

Corporate Presentation  
March 2022







# Corporate Presentation

## March 2022



## Agenda

### 01 OVERVIEW

- Tanner at a glance

### 02 FINANCIAL RESULTS

- Financial Results
- Corporate Division: Factoring, Corporate Lending & Leasing
- Auto Financing Division
- Treasury & Investments Division

### 03 APPENDICES

- Income Statement
- Balance Sheet





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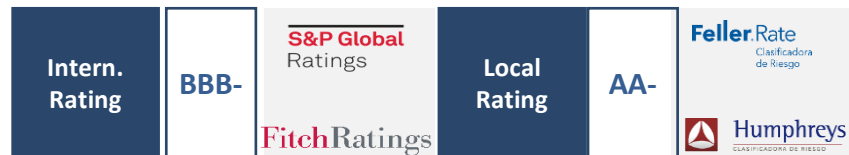
### 03 APPENDICES

- Income Statement
- Balance Sheet

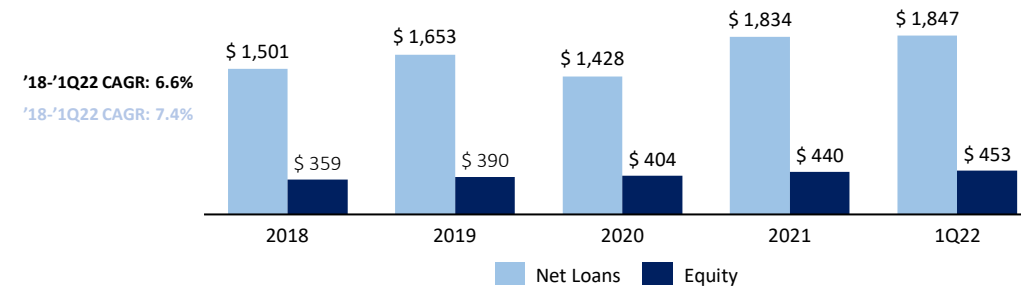
## Almost 30 years of history support our business model

### HIGHLIGHTS:

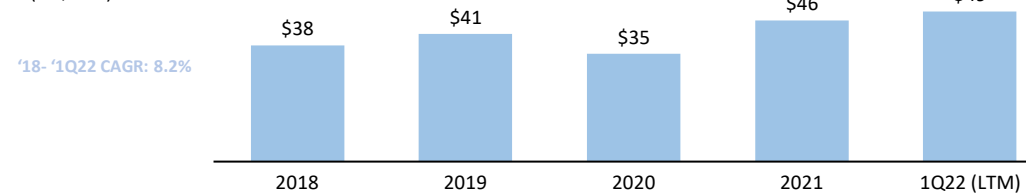
- Net Profit during 1Q22 reached US\$14 million (+25% YoY), achieving a ROAE of 11.2% and a ROAA of 2.3%.
- Global NPLs decreasing slightly, despite the slight increase observed in both factoring and auto financing NPLs > 90 days, in line with our expectations.
- During 1Q22, Tanner has issued local bonds and commercial papers and has successfully closed two new international loans.
- Low leverage compared to industry peers.
- In line with the implementation of ESG strategies, a team is created to promote Electromobility in companies. In addition, the Compliance, Operational Risk and IT team is reinforced.
- Risk ratings:



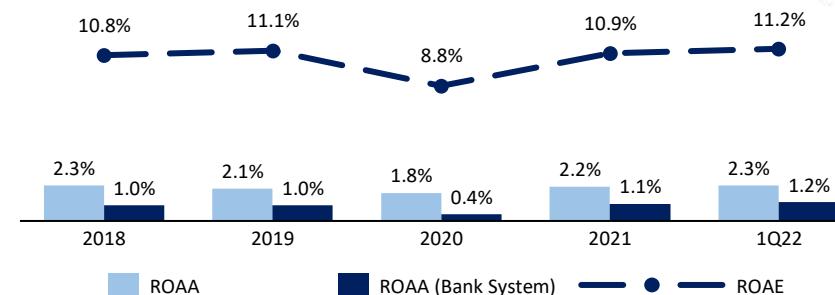
### NET LOANS (US\$MM)



### NET PROFIT (US\$MM)



### PROFITABILITY (1)(2)



(1) ROAE = Net Profit LTM / Average Equity  
 (2) ROAA = Net Profit LTM / Average Assets  
 (3) Mobile executives connected remotely to Tanner's network





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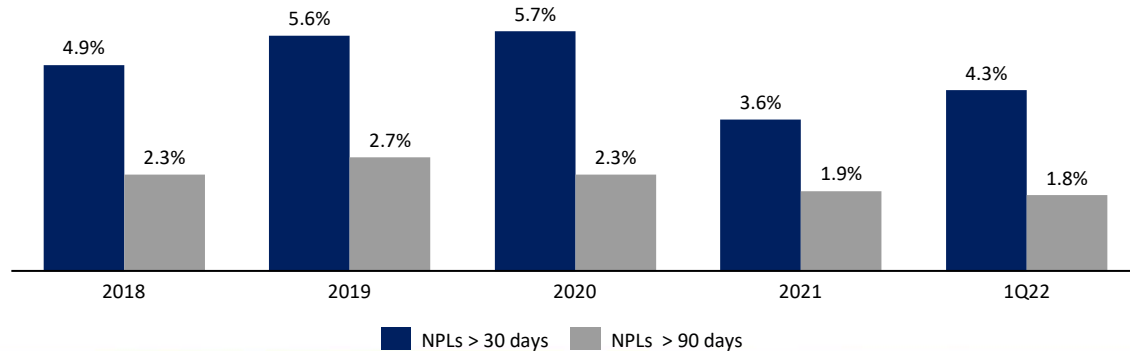
- Income Statement
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Net Profit increased by 25% YoY in 1Q22, with net loans at record highs.

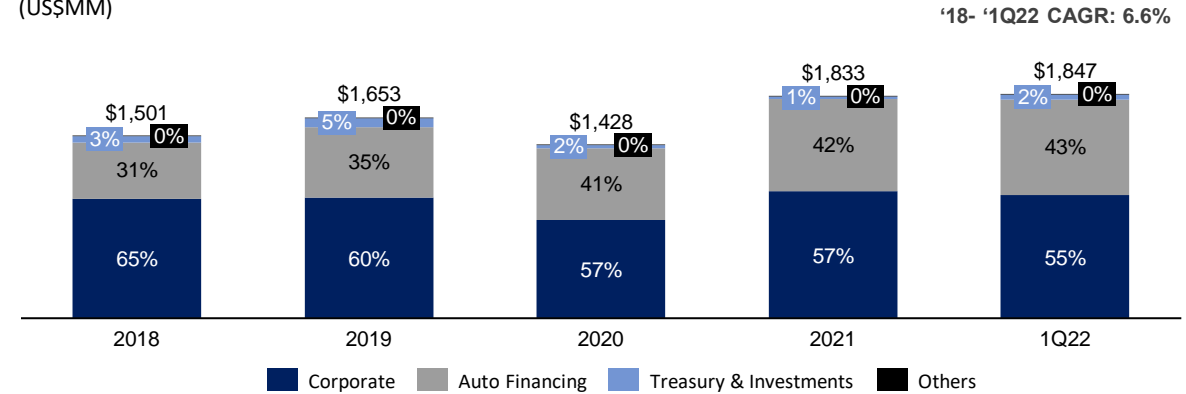
## HIGHLIGHTS

- Net Profit during 1Q2022 increased by 25% YoY, reaching US\$14 million, with a ROAE of 11.2%.
- NPLs > 90 days improved on a YTD basis, despite the slight increase in both factoring and auto financing NPLs > 90 days.
- Net loans reached historical highs, supported by active and diversified funding strategies.
- As for new financial liabilities, in 1Q22 two new credits with multilaterals were disbursed, amounting to US\$20 million each, and local bonds were issued amounting to UF1.03 million (aprox. US\$40 million).

