



DAVIVIENDA

# Davivienda

## Consolidated Financial Results - 2021



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Certain statements in this presentation are “forward-looking” statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements may relate to our financial condition, results of operations, plans, objectives, future performance, and business, including, but not limited to, statements with respect to the adequacy of the allowance for impairment, market risk and the impact of interest rate changes, capital adequacy and liquidity, and the effect of legal proceedings and new accounting standards on our financial condition and results of operations. All statements that are not clearly historical in nature are forward-looking.

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These financial statements have been prepared in accordance with International Financial Reporting Standards and are presented in nominal terms. The resulting statement for the closed quarter on **June 30th, 2021** shall not be necessarily indicative of results expected for any other period.

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# Macroeconomic Fundamentals Colombia



## Economic Activity Index (Y/Y)



Source: National Administrative Department of Statistics (DANE)

## Exchange Rate and Oil Prices



Source: Financial Superintendence of Colombia and FED St. Louis FRED.

## Davivienda's PMI<sup>1</sup>



Source: Banco Davivienda. 1. PMI: Purchasing Managers' Index | IHS Markit

## Monetary Policy Rate and Inflation



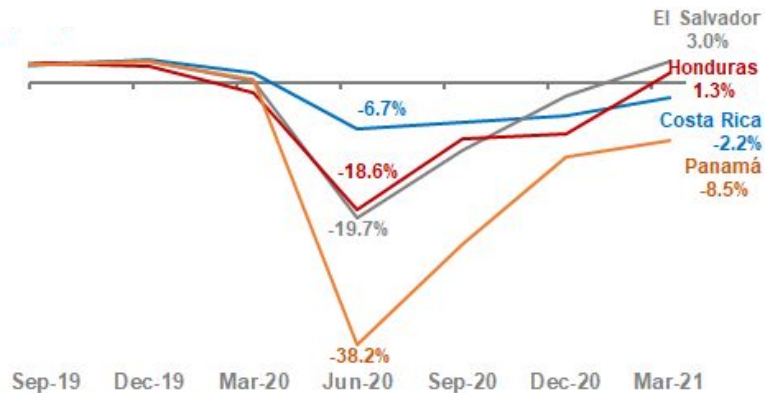
Source: DANE and Colombia's Central Bank.



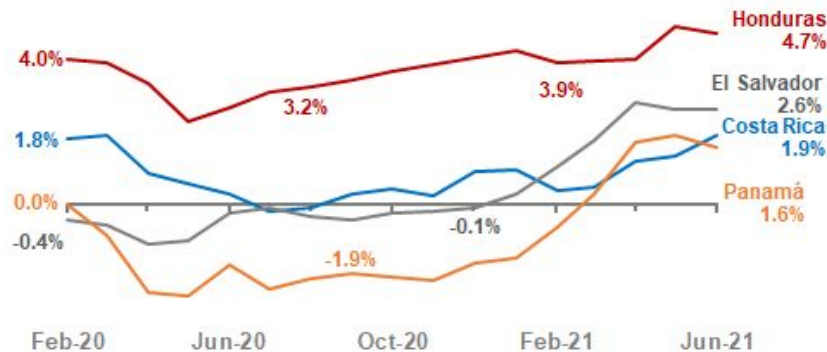
# Macroeconomic Fundamentals CAM



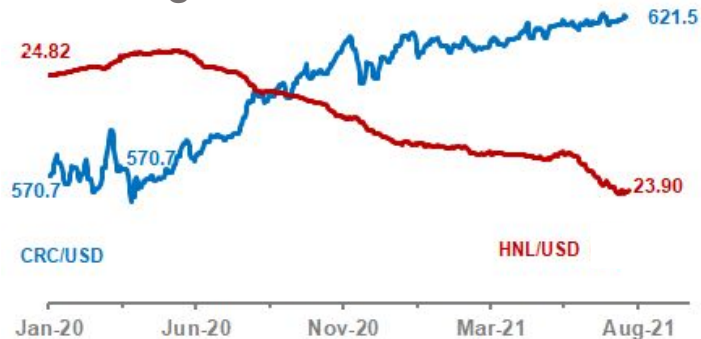
## Gross Domestic Product (Y/Y)



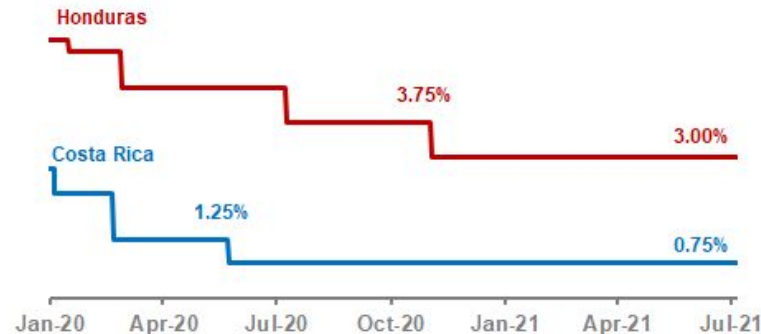
## Inflation (Y/Y)



