



TANNER SERVICIOS FINANCIEROS

Corporate Presentation
March 2021



2021

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TANNER AT A GLANCE

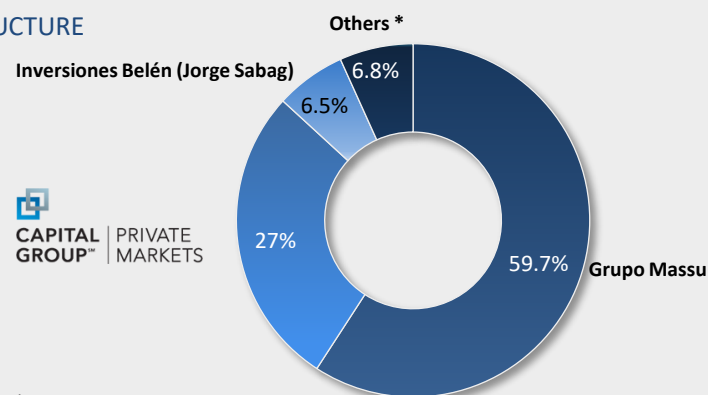


Tanner at a Glance

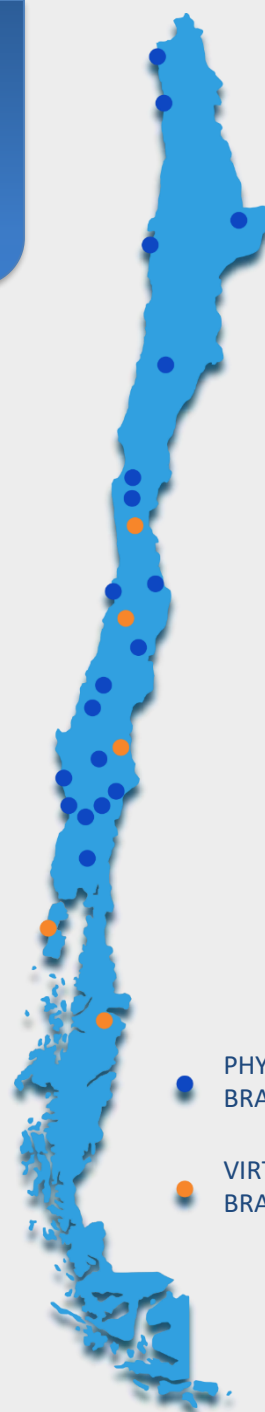
Chile's Leading Non-Bank Financial Institution

- 27+ years track record and experience with a leading position in Factoring and Auto-Financing markets.
- ROAA above Chilean banking system average.
- Diversified loan portfolio and financial services offering.
- Diversified and well-developed access to Funding Sources.
- Experienced management team and Board of Directors. Strong Corporate governance standards and rigorous risk management policies.
- On-going digital transformation process.
- Implementing ESG strategies that are core to long term sustainability.
- International BBB- Investment Grade credit rating by both S&P and Fitch. Domestic AA- credit rating.

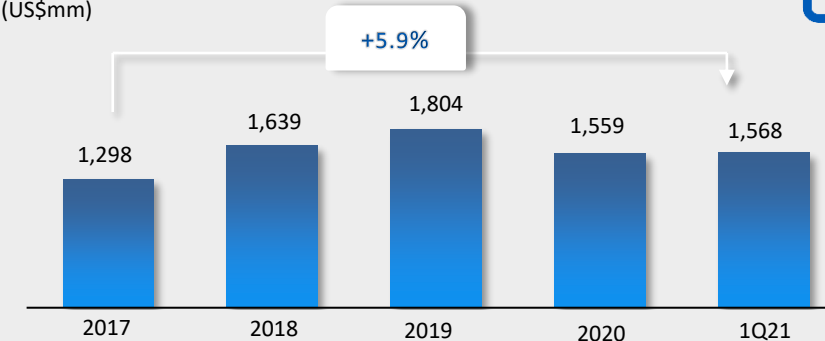
OWNERSHIP STRUCTURE



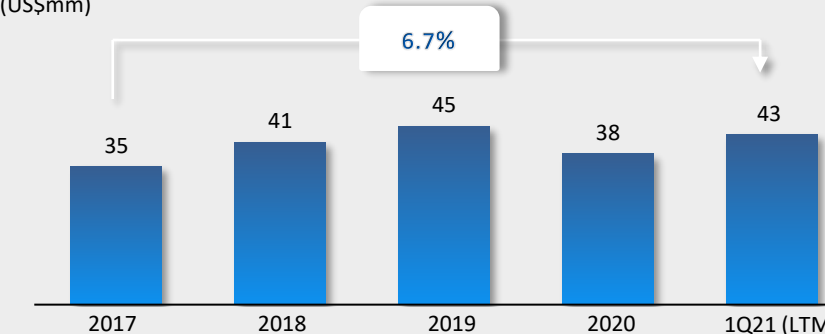
- (1) ROAE = Income after tax / Average Equity
 (2) ROAA = Income after tax / Average Assets
 (3) Mobile executives connected remotely to Tanner's network
 (*) Corresponds to current and former Tanner executives



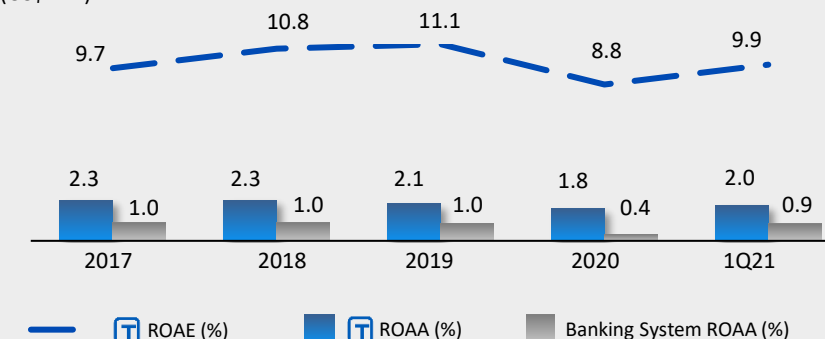
NET LOANS (US\$mm)



Net income (US\$mm)



PROFITABILITY ANALYSIS (1)(2) (US\$mm)





FINANCIAL RESULTS

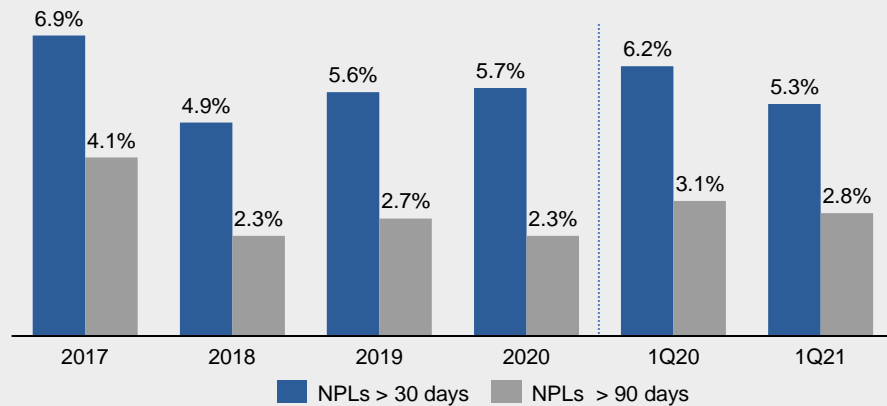
RESULTS 1Q2021

Net income increased 69% YoY and non performing loans decreased with respect to 1Q2020

HIGHLIGHTS

- 1Q21 Income after tax grew 69%, increasing from US\$7.4 millions to US\$12.6 millions respect to 1Q20.
- Improvement of NPL's >90 days compared to 1Q20, including a 89 bps and 19 bps reduction in the factoring and auto financing portfolio, respectively, vs 1Q20.
- During 1Q21 Tanner issued a US\$82 mm bond in the Chilean market.