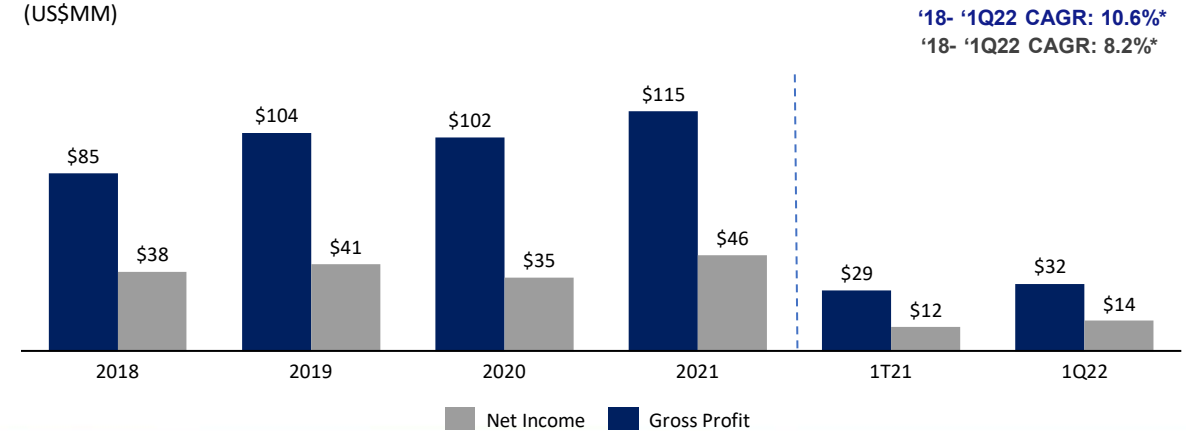
## NON-PERFORMING LOANS (1)



## NET LOANS (US\$MM)

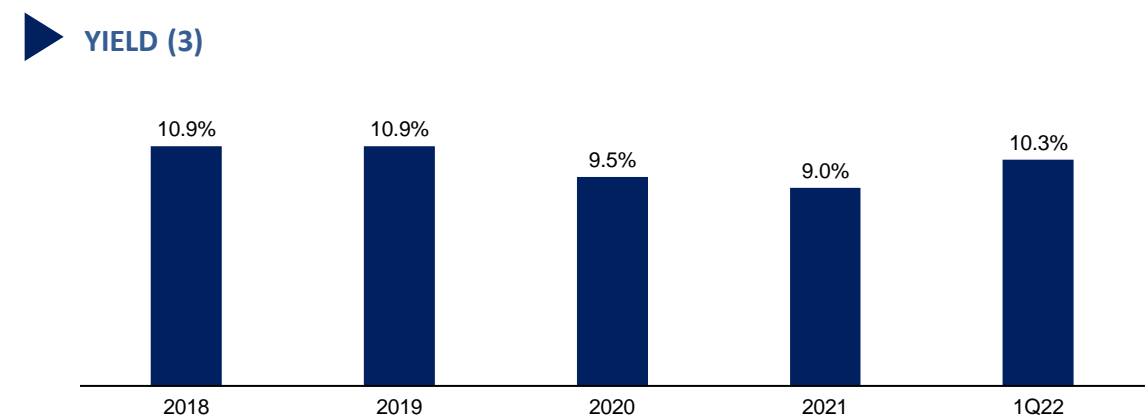
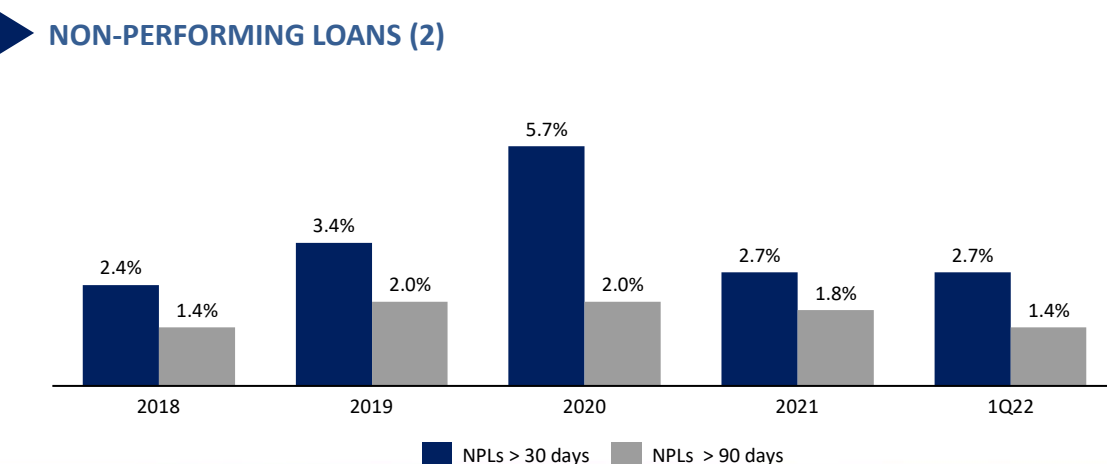
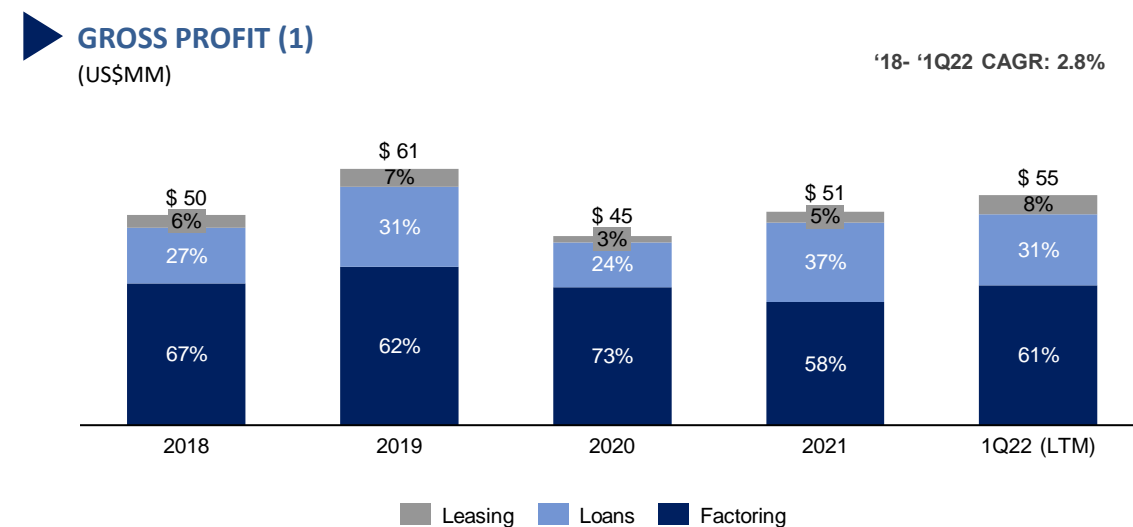
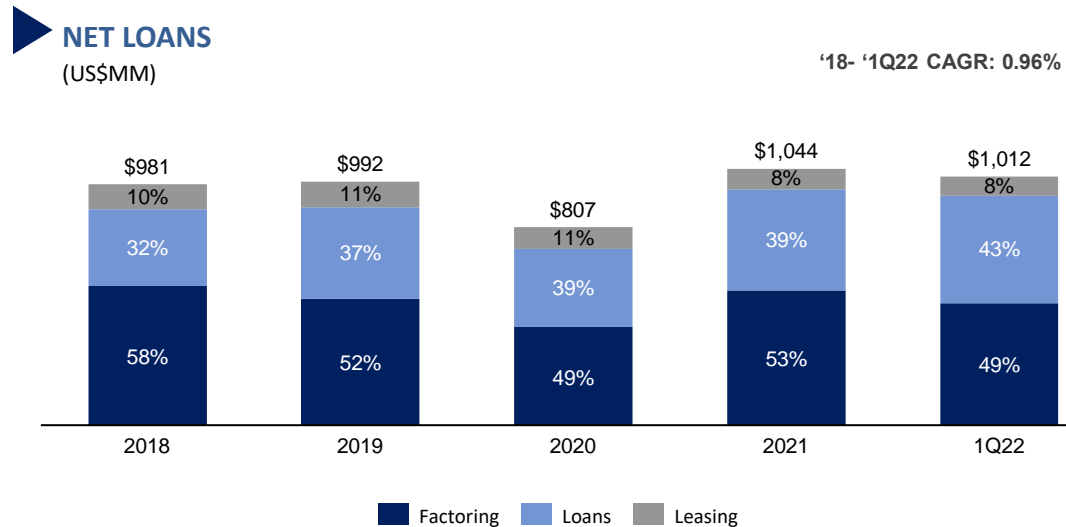


