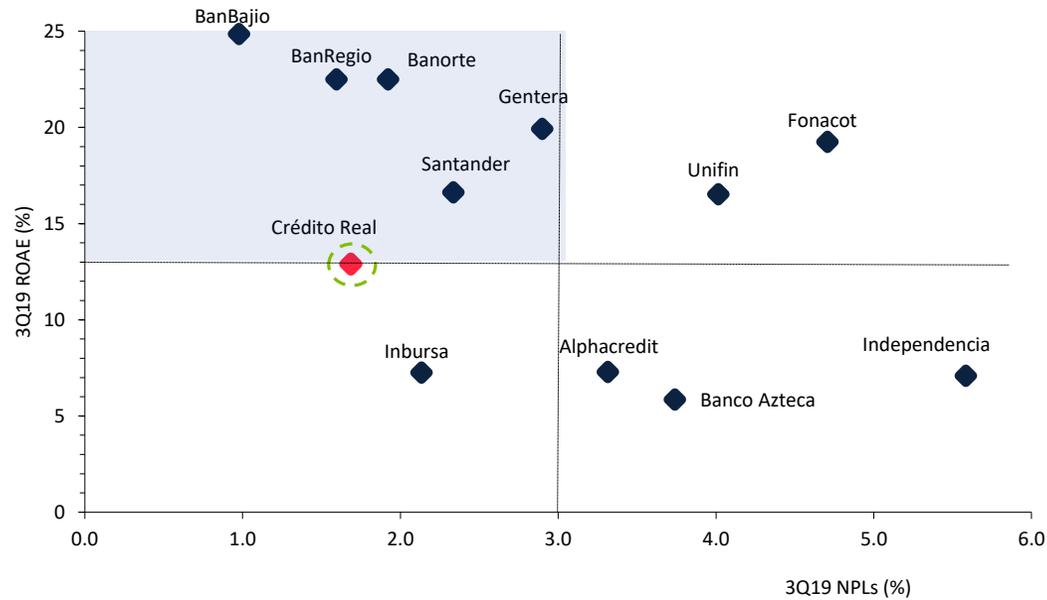


Main business lines for future growth

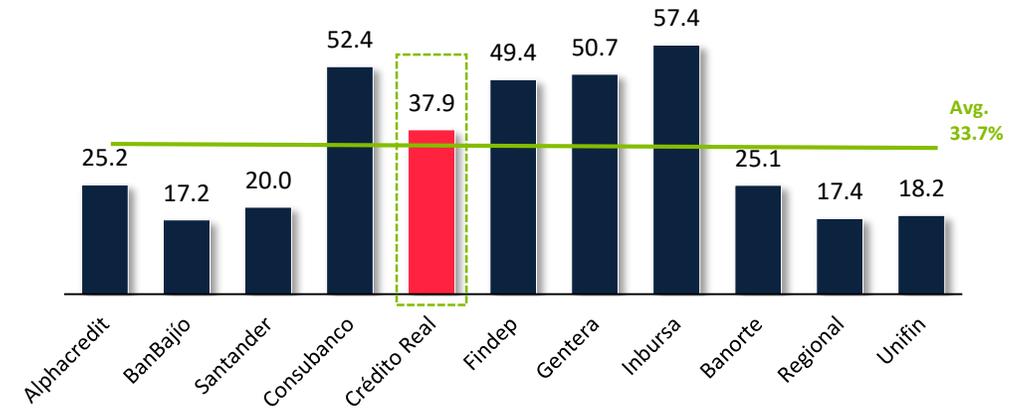
Product	Key Subsidiaries Ownership	Distribution Network	Annual Interest Rate	Customers	Avg. Loan Amount (Ps\$)	Strategy	Yield 2022
PAYROLL	100%		15 distributors +6,000 reps	432,173	65,350	Pensioners market development Focus on federal-level employees	35%
	49%						
	49%						
INSTACREDIT	70%		46 branches in Costa Rica 13 branches in Nicaragua and 6 in Panama	172,628	28,489	Efficiency in funding cost and general expenses Improvement in asset quality Expansion in Central America	60%
USED CARS MX	51%	 	20 branches and agreements with 106 agencies in 32 States of Mexico	11,360	123,330	Used Cars MX expansion Enlarge dealers network Increase competitive positioning	30%
CR USA	99%		One strategic alliances with one Branch and +1,300 distributors in the US	12,280	332,370	Grow dealers network New Crédito Real USA brand, expanding product offering Coupled with the enhancement in servicing and collection	30%
SMEs		 	Alliance with Fondo H CR Arrendamiento	730	10.2 Million	Diversification of Fondo H portfolio Define new products sized for our clients Leasing and factoring	20%
Average yield							> 30%