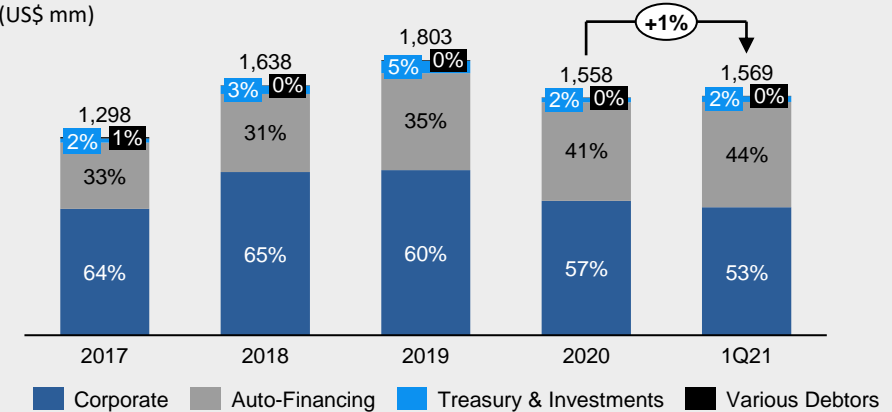
NON PERFORMING LOANS (1)



NET LOANS

(US\$ mm)

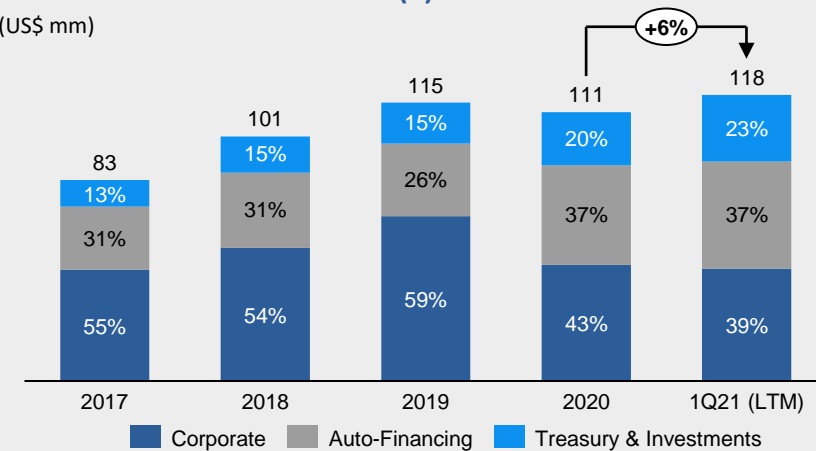
'17-'1Q21 CAGR: 6.0%



GROSS PROFIT DISTRIBUTION (2)

(US\$ mm)

'17-'1T21 CAGR: 11.3%



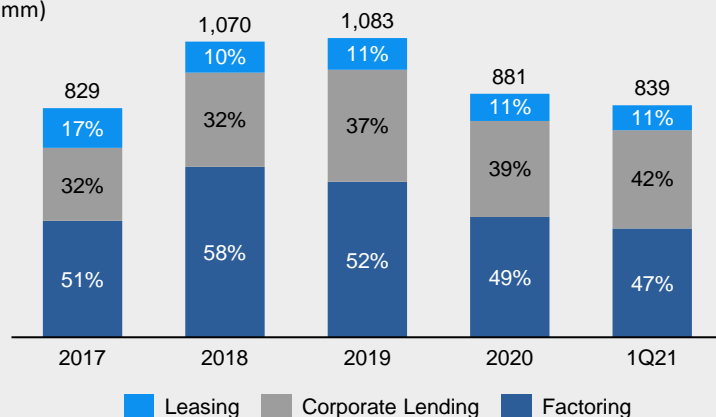
(1) NPL's = Non Performing Loans / (Loans + Provisions)

(2) Gross profit considers impairment losses.

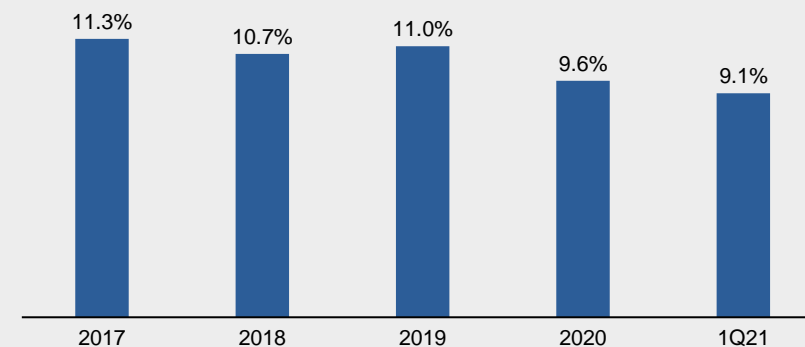
NET LOANS

(US\$ mm)

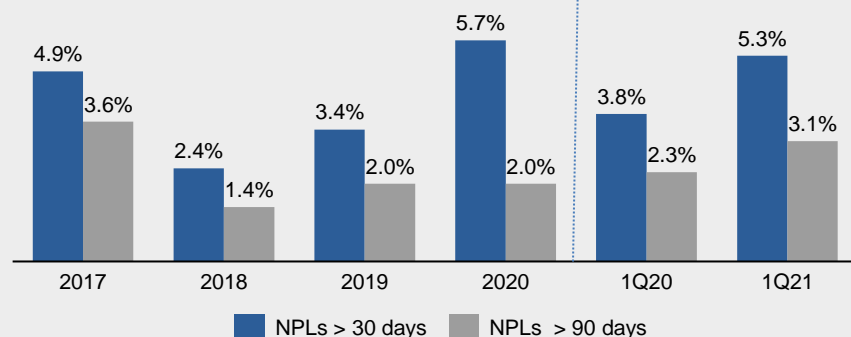
'17-'1Q21 CAGR: 0.36%



YIELD (1)



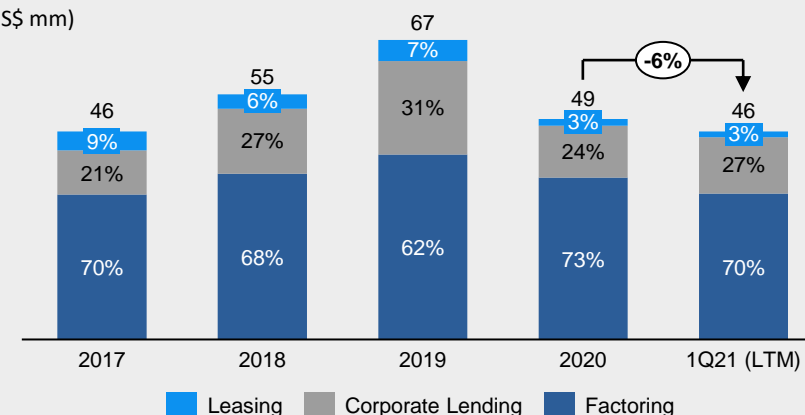
NON PERFORMING LONS (2)



GROSS PROFIT DISTRIBUTION (3)

(US\$ mm)

'17-'1Q21 CAGR: 0.1%



(1) Yield = Income / Average Net Loans

(2) NPL's = Non Performing Loans / (Loan Stock + Provisions)

(3) Gross profit considers impairment losses.