## NET PROFIT AND GROSS PROFIT (2) (US\$MM)



(1) NPLs = Non Performing Loans / (Loan Stock + Provisions)  
 (2) Gross Profit considers impairment losses  
 (\*) Gross Profit LTM and Net Profit LTM are used to calculate the CAGR

Net loans remain at high levels and yield increases, increasing the profitability despite the increase in financing costs



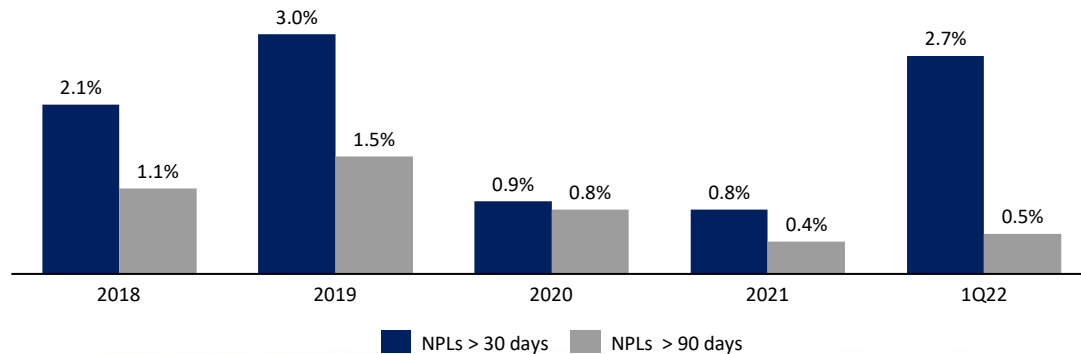
(1) Gross Profit considers impairment losses  
 (2) NPLs = Non Performing Loans / (Loan Stock + Provisions)  
 (3) Yield = Income LTM / Average Net loans

The number of customers continues increasing and an increase in the gross profit is observed

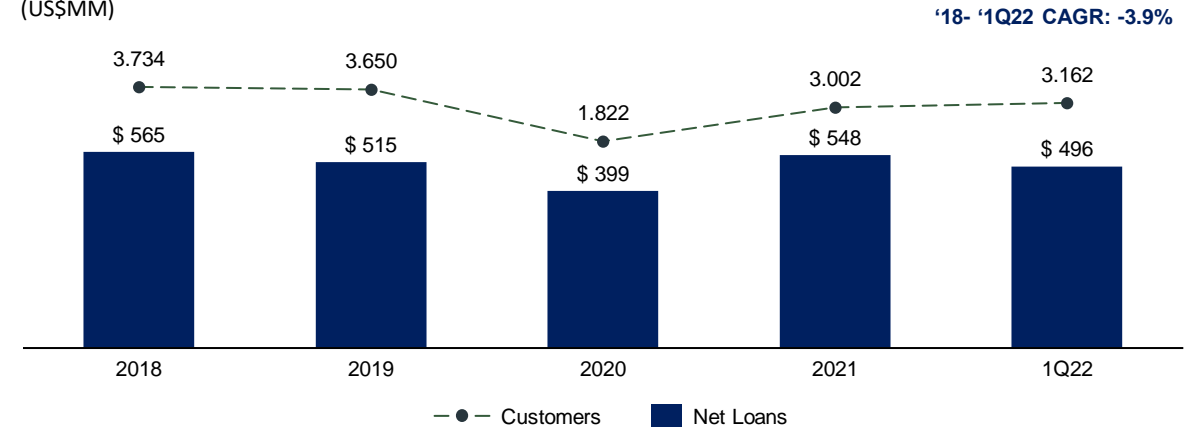
## HIGHLIGHTS

- NPLs increased slightly, in line with our expectations.
- Decrease in loans compared to 4Q21 responds to the seasonality of the product.
- Significant capture of customers compared to ACHEF's comparables.
- Gross profit grows 10% YoY, despite higher cost of funding.
- Factoring volume is comprised as follows:
  - ✓ **Invoices:** 73.5%.
  - ✓ **Confirming:** 8.2%.
  - ✓ **Checks and Promissory notes:** 12.0% y 6.3%, respectively.

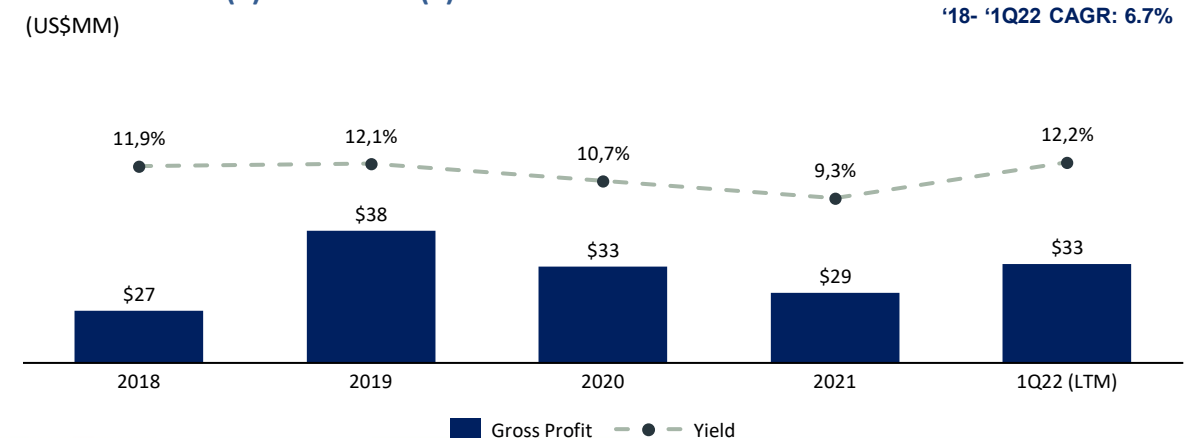
## NON-PERFORMING LOANS (1)



## NET LOANS (US\$MM)



## GROSS PROFIT (2) AND YIELD (3) (US\$MM)

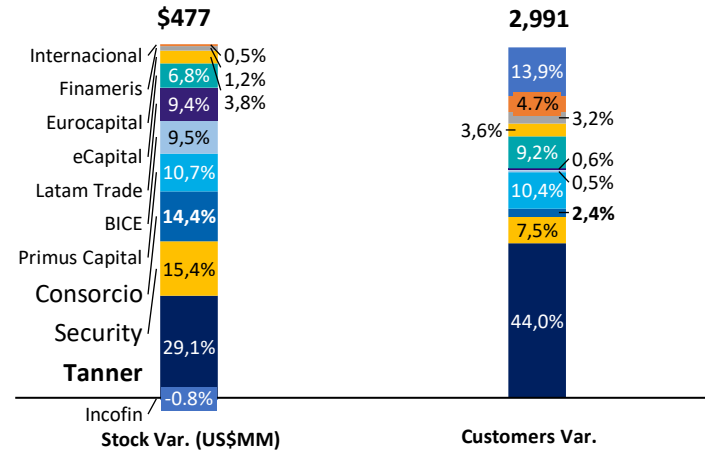


(1) NPLs = Non Performing Loans / (Loan Stock + Provisions)  
 (2) Gross Profit considers impairment losses  
 (3) Yield = Income LTM / Average Net loans