2 Profitability – Defensive Competitive Positioning

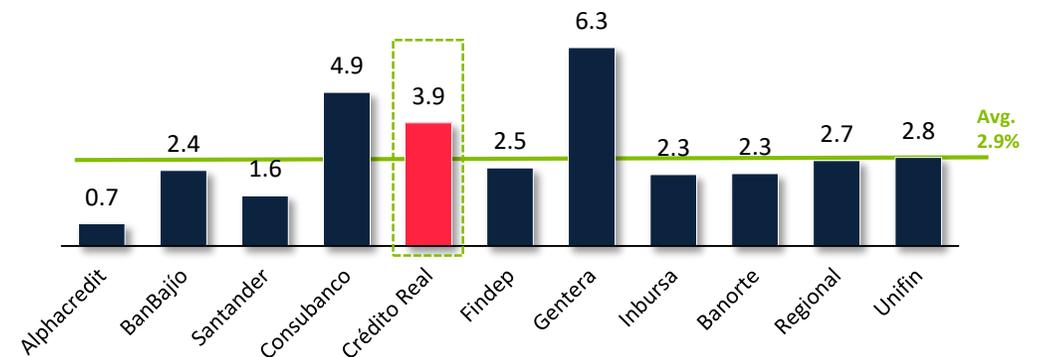
Risk-return view⁽¹⁾



Solid capital base⁽²⁾



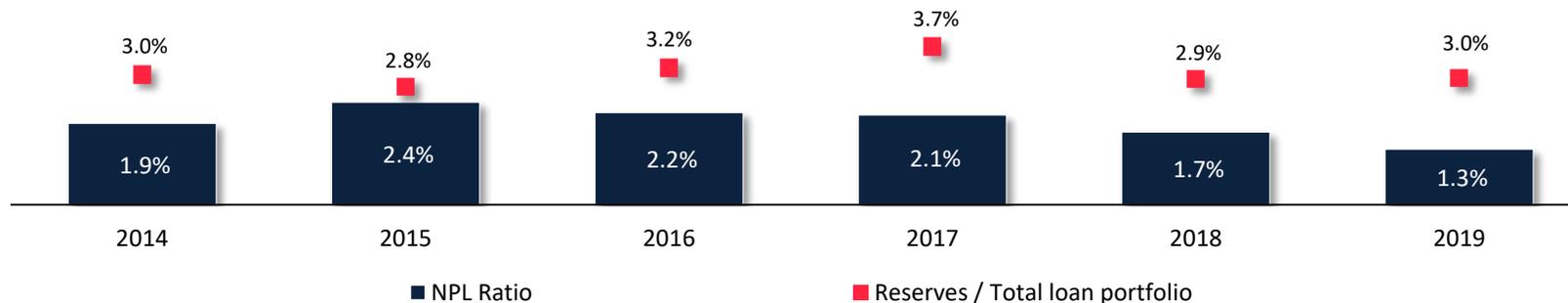
Delivering bottom-line results (ROAA)⁽³⁾



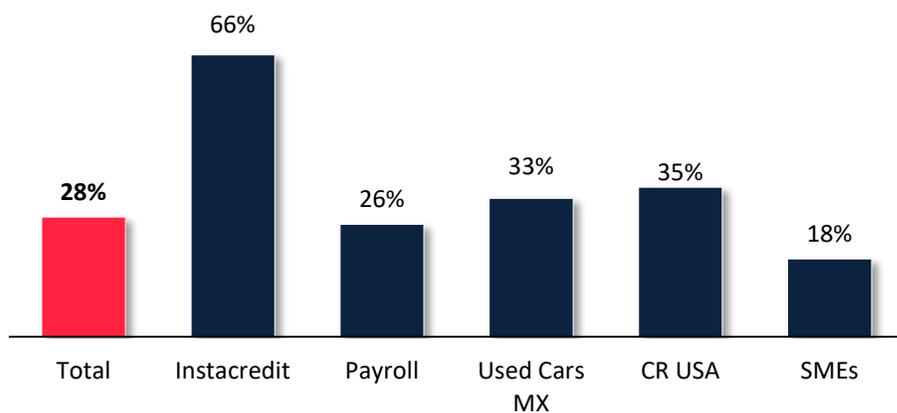
Source: Crédito Real Research and last updated information filed with BMV – *Bolsa Mexicana de Valores*. Information as of 3Q19, Notes:

- (1) ROAE = 3Q19 Net Income / Average Stockholders' Equity LTM.
- (2) Capitalization Ratio = YTD'19 Stockholders' Equity / 3Q19 Total Loan Portfolio
- (3) ROAA = 3Q19 Net Income / Average Assets LTM.

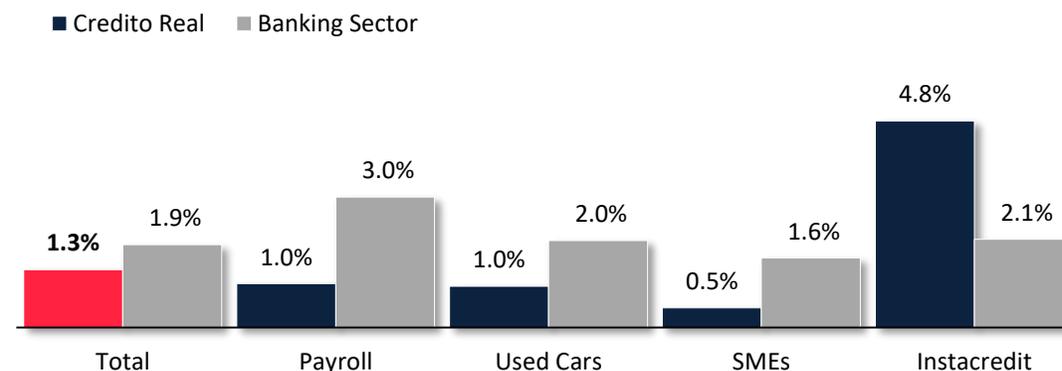
Improving levels of NPL while maintaining healthy reserves⁽¹⁾



Average yield breakdown by product



NPL breakdown by product⁽²⁾



+ Below the banking sector in most of our products

Source: Company filings, CNBV, SUGEF

(1) Reserves calculated as end of period allowance for loan losses divided by total loan portfolio.