FACTORING

Strong risk returns, with NPL's reaching record lows

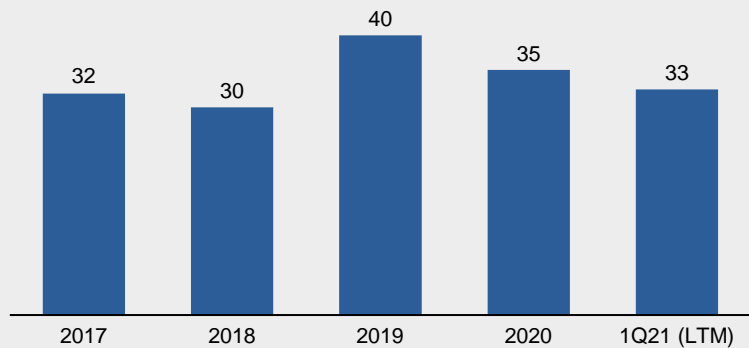


- Decrease in the number of clients due to the effects of Covid -19
- Non performing loans remain below 1% in 2021, despite lower stock.
- Decrease in overall factoring activity in 1Q2021 as a result of seasonality and covid-19.
- Product breakdown:
 - ✓ **Invoices:** 58.9% of total Factoring volume.
 - ✓ **Confirming:** 6.9%.
 - ✓ **Checks and Promissory Notes:** 24.5% and 10.2%, respectively.

GROSS PROFIT (1)

(US\$ mm)

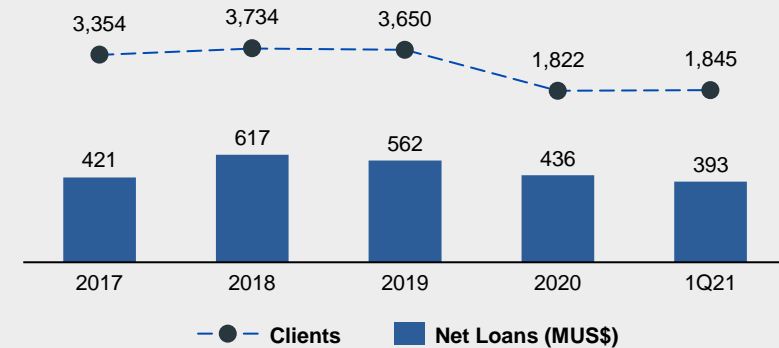
'17-'1Q21 CAGR: 0.8%



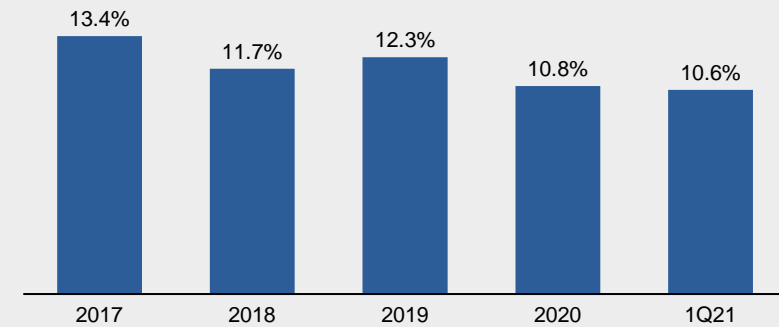
NET LOANS AND NUMBER OF CLIENTS

(US\$ mm)

'17-'1Q21 CAGR: -2,1%



YIELD (2)



(1) Gross Profit considers impairment losses

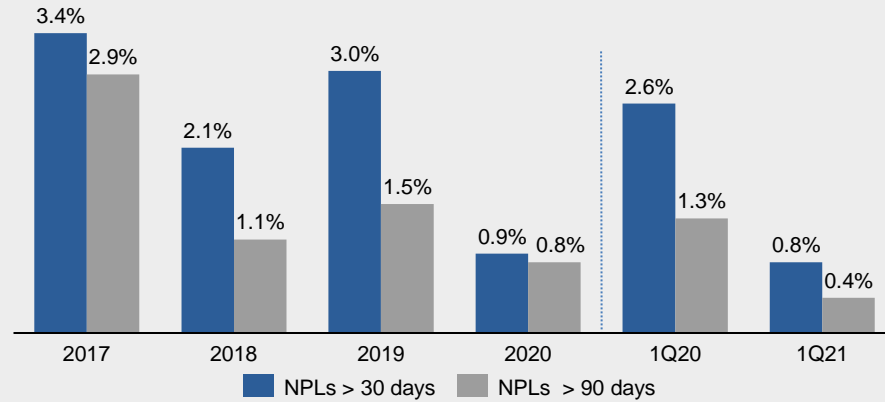
(2) Yield = Income / Average Net Loans

FACTORING

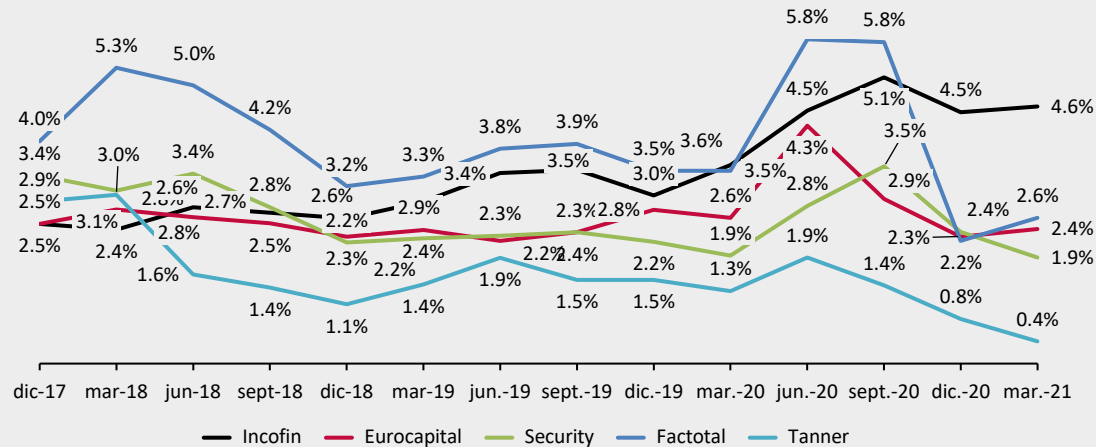
Largest non-bank Factoring entity



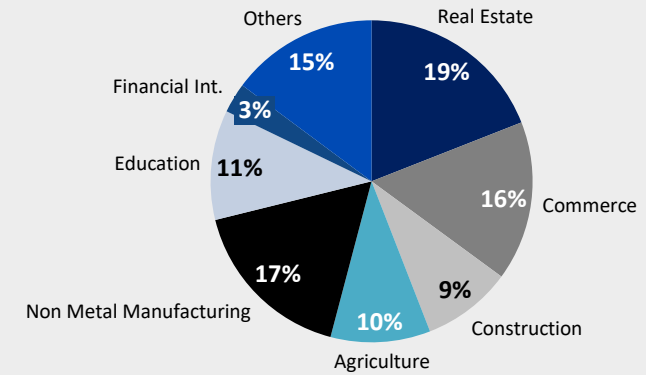
NON PERFORMING LOANS (1)