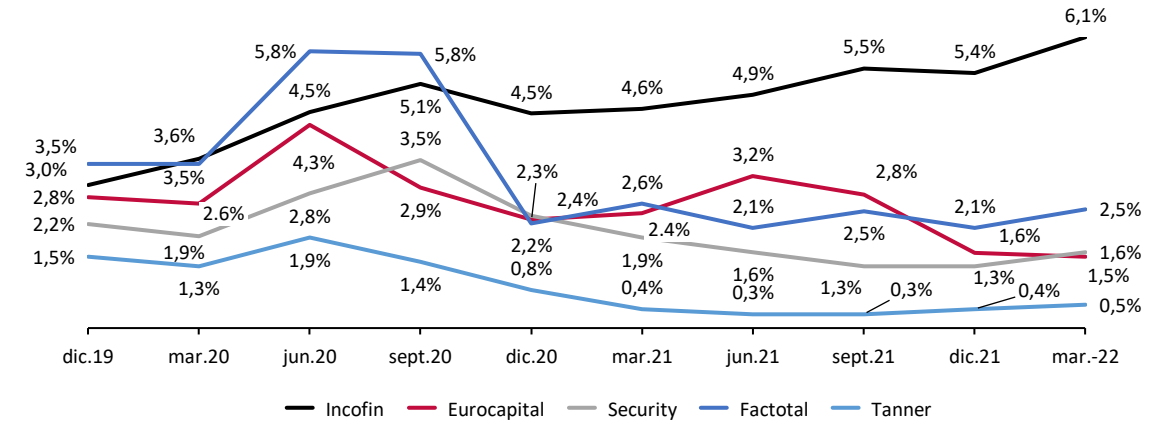


## Largest Non-Bank Financial Institution

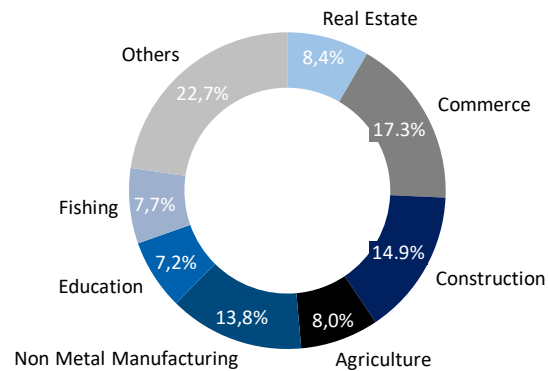
### ► PARTICIPATION OF VARIATION IN STOCK AND CUSTOMERS ACHEF (VAR YoY)



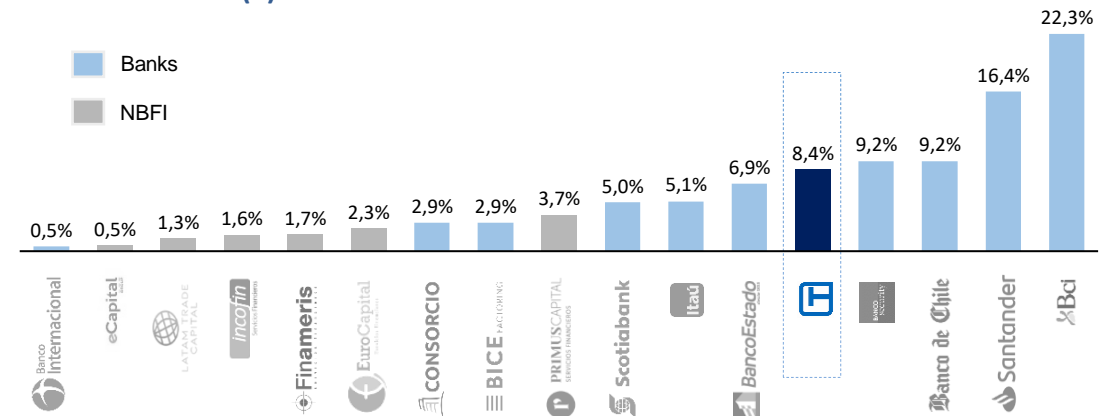
### ► NON-PERFORMING LOANS (1)



### ► LOAN PORTFOLIO INDUSTRY DISTRIBUTION (2)



### ► MARKET SHARE (3)

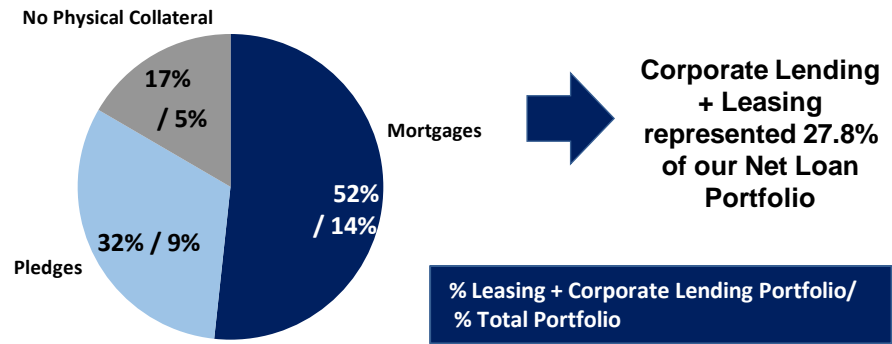


Continuous strengthening of collateral coverage during 2022, and corporate lending reduces its NPLs > 90 days

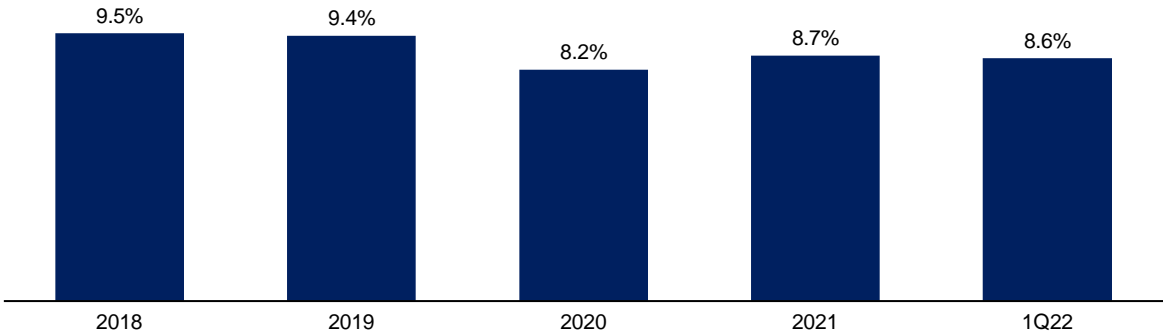
HIGHLIGHTS

- Net loans of corporate lending increased by 6.2% YTD, in line with the strategy of compensating for factoring seasonality in 1Q.
- Corporate lending reduces its NPLs > 90 days compared to 1Q21, along with a focus on the constitution of real collaterals. This is in line with what we discussed before, given the short-term effects generated by the pandemic.
- Leasing reduces its NPLs > 90 days reaching 0.1%, in line with the strategy of focusing on the real estate industry, which remains core of the business.

CORPORATE LENDING & LEASING COLLATERAL

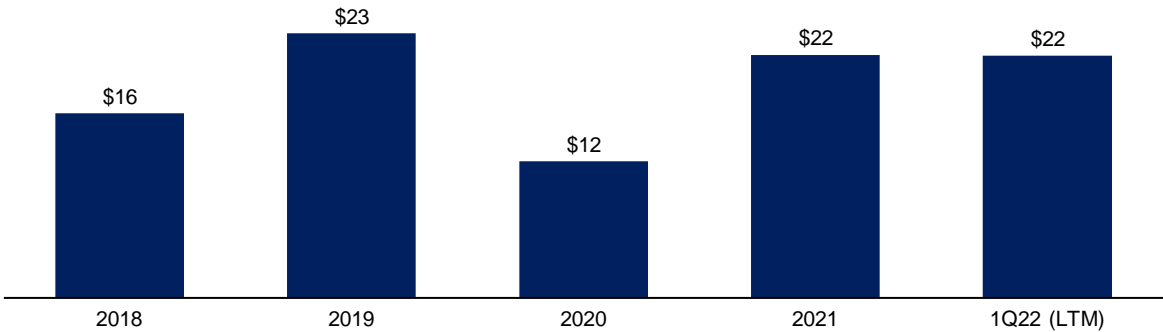


YIELD (1)



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

'18- '1Q22 CAGR: 4.0%



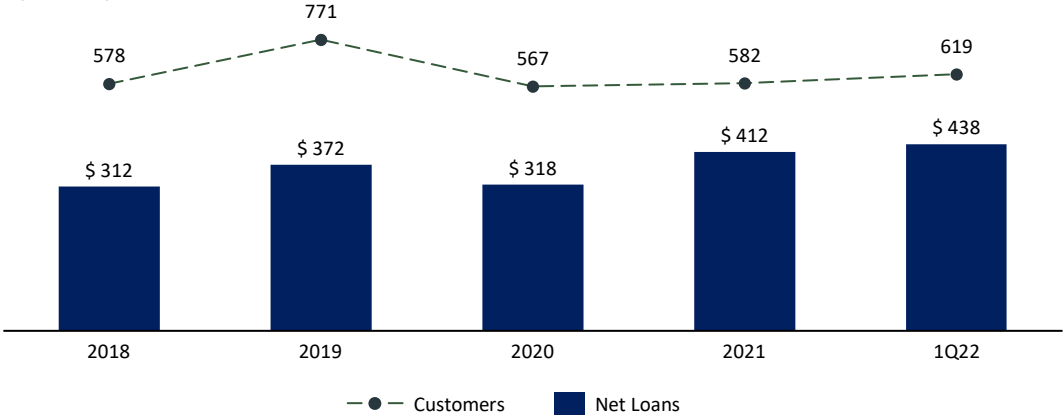
(1) Yield = Income LTM / Average Net loans  
(2) Gross Profit considers impairment losses