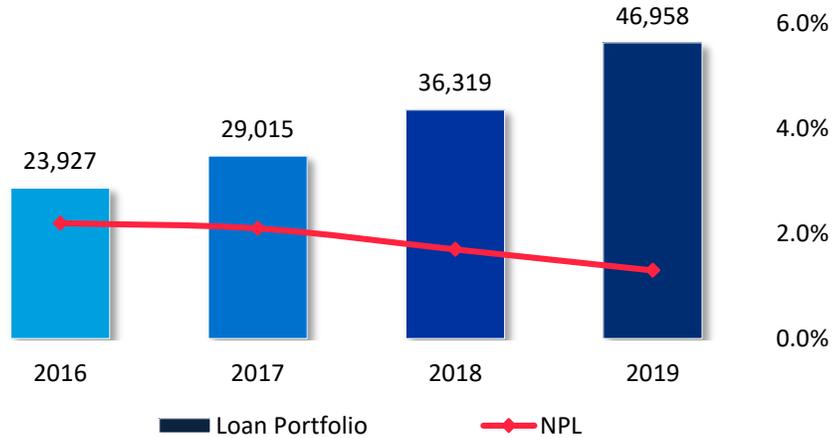
(2) Average 2019.

Key financial performance indicators

Loan portfolio

CAGR '16-'19: 25%

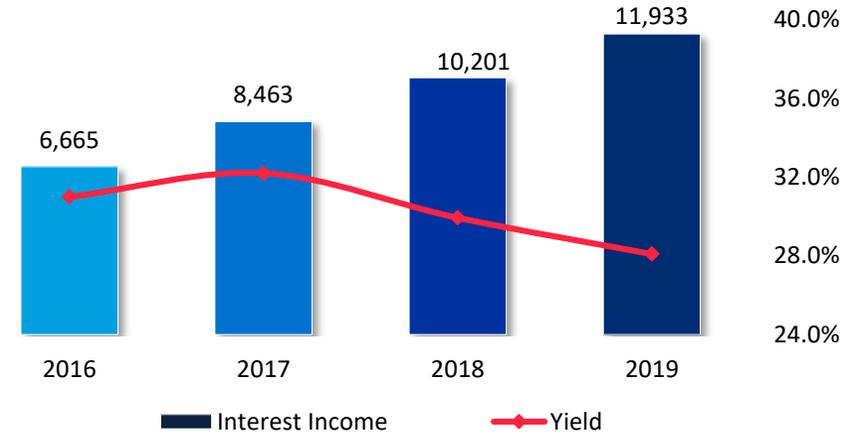
YoY Growth: **29%**



Interest income

CAGR '16-'19: 21%

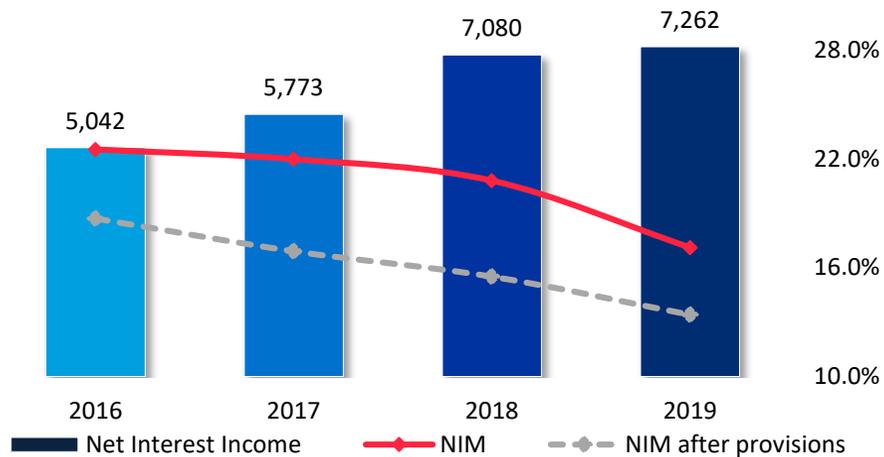
YoY Growth: **17%**



Financial margin

CAGR '16-'19: 13%

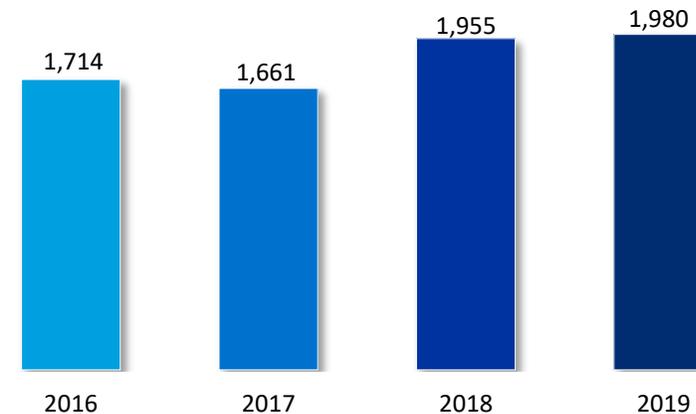
YoY Growth: **3%**



Net income

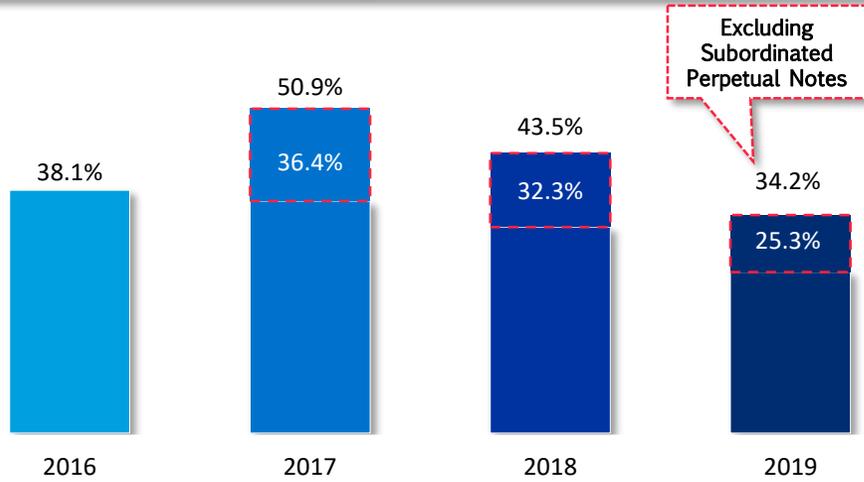
CAGR '16-'19: 5%

YoY Growth: **1%**

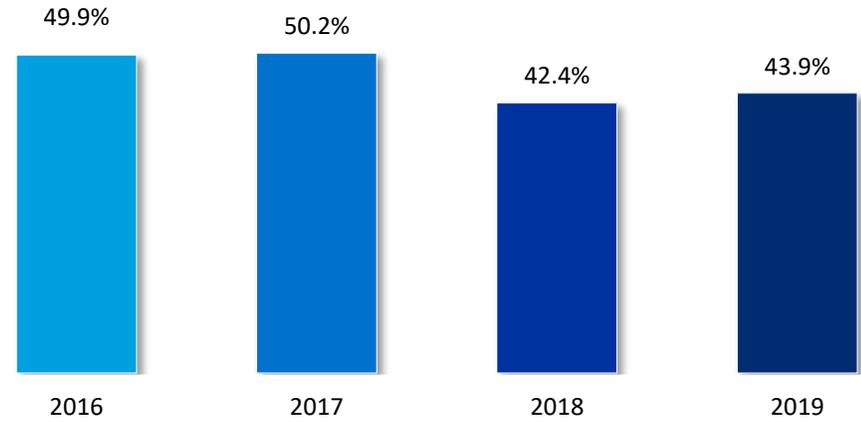


Key financial performance indicators