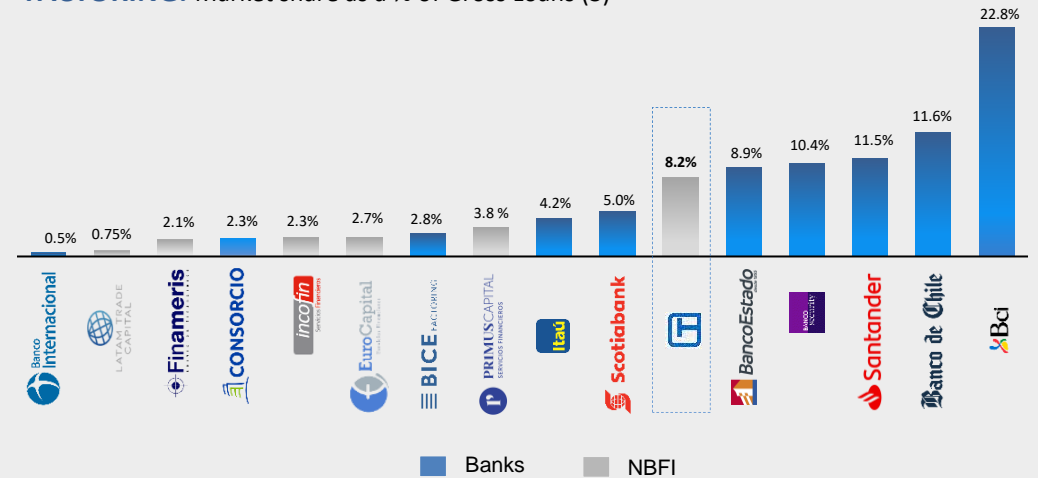
NON-PERFORMING LOANS > 90 DAYS (1)



LOAN PORTFOLIO INDUSTRY DISTRIBUTION (2)



FACTORING: Market share as a % of Gross Loans (3)



CORPORATE LENDING & LEASING

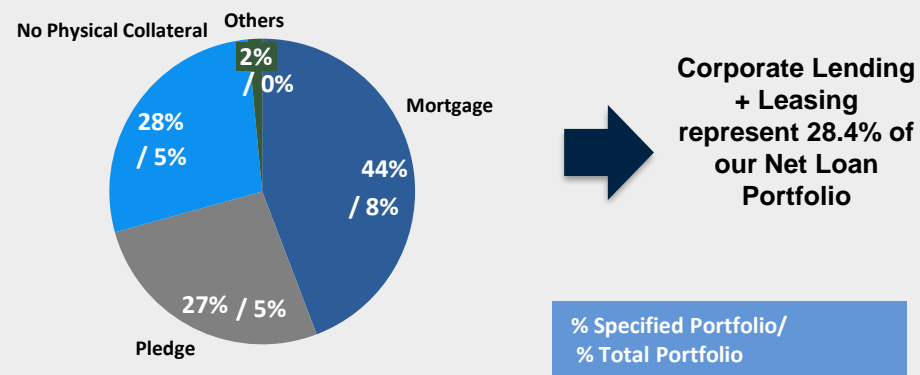
Focus on strengthening collateral coverages during 2020 and 2021



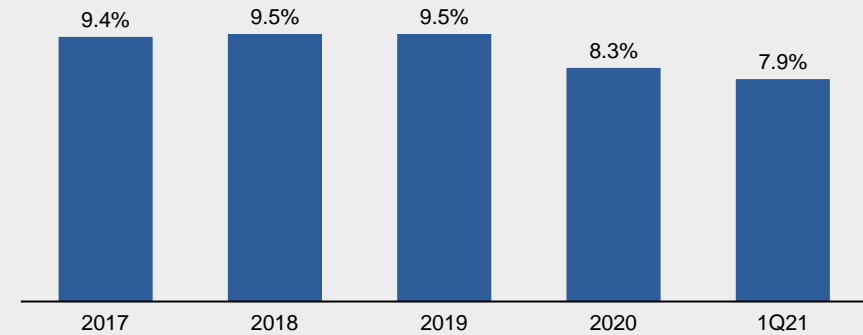
CORPORATE LENDING & LEASING COLLATERAL

- Increased Corporate Loans (+2.4%) compared to 4Q20.
- Reduction in net loans as part of a strategic decision to focus exclusively on real estate leases.
- Priority during 2020 and 2021 to improve portfolio collateral positions, along with stricter risk policies in both products.

CORPORATE LENDING & LEASING COLLATERAL: % of Stock by type of collateral

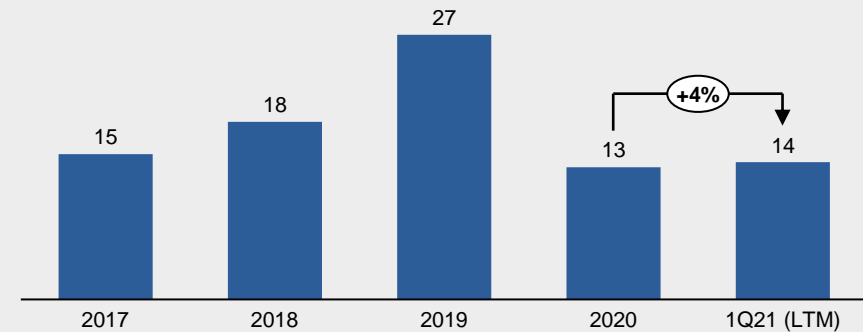


YIELD (1)



GROSS PROFIT CORPORATE LENDING + LEASING (2) (US\$ mm)

'17-'1Q21 CAGR: -1.5%



(1) Yield = Income / Average Net Loans
(2) Gross Profit considers impairment losses