Continuous strengthening of collateral coverage during 2022, and corporate lending reduces its NPLs > 90 days

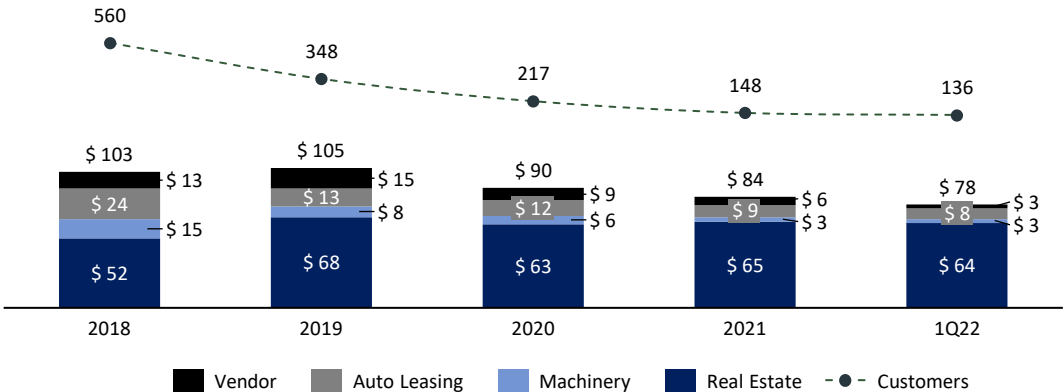
**CORPORATE LENDING: NET LOANS & # CUSTOMERS**  
(US\$MM)

'18- '1Q22 CAGR: 10.9%

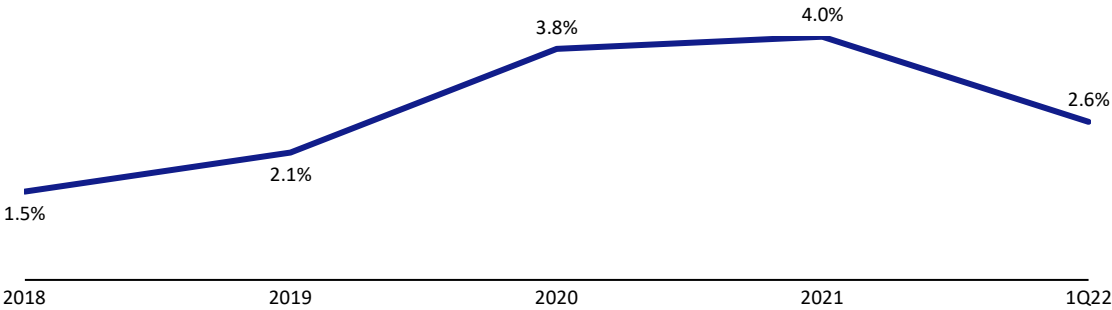


**LEASING: NET LOANS & # CUSTOMERS**  
(US\$MM)

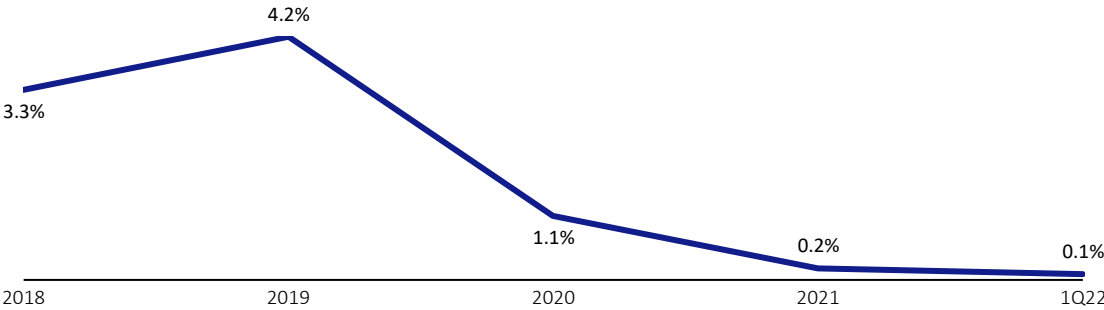
'18- '1Q22 CAGR: -8.4%



**CORPORATE LENDING: NPLs > 90 DAYS (1)**



**LEASING: NPLs > 90 DAYS (1)**



(1) NPLs = Non Performing Loans / (Loan Stock + Provisions)

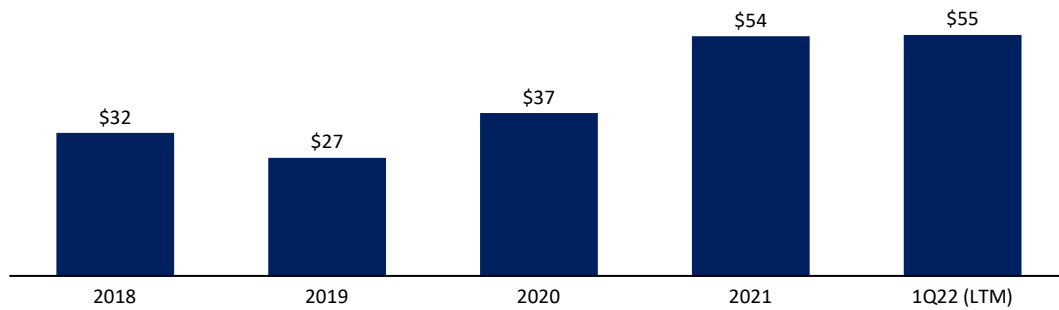
## Consolidation of our relationship with Nissan

### HIGHLIGHTS

- In April 2022, an agreement is signed with Nissan for the creation of the first auto financing company for Nissan vehicles in South America.
- Tanner operates through 4 channels:
  - 1) AMICAR
  - 2) Dealers and Brands
  - 3) Direct
  - 4) Heavy Vehicles
- Increase in net loans driven by the agreement with Credinissan and an increase of demand for cars.

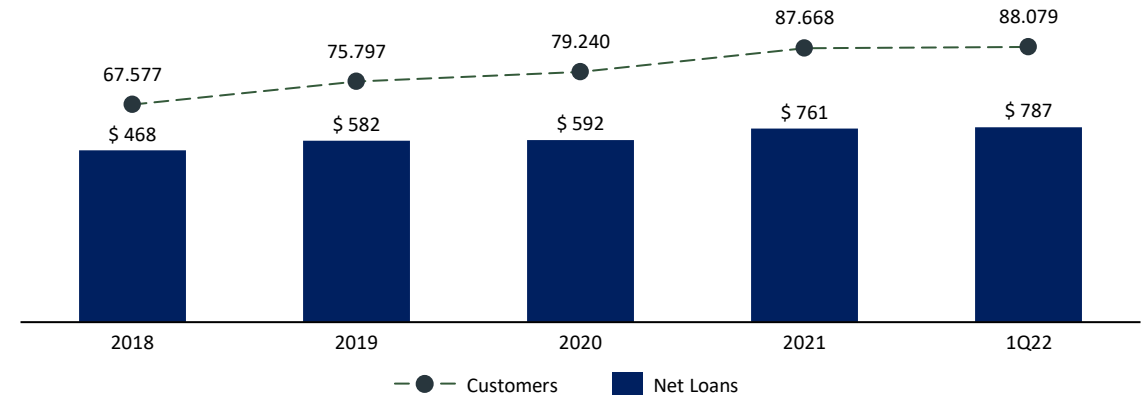
### GROSS PROFIT (1) (US\$MM)