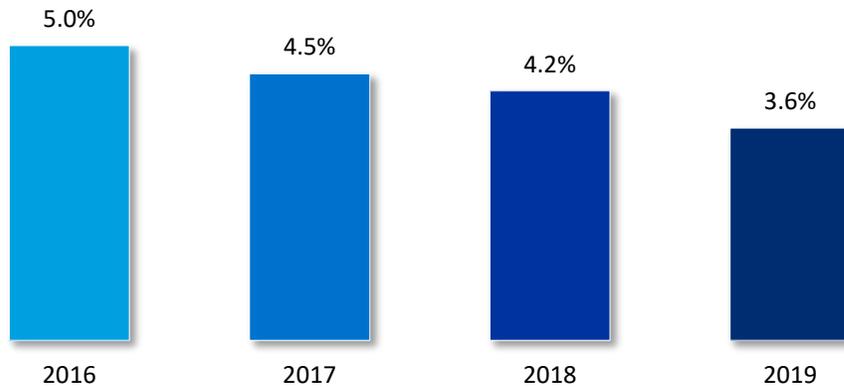
Capitalization



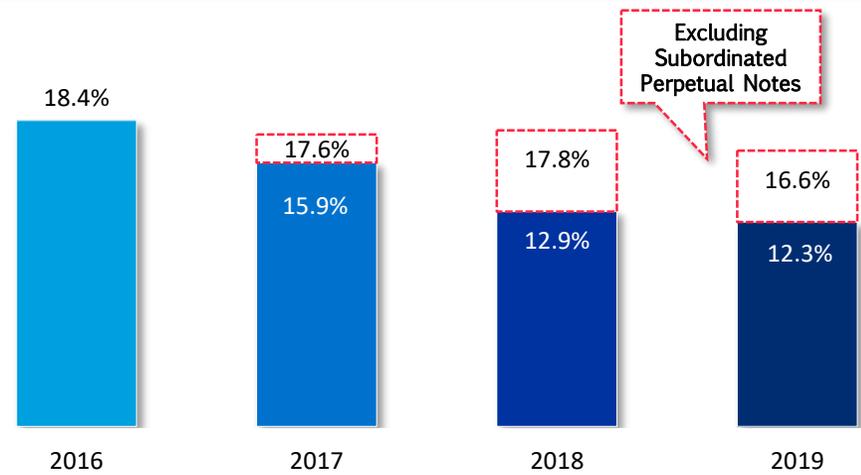
Efficiency



ROAA



ROAE



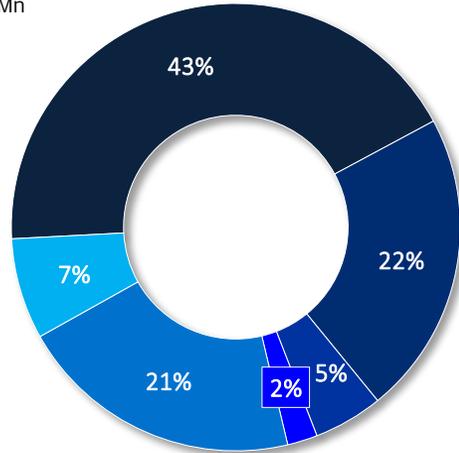
3 Focus on maintaining diversified funding sources

Capital structure

Adjusted Capitalization | 57,575.1 MXN Mn

- Senior Notes
- Credit Lines
- Development Banks
- Securitizations
- Equity

27.9%⁽¹⁾



Cost of funds

- Spread
- Average TIIE



(1) Hybrid plus Equity as percentage of total Assets

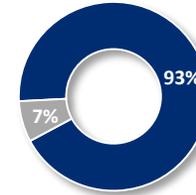
(2) Short term refers to amortization under 1 year. Long term ranges from 1 to 5 years.