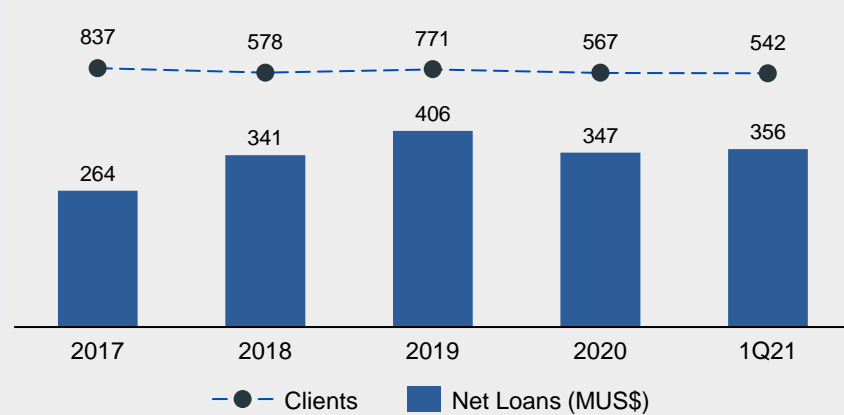
CORPORATE LENDING & LEASING

Focus on strengthening collateral coverages during 2020 and 2021



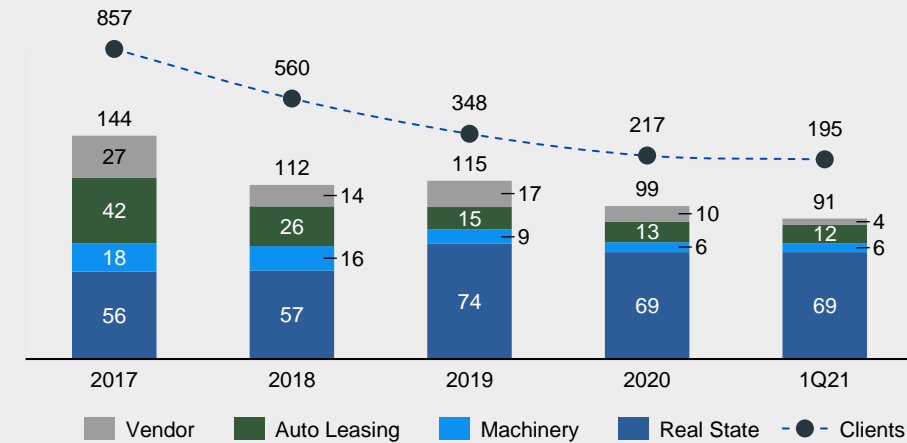
CORPORATE LENDING: NET LOANS AND NUMBER OF CLIENTS

'17-'1Q21 CAGR: 9,6%

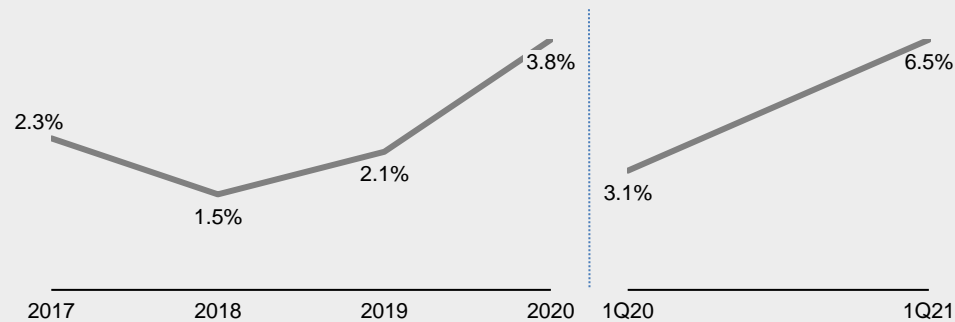


LEASING: NET LOANS AND NUMBERS OF CLIENTS

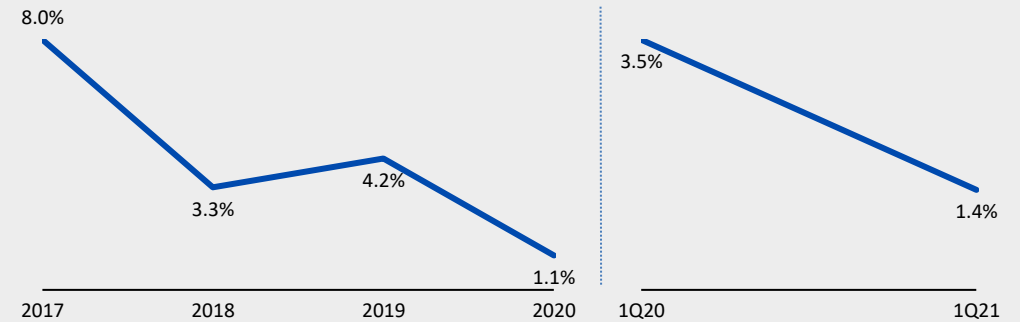
'17-'1Q21 CAGR: -13.5%



CORPORATE LOANS: NPL'S > 90 DAYS (1)



LEASING: NET LOANS AND NUMBERS OF CLIENTS (1)



(1) NPL's > 90 Days = NPL'S > 90 Days / (Loan Stock + Provisions)

AUTO FINANCING

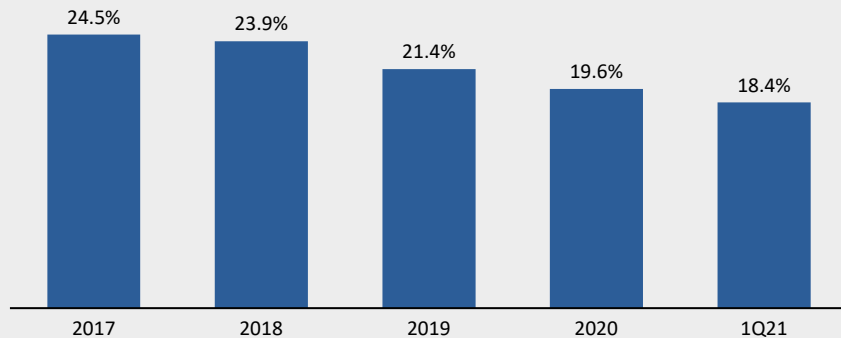
Increasing LTM gross profit margins and volumes,
with a low level of NPLs



HIGHLIGHTS

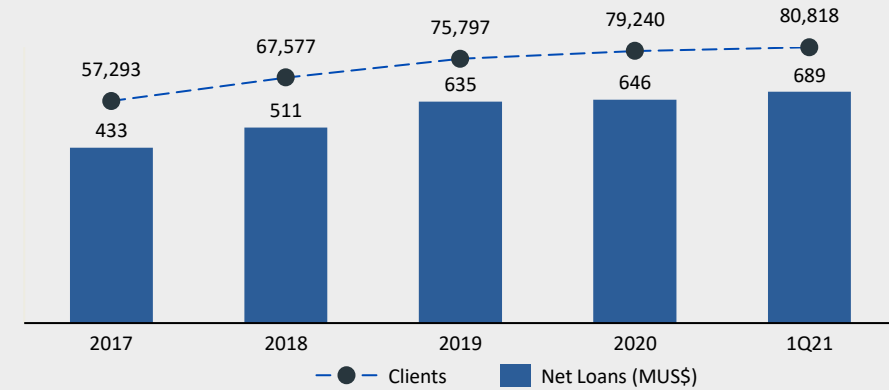
- Tanner operates through three sales channels:
 - 1) AMICAR (bidding platform owned by Derco and Gildemeister)
 - 2) Dealers
 - 3) Direct
- Our joint venture agreement with CrediNissan continues to support the portfolio growth, while improving the risk profile.
- The portfolio is currently comprised of 76% of new cars / 24% pre-owned.

YIELD (1)



NET LOANS AND NUMBER OF CLIENTS

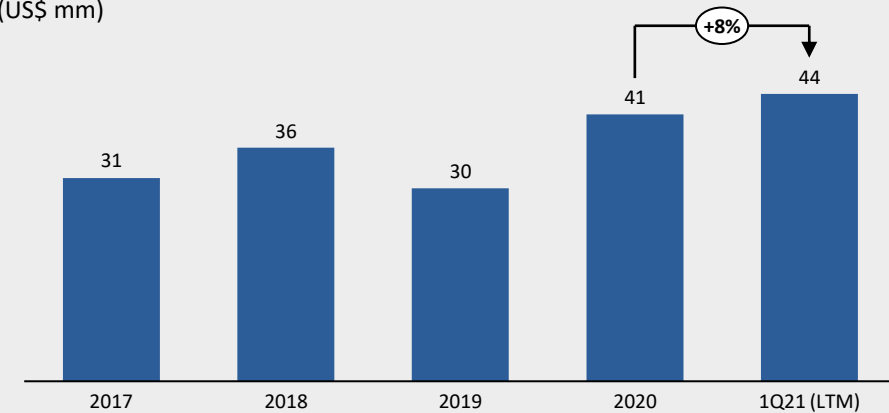
'17-'1Q21 CAGR: 15.4%



GROSS PROFIT (2)

(US\$ mm)

'17-'1Q21 CAGR: 11.6%



(1) Yield = Income / Average Net Loans
(2) Gross Profit considers impairment losses