## Exchange Rate



## Monetary Policy Rate





# 2Q21 Main Results

**\$533.5\***

## Accum. Net Profit

Accum. Y/Y: 54.1%

**\$111.0\*\***

## Gross Loan Portfolio

Q/Q: 2.6% Y/Y: 1.3%

**3.90%**

## Asset Quality\*\*\*

Q/Q -8 bps Y/Y: 90 bps

**3.76%**

## Cost of Risk

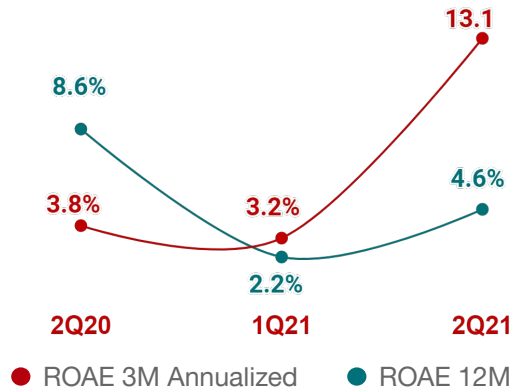
Q/Q: -36 bps Y/Y: 93 bps

**46.3%**

## Cost to Income

Q/Q: -53 bps Y/Y: -94 bps

## Recovery in Profitability Levels



- > Higher dynamics in interest income.
- > Better cost of risk expectation.
- > Recovery in operating income.

## Innovation and Digital Transformation



**SFC<sup>1</sup> Authorization**  
Incorporation of RappiPay  
Financing Company



**Minciencias<sup>2</sup> Certification**  
R+D+i Unit  
4 patents filed



**Blockchain Bond**  
Pilot BID Invest + Sandbox SFC  
1st real issuance in LATAM



**Alliance Extension**  
Infrastructure  
Modernization, AI

\*Billion COP

\*\*Trillion COP

\*\*\*PDL > 90 days.

1. SFC | Financial Superintendence of Colombia

2. Minciencias | Ministry of Science, Technology and Innovation



# Results of Our Sustainable Management



## Environmental

### Green Financing

COP Trillion



- Construction
- Renewable energy
- Sustainable infrastructure
- Energy efficiency