Consolidated debt status

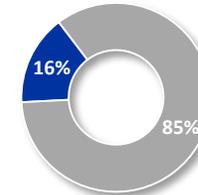
MXN Mn

Drawn vs. Undrawn

- Drawn
- Undrawn



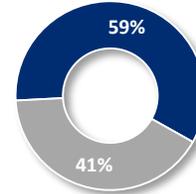
Credit Lines
100% = \$18,722



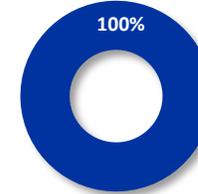
Securitizations
100% = \$10,000

Secured vs. Unsecured

- Secured
- Unsecured



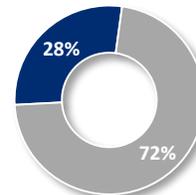
Credit Lines
100% = \$15,614



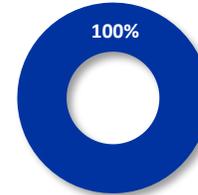
Securitizations
100% = \$10,000

Term⁽²⁾

- Short Term
- Long Term



Credit Lines
100% = \$15,614



Securitizations
100% = \$10,000

Market risks

Interest Rate Risk

62.3% of Crédito Real's consolidated debt is fixed

Asset & Liabilities duration

Assets

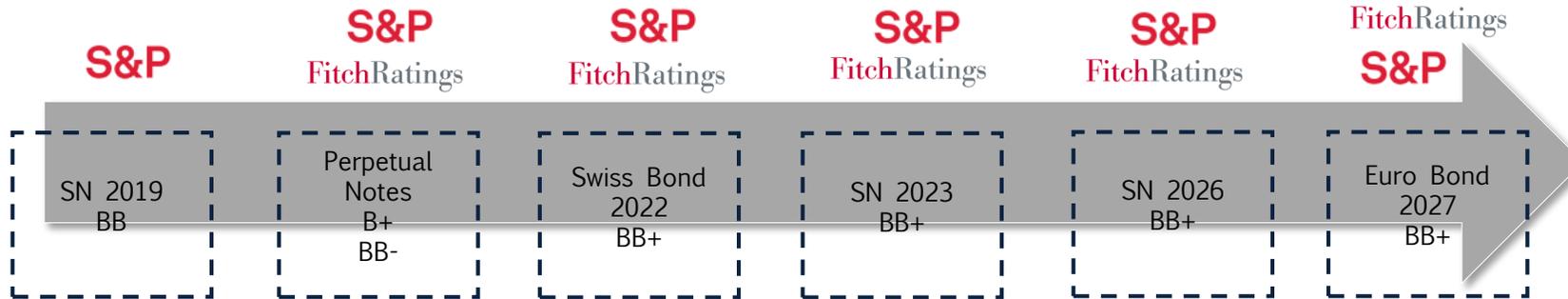
Liabilities

1.6 years

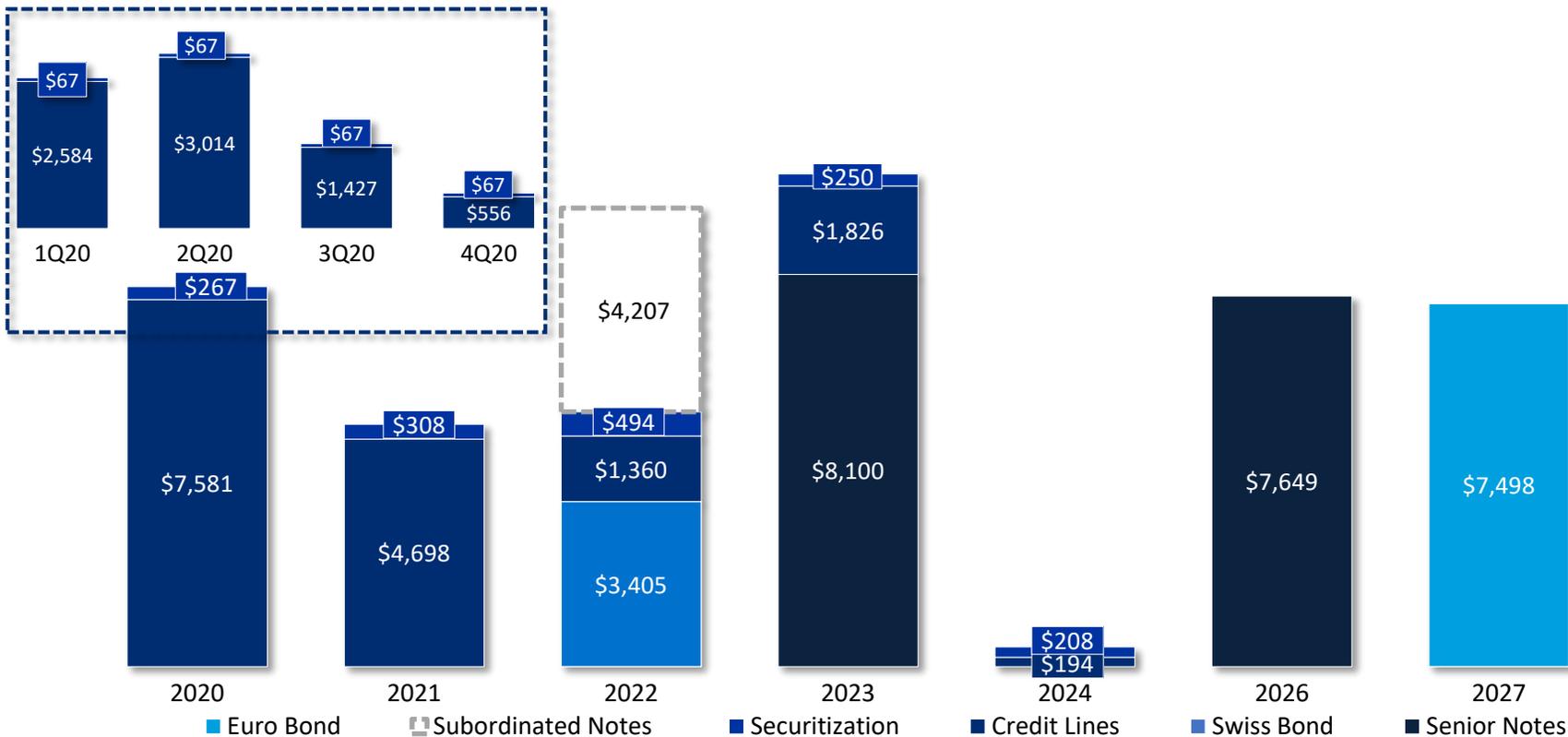
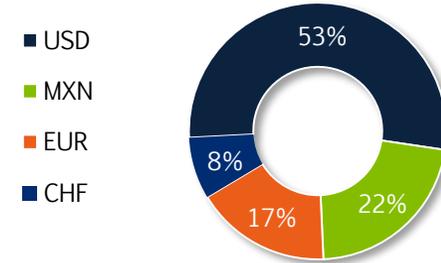
3.8 years