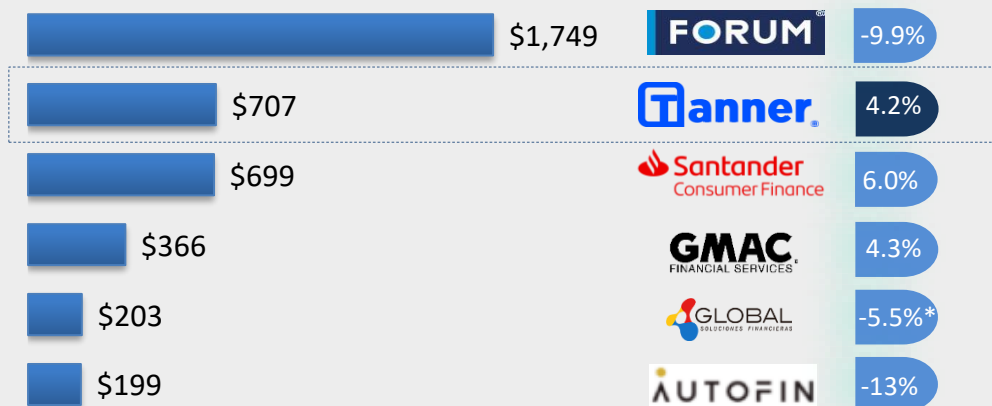
AUTO FINANCING

Increasing LTM gross profit margins and volumes,
with a low level of NPLs

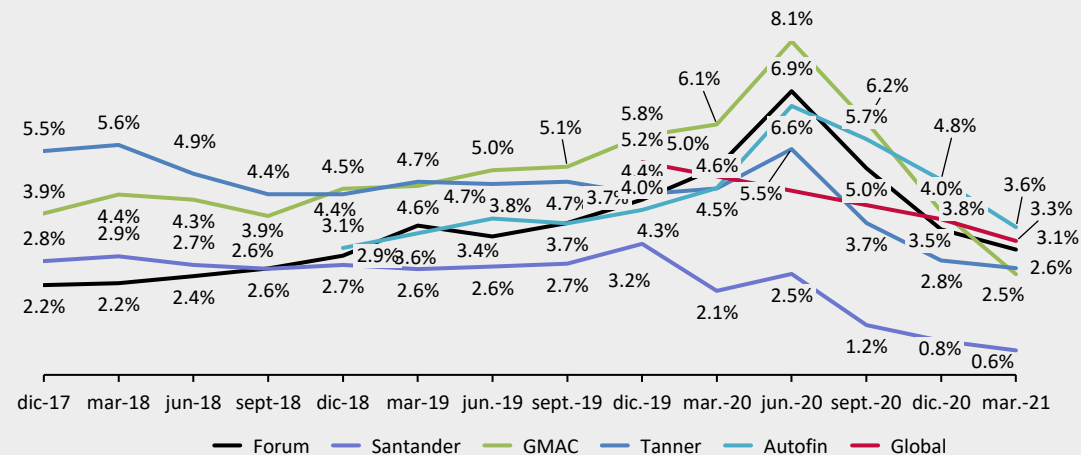


STRONG PRESENCE IN THE AUTO FINANCING INDUSTRY

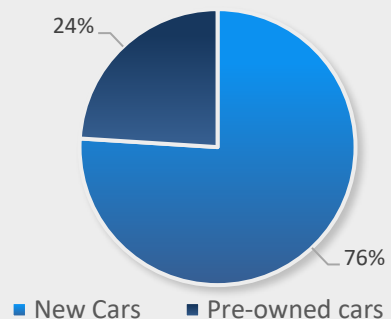
(Gross Loans 1Q21 – US\$mm & VaR. YoY)



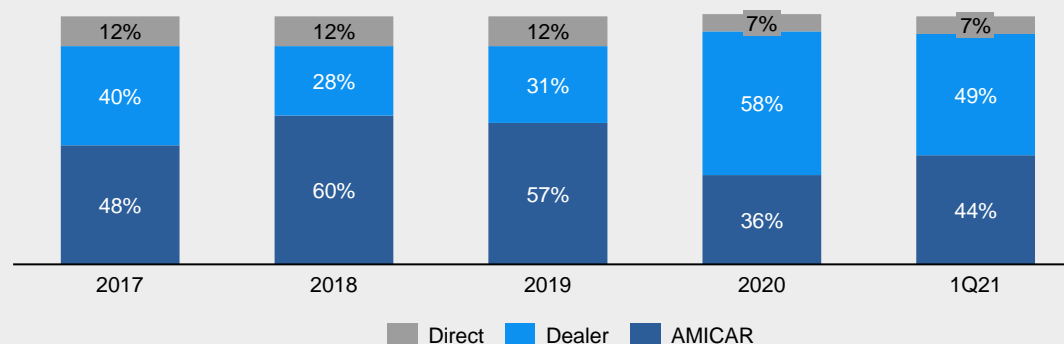
NON-PERFORMING LOANS > 90 DAYS (1)



PORTFOLIO DISTRIBUTION



DISTRIBUTION BY CHANNEL



(1) NPL's > 90 Days = NPL'S > 90 Days / (Loan Stock + Provisions)

(*) Information used corresponds to Dec-20 and Dec-21

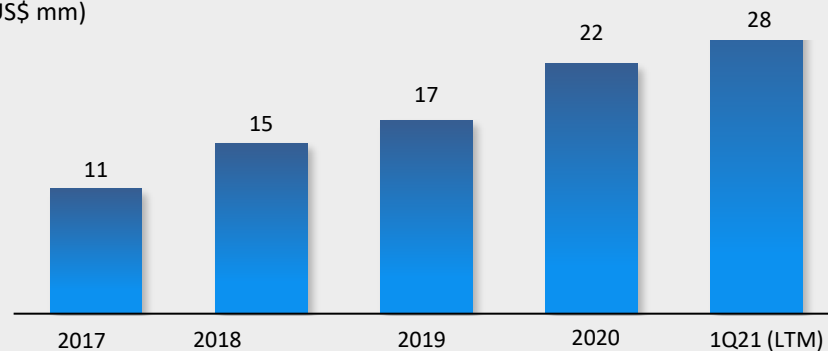
HIGHLIGHTS

- This Division consolidates the Tanner Servicios Financieros “TSF” treasury Management, Tanner broker dealer “TCB”, and Tanner asset management “TAM”.
- TCB reached net profits after taxes of US\$2.2 million in 1Q21.
- TAM continued build be asset management business by successfully launching a new funds focused on private debt.

GROSS PROFIT TREASURY AND INVESTMENTS DIVISION (2)

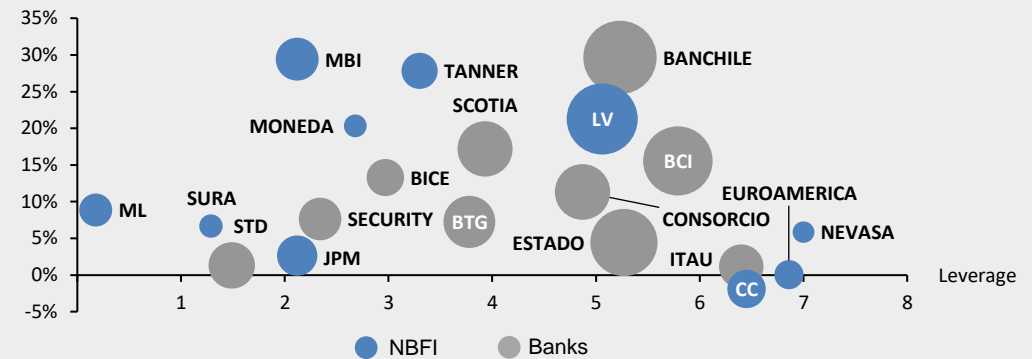
(US\$ mm)