Carbon footprint: **-18% Y/Y**

Sustainable construction: **Edge**

Excellence in Design  
For Greater Efficiencies

Share within the Green portfolio: **31%**

Avoided Emissions: **~6,450 Ton CO2eq per year**



## Social

### Social Financing

COP Trillion



- Social Housing
- Social Housing for Women
- Women SMEs

Coalition for economic development in Central America **VP Kamala Harris**



**+154k** people positively impacted  
Social programs + strategic philanthropy



## Corporate Governance

### New Board of Directors

7 main members



4 independent members

1 female member

### Corporate Governance and Sustainability Committee

- BoD Committee
- Implementation of sustainability strategy and best practices

Responsible Investment Policy

Diversity and Inclusion Policy

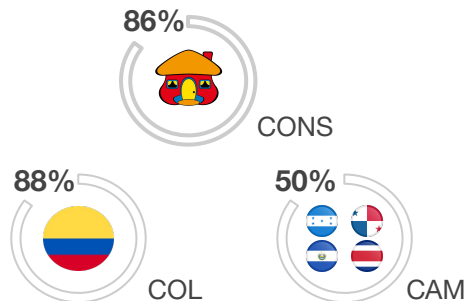




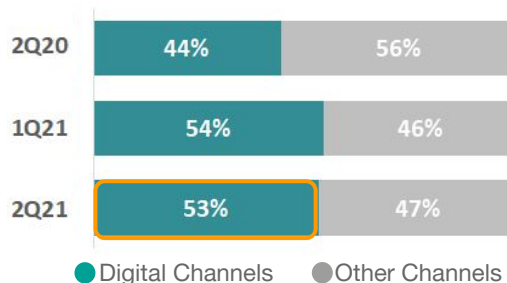


# Digital Transformation Evolution

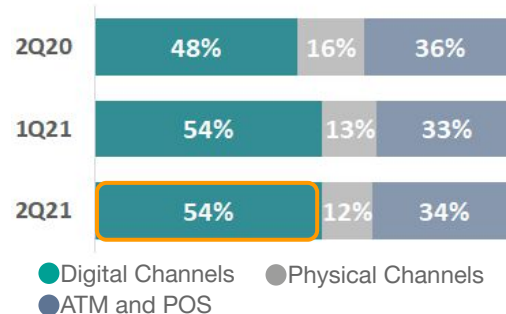
## Digital Customers<sup>1</sup>



## Digital Sales<sup>2</sup> (% of products)



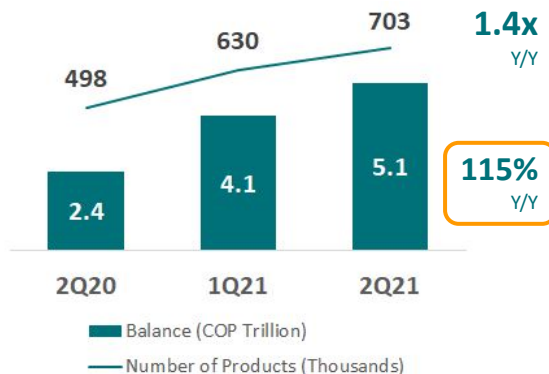
## Transactions by Channels<sup>2</sup> (% of monetary transactions)



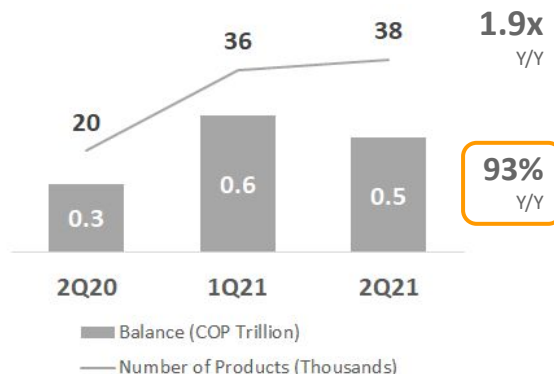
## Digital Deposits<sup>3</sup>



## Digital Loans<sup>3</sup>



## Digital Investments<sup>3</sup>



1. Digital customers: Customers opening digital products or making transactions in digital channels.

2. Accumulated Figures. Monetary Transactions.

3. Digital Deposits include: Mobile Savings Account, Digital Term Deposits, and DaviPlata. Digital credits include: Consumer and Mortgage Mobile Credits. Digital investments include: Voluntary pension funds and mutual funds.



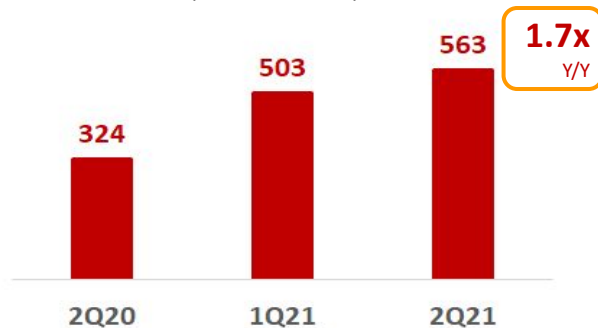
# DaviPlata, Our Digital Native Bank

## Customer Base (Million)

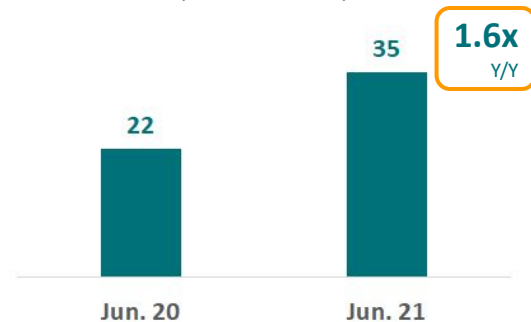


-  With products in the sector
-  Daviplata as only product
-  Common with Davivienda

## Outstanding Electronic Deposits (\$ Billion COP)



## Accumulated Transactional Income (\$ Billion COP)



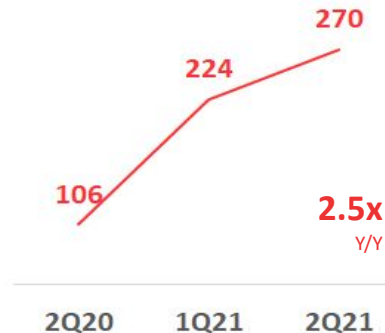
## Quarterly Transactions Monetary + Non Monetary (Million)