Assets in USD: +100 million

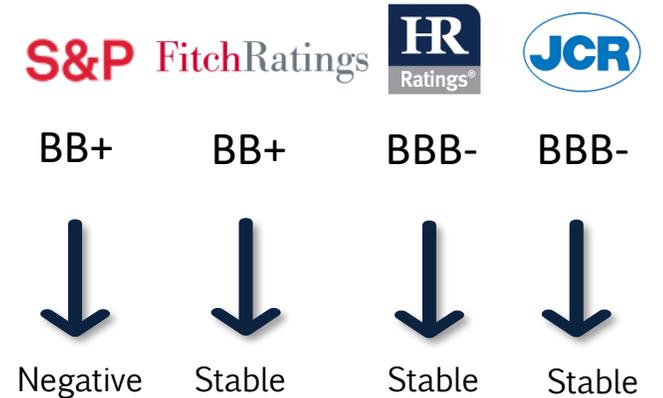
Debt Profile



Debt by currency



Global scale ratings



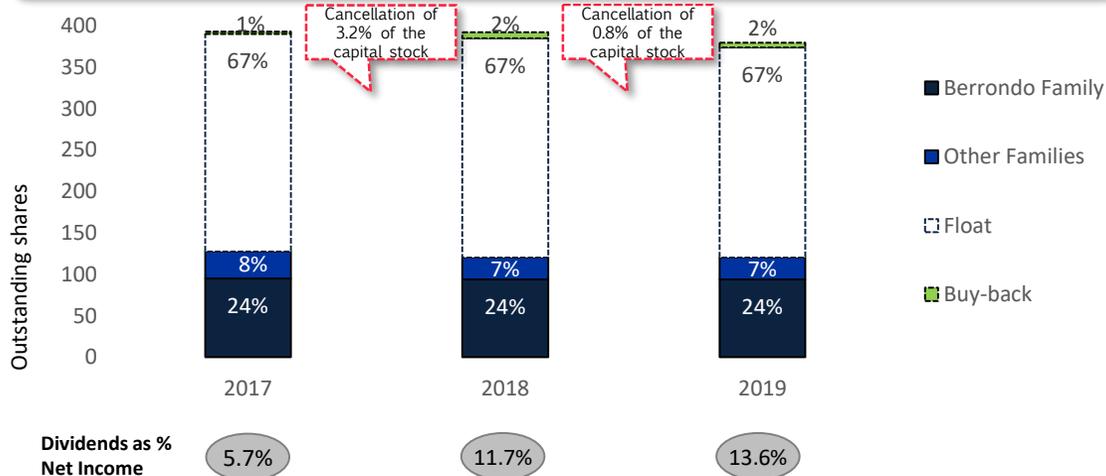
(1) All the figures represent only the notional and exclude accrued interests and mark-to-market of hedges. Debt converted using US\$ 1 / Ps\$ 19.7345 as of December 31, 2019.

(2) Repayment of US \$ 198.0 mm out of US \$ 625 mm of the 2023 Senior Notes.

(3) On October 1, 2019, Crédito Real issued EUR \$350 million Senior Notes due 2027, with a 5.00% semi-annual coupon.

4 Strong Corporate Governance and Experienced Management Team CRÉDITO REAL Beyond your limits.

Shareholder structure



Governance highlights

- + Listed on Mexican stock exchange (BMV:CREAL*) with a market cap of ~480 USD Mn⁽¹⁾
- + Founding members well-known and reputable in the Mexican business community (founders of leading manufacturer in the Americas, MABE)
- + Our management have a proven expertise on the sector
- + 50% of Crédito Real's Board is integrated by independent members

Well-respected shareholders driving the business

Robust standards of corporate governance

CNBV Supervision

⁽¹⁾ As of February 14, 2019

Management team

Ángel Romanos CEO 26 years in CR	Carlos Ochoa Co-CEO / CFO 24 years in CR	Luis Carlos Aguilar Commercial Officer for Payroll Loans 24 years in CR
Jose Juan González COO 11 years in CR	Luis Magallanes CMO 7 years in CR	Claudia Jolly General Treasurer 22 years in CR
Luis Calixto López General Counsel 19 years in CR	Adalberto Robles Human Resources Officer 11 years in CR	Luis Berrondo M&A Officer 5 years in CR
Pablo Bustamante Comptroller 3 years in CR	Felipe Guelfi Buisness Officer 3 years in CR	Hector Huelgas Internal Audit Officer 3 years in CR

Key committees



A modern conference room with a large window overlooking a city. The room features a long table, chairs, and a large screen. The ceiling has two large circular pendant lights. The room is dimly lit, with a blue tint. The word "Appendix" is overlaid in white text on the right side of the image.