‘17-‘1Q21 CAGR: 34.5%



ROAE VS LEVERAGE BROKERAGE (1)

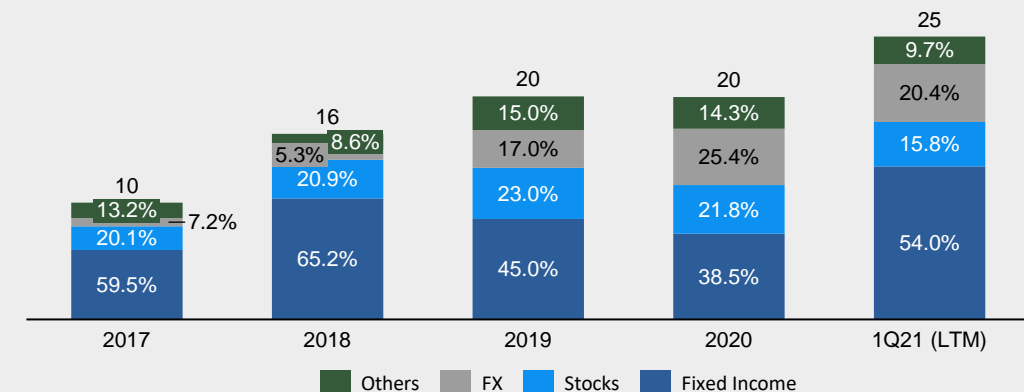
ROAE*



INCOME AFTER TAX DISTRIBUTION (2)

(US\$ mm)

‘17-‘1Q21 CAGR: 31.3%



(1) Top 20 brokers with the highest equity
(2) Gross Profit considers impairment losses

(*) ROAE = Income after tax LTM / Average Equity

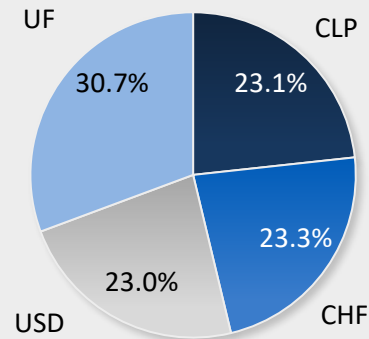
LIABILITY MANAGEMENT

Low leverage, diversified funding sources & high liquidity

Liquidity Risk Mitigants

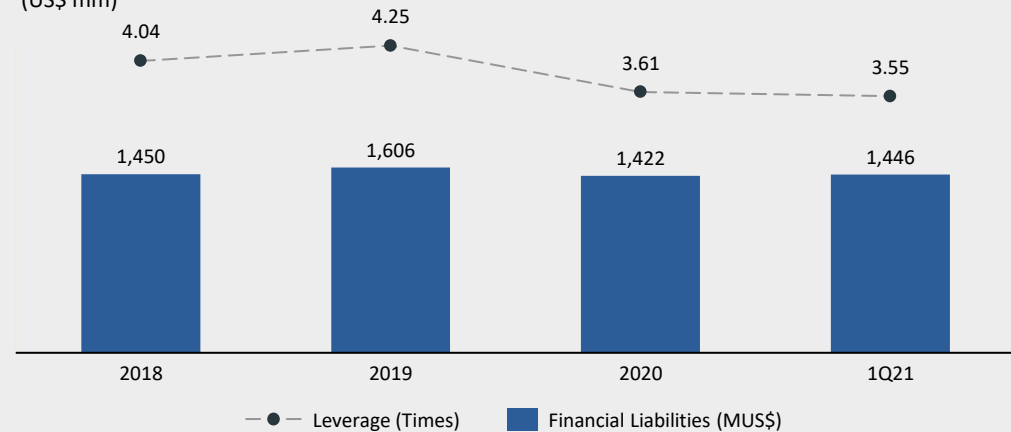
- Assets mature 12 months earlier than liabilities
- Diversified funding with debt holders across the globe
- 90 days turnover on the factoring portfolio allows the Company to accurately meet upcoming maturities
- Conservative leverage ratio

FINANCIAL LIABILITIES BY CURRENCY



FINANCIAL LIABILITIES and LEVERAGE

(US\$ mm)



BALANCE SHEET STRUCTURE AND HEDGING

(US\$ mm)

- Average asset duration: 0.99 years.
- Average liability duration: 1.98 years.

Item (MM\$)	CLP	USD	CHF	UF	Others	Total
Assets	1,497	278	0	284	0	2,060
Liabilities + Equity	943	339	334	443	-	2,060
Differential by currency	554	-61	-334	-159	0	-
Hedges	-704	65	334	305	-	-
Net Exposure	-150	4	-	147	0	-



LIABILITIES MATURING IN 2021

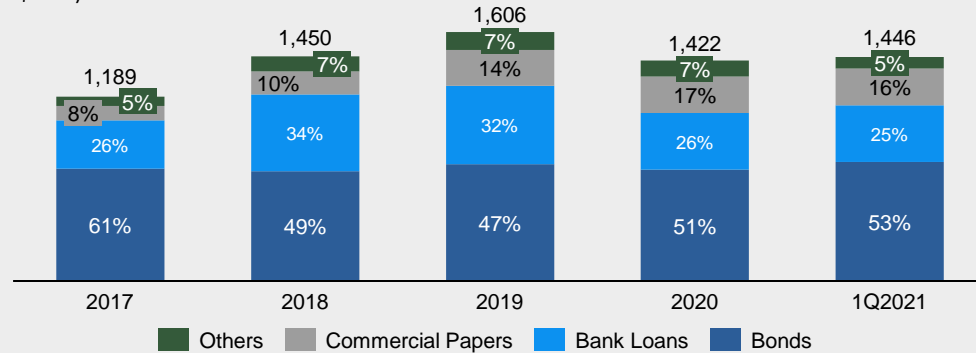
ALREADY REFINANCED

Additional funding to finance loan growth



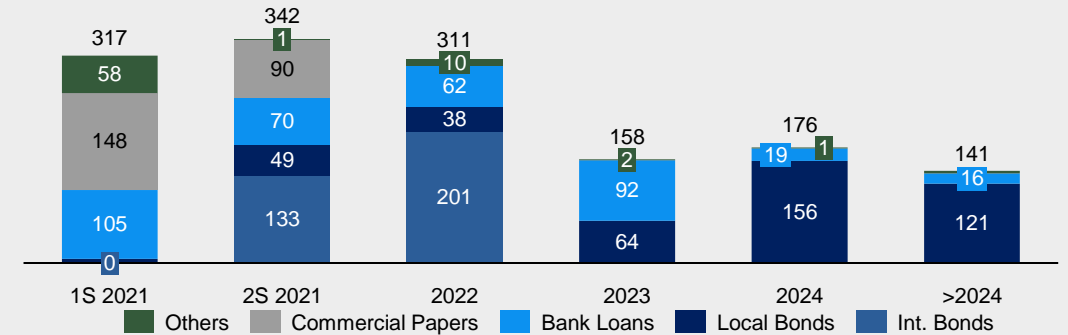
FUNDING COMPOSITION

(US\$ mm)