'18- '1Q22 CAGR: 17.5%

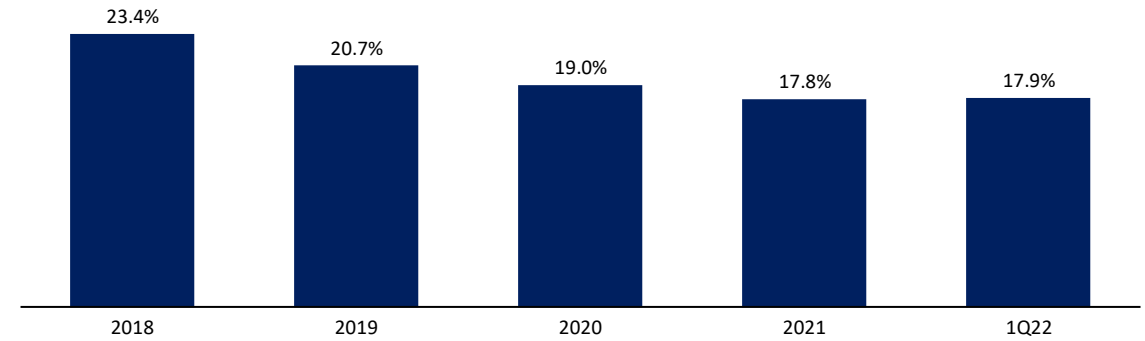


### NET LOANS (US\$MM)

'18- '1Q22 CAGR: 17.3%



### YIELD (2)



(1) Gross Profit considers impairment losses

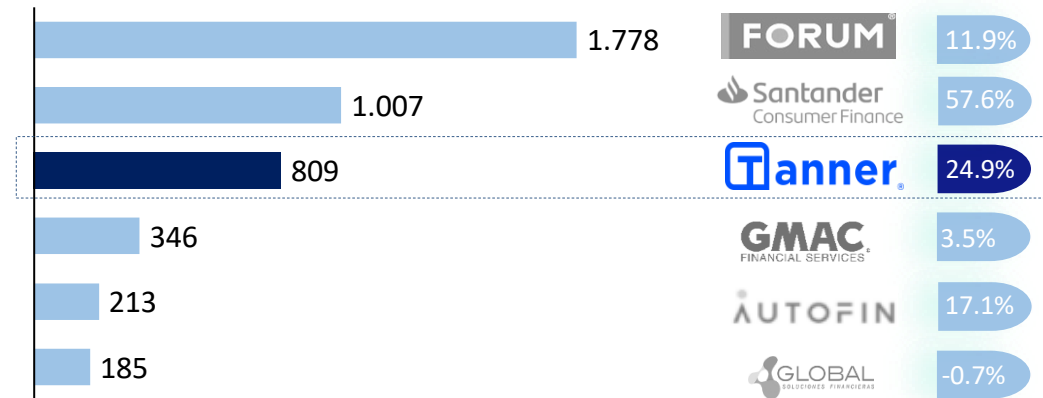
(2) Yield = Income LTM / Average Net loans



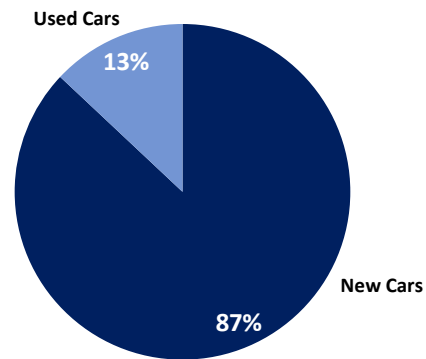
## Important presence in the industry

### MARKET SHARE IN THE AUTO FINANCING INDUSTRY

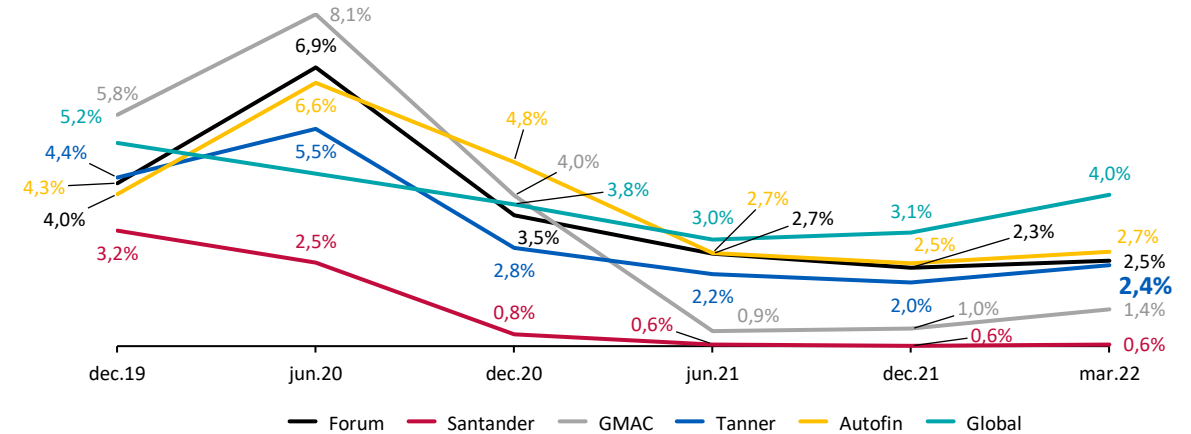
Gross Loans— US\$ mm and VaR. YoY



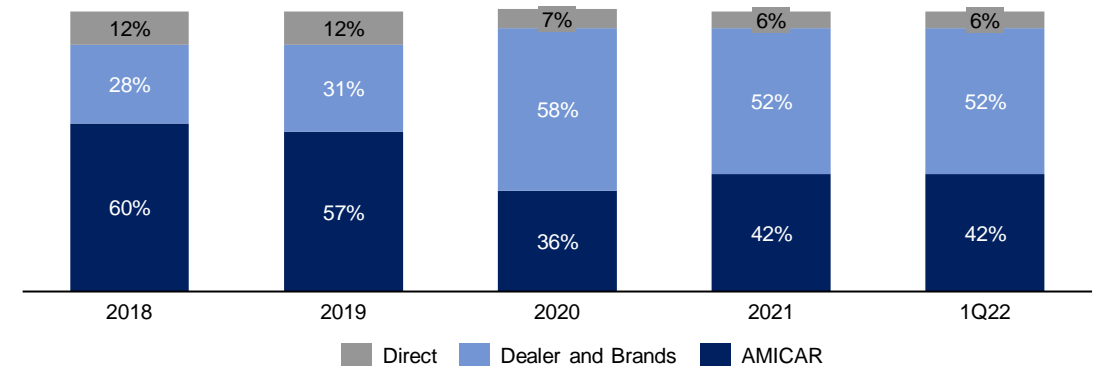
### PORTFOLIO DISTRIBUTION



### NON-PERFORMING LOANS (1)



### DISTRIBUTION BY CHANNEL



(1) NPLs = Non Performing Loans / (Loan Stock + Provisions)

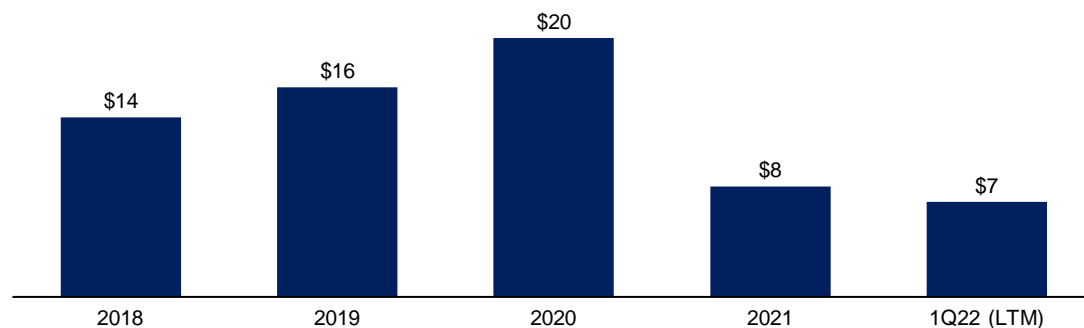
## Our direct contact to the capital market