Appendix

Profit & Loss

MXN Mn	4Q19	4Q18	% Var.	4Q19 (million dollars)	4Q19 Proforma	2019	2018	% Var.	2019 (million dollars)
Interest income	3,293.0	2,735.4	20.4	174.6	3,293.0	11,933.0	10,201.1	17.0	632.6
Interest expense	(1,310.9)	(692.0)	89.4	(69.5)	(1,211.7)	(4,671.1)	(3,120.9)	49.7	(247.6)
Financial margin	1,982.0	2,043.4	(3.0)	105.1	2,081.2	7,261.9	7,080.2	2.6	385.0
Provision for loan losses	(351.3)	(383.1)	(8.3)	(18.6)	(351.3)	(1,306.6)	(1,540.3)	(15.2)	(69.3)
Adjusted financial margin	1,630.8	1,660.3	(1.8)	86.4	1,730.0	5,955.2	5,539.9	7.5	315.7
Commissions and fees collected	104.1	0.2	60,038.3	5.5	104.1	515.7	564.1	(8.6)	27.3
Commissions and fees paid	(110.3)	(78.2)	41.1	(5.8)	(59.8)	(373.4)	(256.0)	45.9	(19.8)
Intermediation income	(42.1)	(101.9)	(58.6)	(2.2)	(42.1)	156.2	(20.8)	(850.4)	8.3
Other income from operations	37.0	25.1	47.5	2.0	37.0	126.6	164.7	(23.2)	6.7
Administrative and promotion expenses	(971.6)	(778.7)	24.8	(51.5)	(917.3)	(3,607.0)	(3,483.1)	3.6	(191.2)
Operating result	647.8	726.8	(10.9)	34.3	851.8	2,773.3	2,508.8	10.5	147.0
Income taxes	(186.0)	(213.1)	(12.7)	(9.9)	(247.2)	(735.9)	(650.6)	13.1	(39.0)
Income before participation in the results of subsidiaries	461.8	513.8	(10.1)	24.5	604.6	2,037.4	1,858.2	9.6	108.0
Participation in the results of subsidiaries, Associates and non-controlling participation	(34.5)	54.3	(163.6)	(1.8)	(34.5)	(57.3)	97.2	(159.0)	(3.0)
Net income	427.2	568.1	(24.8)	22.6	570.0	1,980.1	1,955.4	1.3	105.0

Balance Sheet

<i>Ps. million</i>	2019	2018	% Var.	2019 <small>(million US dollars)¹</small>
Cash and cash equivalents	1,180.9	1,106.3	6.7	62.6
Investments in securities	1,294.4	410.3	215.5	68.6
Securities and derivatives transactions	-	1,028.0	(100.0)	-
Total performing loan portfolio	46,325.7	35,701.6	29.8	2,455.7
Total non-performing loan portfolio	632.7	617.6	2.5	33.5
Loan portfolio	46,958.4	36,319.1	29.3	2,489.3
Less: allowance for loan losses	1,390.0	1,067.9	30.2	73.7
Loan portfolio (net)	45,568.4	35,251.2	29.3	2,415.6
Other accounts receivable (net)	6,796.9	5,378.8	26.4	360.3
Foreclosed assets (net)	10.8	10.5	-	0.6
Property, furniture and fixtures (net)	625.3	341.5	83.1	33.1
Long-term investments in shares	1,273.6	1,193.4	6.7	67.5
Debt insurance costs, intangibles and others	4,841.5	4,842.5	(0.0)	256.7
Total assets	61,591.7	49,562.5	24.3	3,265.0
Notes payable	1,261.0	1,463.5	(13.8)	66.8
Senior Notes payable	24,636.7	17,018.8	44.8	1,306.0
Bank loans and borrowings from other entities				-
Short-term	7,597.6	7,359.7	3.2	402.8
Long-term	8,015.9	4,804.7	66.8	424.9
Total Bank loans	15,613.5	12,164.4	28.4	827.7
Total debt	41,511.2	30,646.7	35.5	2,200.5
Income taxes payable	330.5	264.0	25.2	17.5
Securities and derivatives transactions	765.3	-	-	40.6
Other accounts payable	810.1	457.4	77.1	42.9
Deferred taxes	2,110.6	2,258.8	(6.6)	111.9
Total liabilities	45,527.8	33,626.9	35.4	2,413.4
Capital stock	1,852.4	2,067.7	(10.4)	98.2
Perpetual notes	4,206.7	4,206.7	-	223.0
Accumulated results from prior years	7,778.3	6,698.8	16.1	412.3
Result from valuation of cash flow hedges, net	(708.2)	128.6	-	(37.5)
Cumulative translation adjustment	5.5	(30.1)	(118.3)	0.3
Controlling position in subsidiaries	949.1	908.5	4.5	50.3
Net income	1,980.1	1,955.4	1.3	105.0
Total stockholders' equity	16,063.9	15,935.6	0.8	851.6
Total liabilities and stockholders' equity	61,591.7	49,562.5	24.3	3,265.0