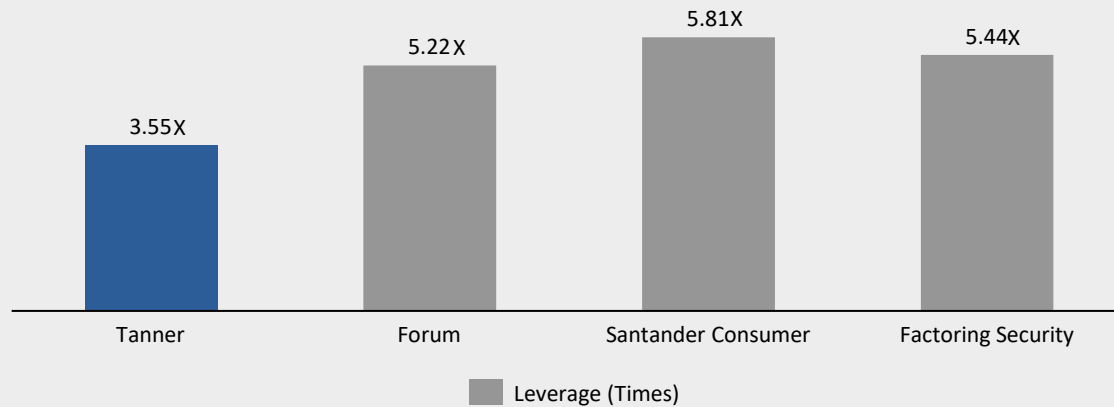


LIABILITY EXPIRATION PROFILE

(US\$ mm)

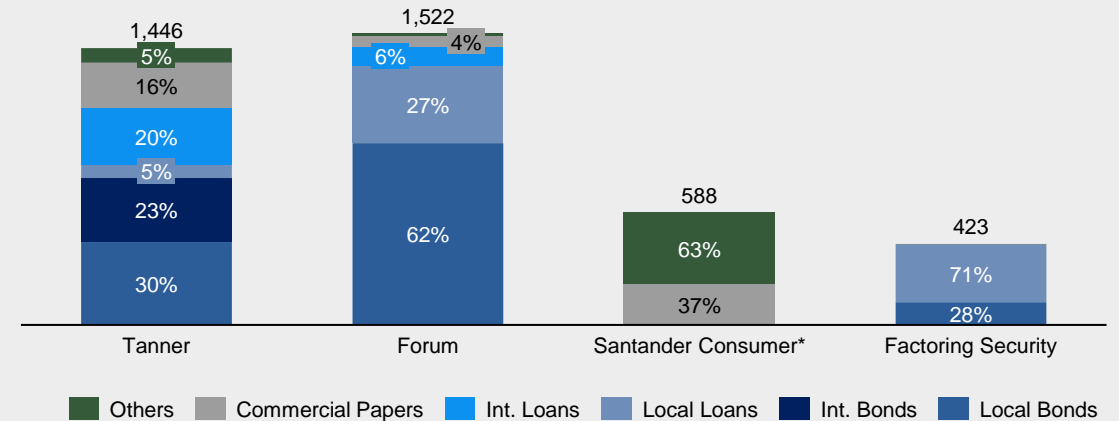


INDUSTRY LEVERAGE RATIO



FUNDING DIVERSIFICATION

(US\$ mm)



(*) Santander Consumer others refers to liabilities with related entities.



WE ARE TOGETHER IN THIS

CONTACT INFORMATION:

María Paz Merino. Investor Relations Manager
El Golf 40, Floor 9, Las Condes – Santiago, Chile
Phone: + 562 3325 4714
E-mail: maria.merino@tanner.cl

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APPENDICES

Income Statement



CONSOLIDATED STATEMENTS INCOME BY FUNCTION	Note	01.01.2021 to 31.03.2021 (US\$ k)	01.01.2020 to 31.03.2020 (US\$ k)
Profit			
Revenue from ordinary activities	29	62,331	88,961
Sales cost	29	(25,487)	(51,431)
Gross profit		36,844	37,530
Other operating items			
Impairment Losses	30	(5,116)	(12,534)
Administrative expenses	29	(17,318)	(17,300)
Other profits (losses)		(129)	133
Financial revenue		-	58
Financial costs		(130)	(230)
Foreign exchange differences		107	125
Income by adjustment units		61	89
Profit (losses) before taxes		14,320	7,870
Income tax	16	(1,718)	(412)
Profit from continuing operations		12,601	7,458
Profit for the period		12,601	7,458
Profit (loss) attributable to:			
Owners of the Parent		12,535	7,654
Non-controlling interests	25	67	(196)
Profit for the period		12,601	7,458

Balance Sheet



Assets	Note	31.03.2021 (US\$ k)	31.12.2020 (US\$ k)	Δ \$	Δ %
Current assets					
Cash and cash equivalents	7	181,765	166,357	15,407	9.3%
Other current financial assets	8	123,975	110,740	13,235	12.0%
Other current non-financial assets	9	4,011	4,236	(225)	-5.3%
Trade and other receivables, net, current	10	1,009,278	1,015,772	(6,494)	-0.6%
Receivables due from related parties, current	12	6,899	6,792	107	1.6%
Current tax assets	16	8,988	9,206	(218)	-2.4%
Total current assets other than assets or asset groups for disposal classified as held-for-sale or held for distribution to the owners		1,334,916	1,313,104	21,812	1.7%
Non-current assets or asset groups for disposal classified as held-for-sale	13	18,082	6,647	11,435	172.0%
Total current assets		1,352,998	1,319,751	33,247	2.5%
Non-current assets					
Other non-current financial assets	8	69,893	76,242	(6,350)	-8.3%
Other non-current non-financial assets	9	10,516	7,178	3,338	46.5%
Trade and other receivables, non-current	10	559,632	542,801	16,830	3.1%
Trade receivables due from related parties, non-current	12	349	47	302	647.4%
Intangible assets other than goodwill	17	8,754	9,195	(441)	-4.8%
Goodwill	18	2,272	2,272	-	0.0%
Property, plant and equipment	14	13,822	14,280	(458)	-3.2%
Investment property	15	-	15,679	(15,679)	-100.0%
Deferred tax assets	16	42,356	43,249	(894)	-2.1%
Total non-current assets		707,593	710,944	(3,352)	-0.5%
TOTAL ASSETS		2,060,590	2,030,695	29,895	1.5%

Balance Sheet



Liabilities and Equity	Note	31.03.2021 (US\$ k)	31.12.2020 (US\$ k)	Δ \$	Δ %
Current liabilities					
Other current financial liabilities	19	678,518	715,399	(36,881)	-5.2%
Trade and other payables, current	21	154,169	161,326	(7,157)	-4.4%
Other short-term provisions	22	1,178	704	474	67.3%
Current tax liabilities	16	5,140	4,518	621	13.7%
Current provisions for employee benefits	23	1,278	1,317	(39)	-2.9%
Total current liabilities		840,283	883,265	(42,982)	-4.9%
Non-current liabilities					
Other non-current financial liabilities	20	767,370	706,818	60,552	8.6%
Non-current provisions for employee benefits	23	389	415	(26)	-6.3%
Total non-current liabilities		767,759	707,233	60,526	8.6%
TOTAL LIABILITIES		1,608,042	1,590,498	17,544	1.1%
EQUITY					
Share capital	24	270,461	270,461	-	-
Retained earnings	24	184,906	176,133	8,773	5.0%
Other reserves	24	(4,159)	(7,678)	3,519	-45.8%
Total equity attributable to the owners of the Parent		451,207	438,915	12,292	2.8%
Non-controlling interests	25	1,341	1,282	59	4.6%
TOTAL EQUITY		452,548	440,197	12,351	2.8%
TOTAL LIABILITIES AND EQUITY		2,060,590	2,030,695	29,895	1.5%



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CONTACT INFORMATION:

María Paz Merino. Investor Relations Manager
El Golf 40, Floor 9, Las Condes – Santiago, Chile
Phone: + 562 3325 4714
E-mail: maria.merino@tanner.cl

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