### HIGHLIGHTS

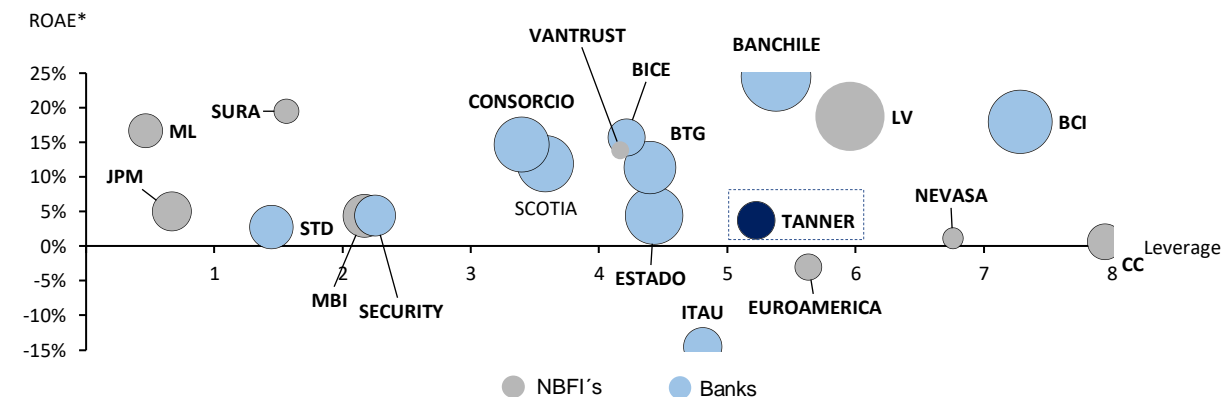
- This division consolidates the Tanner Servicios Financieros Treasury Management and "TCB".
- The division's lower margin is explained by higher hedging costs, associated with increases in local rates vs international rates.
- TCB obtained profits of US\$1.24 million, although less than 1Q21, there is evidence of an improvement in its main business: Local Fixed Income.

### GROSS PROFIT TREASURY AND INVESTMENTS DIVISION (2) (US\$MM)

'18- '1Q22 CAGR: -17.7%

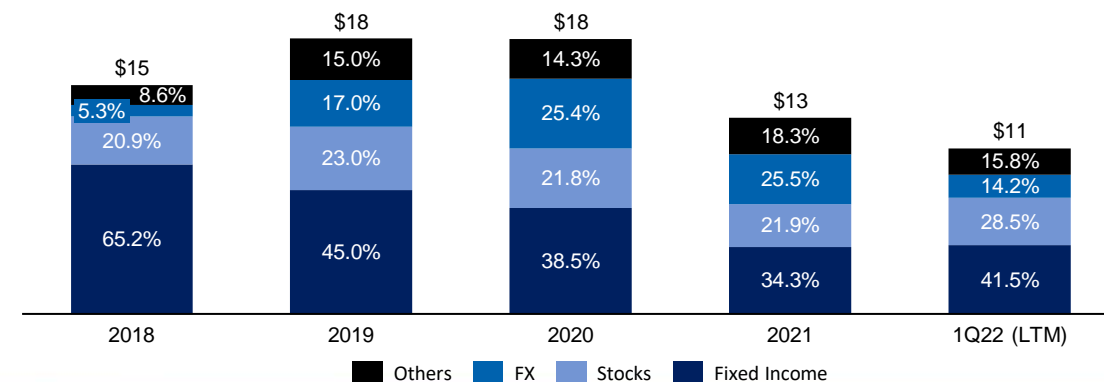


### ROAE (\*) VS LEVERAGE – BROKERAGE (1)



### INCOME DISTRIBUTION TCB (US\$MM)

'18- '1Q22 CAGR: -9.5%



(1) Consider the Top 20 biggest brokerage regarding Equity  
 (2) Gross Profit considers impairment losses  
 (\*) ROAE = Income after tax / Average Equity

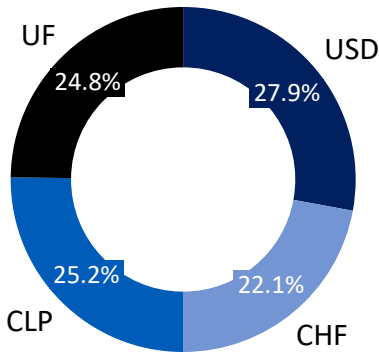


## Low leverage and diversified funding sources

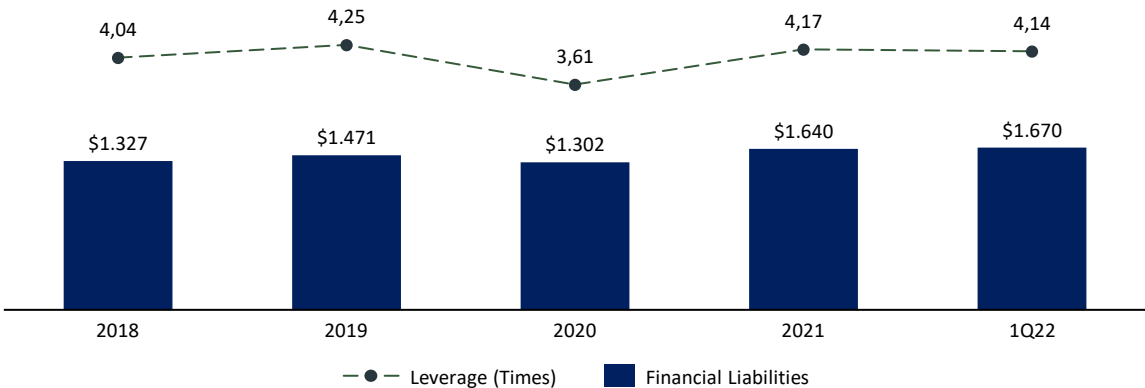
### HIGHLIGHTS

- Low leverage and focus on diversifying sources of financing.
- The difference in the average duration between assets and liabilities remains at 1 year.
- During the first quarter, two credits with multilaterals for US\$40 million were disbursed and bonds for UF1,03 million (aprox. US\$40 million) were placed in the local market.

### FINANCIAL LIABILITIES BY CURRENCY



### FINANCIAL LIABILITIES AND LEVERAGE (US\$MM)



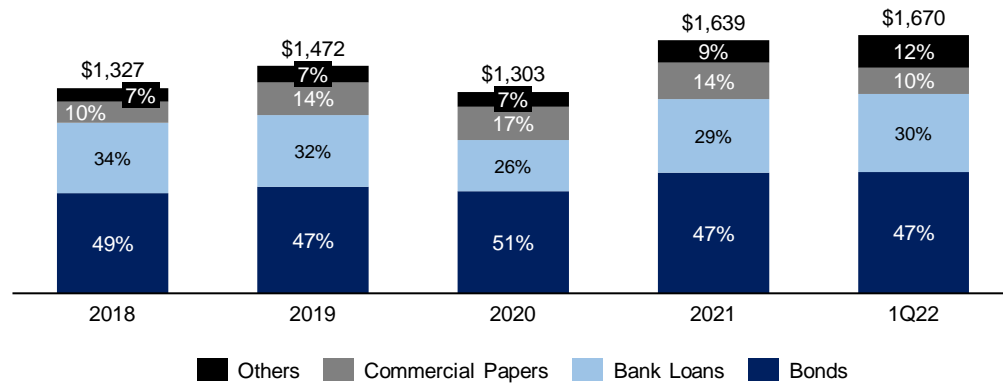
### BALANCE SHEET STRUCTURE AND HEDGING (US\$MM)

- Average asset duration: 0.9 years.
- Average liability duration: 1.9 years.