Financial Ratios

	4Q19	4Q18	% Var.	4Q19 Proforma	2019	2018	% Var.
Yield portfolio	29.1%	30.7%	(1.6)	29.1%	28.1%	29.9%	(1.8)
Net interest margin	17.5%	22.9%	(5.4)	18.4%	17.1%	20.8%	(3.7)
Return on average loan portfolio	3.8%	6.4%	(2.6)	5.0%	4.7%	5.7%	(1.1)
ROAA: return on average assets	2.9%	4.7%	(1.8)	3.9%	3.6%	4.2%	(0.7)
ROAE: return on average stockholders' equity	10.5%	14.5%	(4.0)	13.8%	12.3%	12.9%	(0.6)
ROAE: return on average stockholders' equity (excluding Perpetual Notes)	14.2%	19.9%	(5.7)	18.5%	16.6%	17.8%	(1.2)
Debt to equity ratio	2.6	1.9	0.7	2.6	2.6	1.9	0.7
Debt to equity ratio (excluding Perpetual Notes)	3.5	2.6	0.9	3.5	3.5	2.6	0.9
Average cost of funds	13.3%	12.0%	1.3	12.3%	12.8%	11.1%	1.8
Efficiency ratio	45.6%	34.6%	11.0	39.6%	43.9%	42.4%	1.6
Capitalization ratio	34.2%	43.9%	(9.7)	34.9%	34.2%	43.9%	(9.7)
Capitalization ratio (excluding Perpetual Notes)	25.3%	32.3%	(7.0)	26.3%	25.3%	32.3%	(7.0)
Provisions for loan losses as a percentage of total loan portfolio	3.0%	4.2%	(1.2)	3.0%	2.8%	4.2%	(1.5)
Allowance for loan losses as a percentage of total past-due loan portfolio	219.7%	172.9%	46.8	219.7%	219.7%	172.9%	46.8
Total past-due loan portfolio as a percentage of total loan portfolio	1.3%	1.7%	(0.4)	1.3%	1.3%	1.7%	(0.4)

Disclaimer

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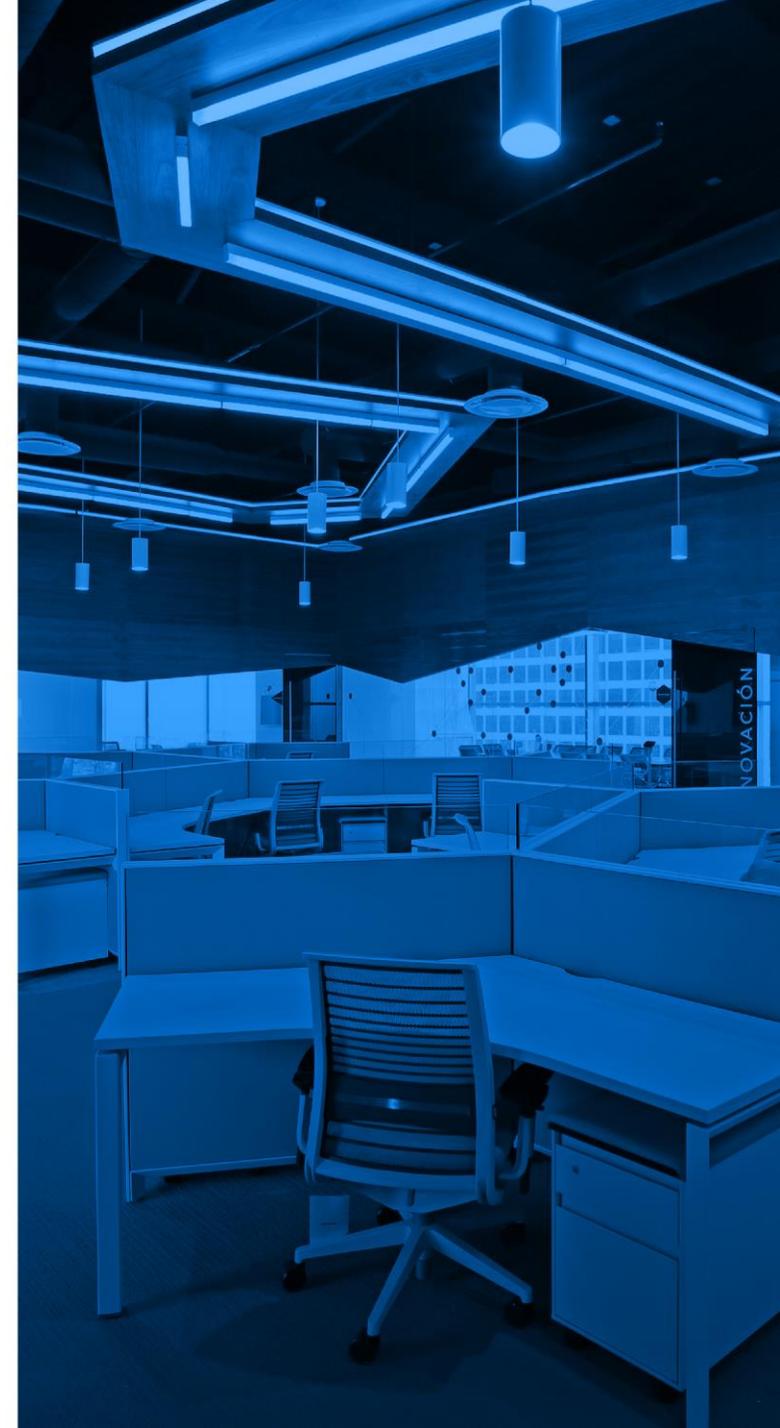
Beyond your limits.

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About Crédito Real

Crédito Real is a leading financial institution in Mexico, with presence in the United States, Costa Rica, Panama, Nicaragua and Honduras, focusing on consumer lending with a diversified business platform in the following main lines of business: payroll loans, small business loans, used car loans, consumer loans through Instacredit and group loans. Crédito Real offers its products mainly to low and middle-income segments of the population that have historically been underserved by other financial institutions. The Company’s stock is listed on the Mexican Stock Exchange under the ticker symbol “CREAL*”. (Bloomberg identification number is CREAL*:MF)





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