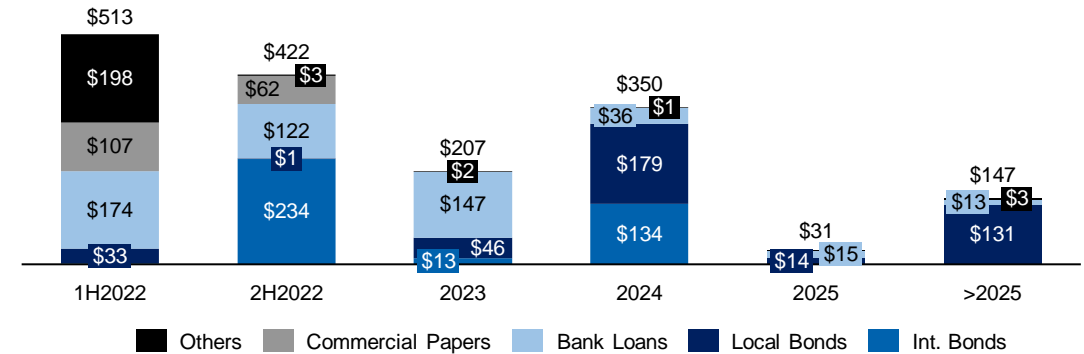
Item	CLP	USD	EUR	CHF	UF	Others	Total
Assets	1,668	391	-	-	271	-	2,330
Liabilities + Equity	1,056	480	18	365	411	-	2,330
Net Exposure	-15	-6	-	-	21	-	-

## Low leverage and diversified funding sources

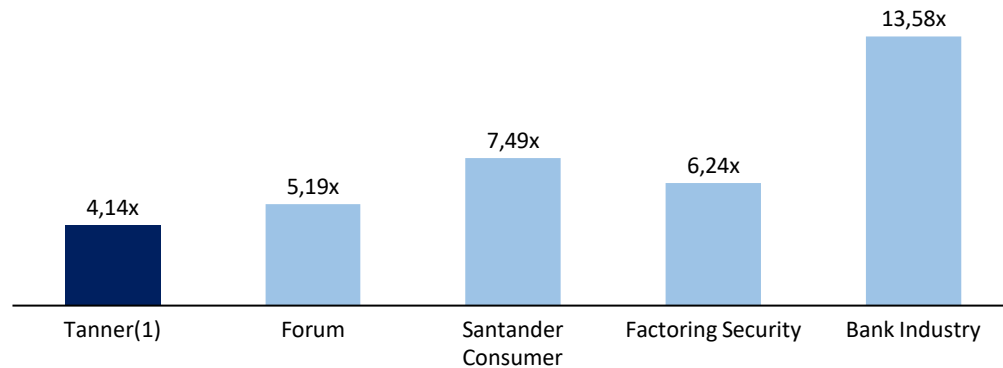
### FUNDING COMPOSITION (US\$MM)



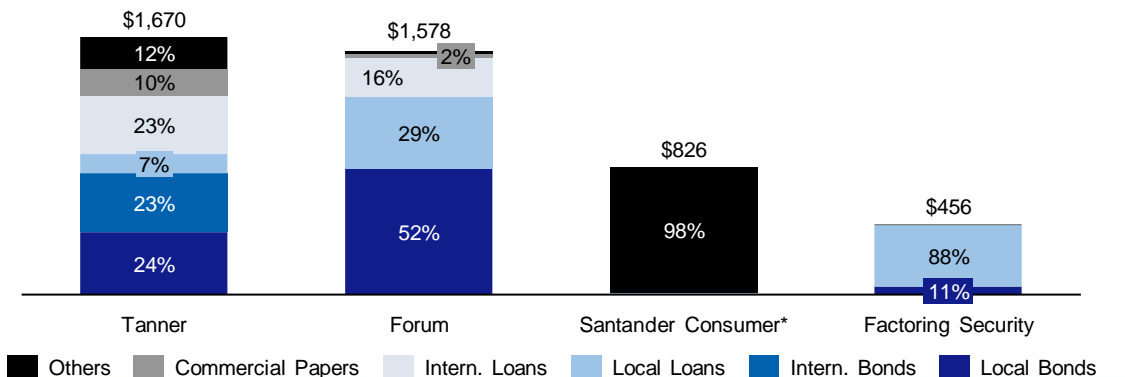
### LIABILITY MATURITY PROFILE (US\$MM)



### INDUSTRY LEVERAGE RATIO



### FUNDING DIVERSIFICATION (US\$MM)



(1) Tanner's net leverage reaches 3.9x

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



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CONSOLIDATED STATEMENTS OF INCOME BY FUNCTION	01.01.2022 to 31.03.2022 (MUS\$)	01.01.2021 to 31.03.2021 (MUS\$)	Δ \$	Δ %
<b>Profit</b>				
Revenue	74,602	57,098	17,504	30.7%
Cost of sales	(35,408)	(23,347)	(12,061)	51.7%
<b>Gross Profit</b>	39,194	33,751	5,444	16.1%
<b>Other operating Items</b>				
Impairment losses	(7,151)	(4,686)	(2,465)	52.6%
Administrative expenses	(16,429)	(15,864)	(565)	3.6%
Other gains (losses)	(95)	(118)	23	-19.6%
Finance costs	(148)	(119)	(29)	24.8%
Foreign exchange differences	(439)	98	(537)	-546.5%
Gain from indexation units	305	56	249	445.2%
<b>Profit before tax</b>	15,236	13,117	2,119	16.2%
Income tax	(802)	(1,574)	772	-49.1%
Profit from continuing operations	14,435	11,543	2,891	25.0%
<b>Profit for the year</b>	14,435	11,543	2,891	25.0%
<b>Profit (loss) attributable to:</b>				
Owners of the parent	14,396	11,483	2,914	25.4%
Non-controlling interests	38	61	(22)	-36.9%
<b>Profit for the year</b>	14,435	11,543	2,891	25.0%

Assets	Note	31.03.2022 (MUS\$)	31.12.2021 (MUS\$)	Δ \$	Δ %
<b>Current assets</b>					
Cash and cash equivalents	7	94,972	73,496	21,476	29.2%
Other current financial assets	8	183,901	164,411	19,490	11.9%
Other current non-financial assets	9	2,671	2,551	120	4.7%
Trade and other receivables, net, current	10	1,207,803	1,236,689	(28,887)	-2.3%
Receivables due from related parties, current	12	7,057	7,416	(358)	-4.8%
Current tax assets	16	10,330	15,506	(5,176)	-33.4%
<b>Total current assets other than assets or asset groups for disposal classified as held-for-sale or held for distribution to the owners</b>		1,506,734	1,500,069	6,665	0.4%
Non-current assets or asset groups for disposal classified as held-for-sale	13	13,134	12,490	645	5.2%
<b>Total current assets</b>		1,519,869	1,512,559	7,310	0.5%
<b>Non-current assets</b>					
Other non-current financial assets	8	82,868	93,616	(10,748)	-11.5%
Other non-current non-financial assets	9	23,015	9,266	13,750	148.4%
Trade and other receivables, non-current	10	638,912	596,533	42,379	7.1%
Trade receivables due from related parties, non-current	12	256	256	-	0.0%
Intangible assets other than goodwill	17	6,609	6,616	(7)	-0.1%
Goodwill	18	2,081	2,081	-	0.0%
Property, plant and equipment	14	11,118	11,311	(194)	-1.7%
Deferred tax assets	16	45,250	43,590	1,661	3.8%
<b>Total non-current assets</b>		810,110	763,270	46,841	6.1%
<b>TOTAL ASSETS</b>		2,329,979	2,275,829	54,151	2.4%

Liabilities and Equity	Note	31.03.2022 (MUS\$)	31.12.2021 (MUS\$)	Δ \$	Δ %
<b>Current liabilities</b>					
Other current financial liabilities	19	951,201	952,970	(1,769)	-0.2%
Trade and other payables, current	21	188,784	184,494	4,289	2.3%
Accounts payable to related parties	22	6,416	-	6,416	-
Current tax liabilities	16	8,080	6,325	1,755	27.7%
Current provisions for employee benefits	23	2,582	4,936	(2,354)	-47.7%
<b>Total current liabilities</b>		<b>1,157,062</b>	<b>1,148,725</b>	<b>8,337</b>	<b>0.7%</b>
<b>Non-current liabilities</b>					
Other non-current financial liabilities	20	719,034	686,191	32,843	4.8%
Non-current provisions for employee benefits	23	352	347	5	1.3%
<b>Total non-current liabilities</b>		<b>719,386</b>	<b>686,538</b>	<b>32,848</b>	<b>4.8%</b>
<b>TOTAL LIABILITIES</b>		<b>1,876,448</b>	<b>1,835,263</b>	<b>41,185</b>	<b>2.2%</b>
<b>EQUITY</b>					
Share capital	24	247,752	247,752	-	0.0%
Retained earnings	24	203,473	193,397	10,076	5.2%
Other reserves	24	1,057	(1,808)	2,865	-158.5%
<b>Total equity attributable to the owners of the Parent</b>		<b>452,283</b>	<b>439,341</b>	<b>12,942</b>	<b>2.9%</b>
Non-controlling interests	25	1,248	1,224	24	2.0%
<b>TOTL EQUITY</b>		<b>453,531</b>	<b>440,565</b>	<b>12,966</b>	<b>2.9%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,329,979</b>	<b>2,275,829</b>	<b>54,151</b>	<b>2.4%</b>



# Contact

TANNER

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