## Ecards Current cards (Million)



## Quarterly Purchases (\$ Billion COP)

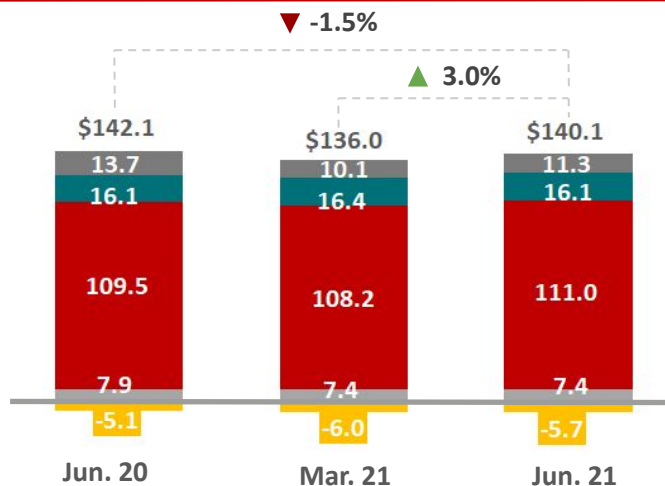


\*QR + API + eCard + PSE + Mobile top-up





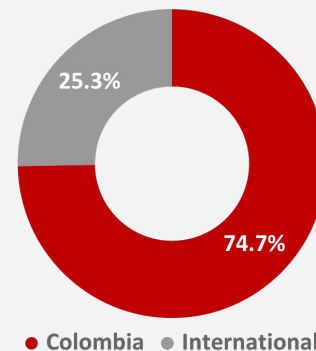
# Balance Sheet - Assets



2Q21/1Q21      2Q21/2Q20

Cash	12.0%	-17.6%
Net Investments	-1.8%	-0.2%
Gross Loans	2.6%	1.3%
Loan Loss Reserves	-5.3%	12.5%
Others	0.2%	-5.8%
<b>Assets</b>	<b>3.0%</b>	<b>-1.5%</b>
FX Effect	0.5%	-0.1%

## By Operation



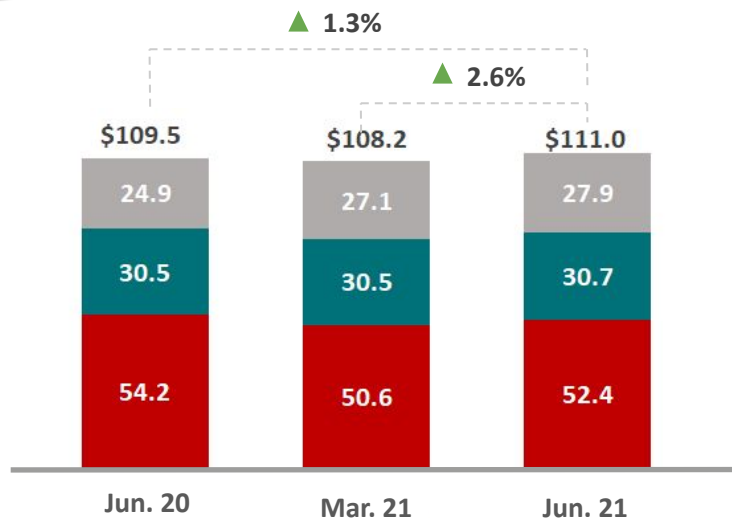
Assets		2Q21/1Q21	2Q21/2Q20
Colombia		2.5%	-1.5%
International	COP	4.2%	-1.7%
	USD <sup>1</sup>	2.3%	-1.5%

1. Figures in billion USD  
At the end of June the COP depreciated 1.9% Q/Q and appreciated 0.2% Y/Y

Figures in COP trillion



# Balance Sheet - Gross Loans



**2Q21/1Q21      2Q21/2Q20**

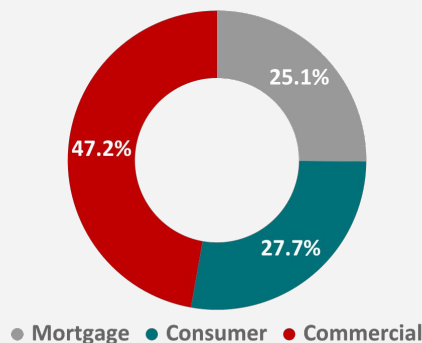
Mortgage	3.0%	11.9%
Consumer	0.7%	0.9%
Commercial	3.5%	-3.3%
<b>Gross Loans</b>	<b>2.6%</b>	<b>1.3%</b>
<b>FX Effect</b>	<b>0.4%</b>	<b>0.0%</b>

Figures in COP trillion

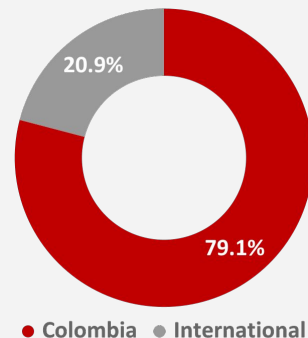
1. Figures in billion USD

At the end of June the COP depreciated 1.9% Q/Q and appreciated 0.2% Y/Y

## By Segment



## By Operation



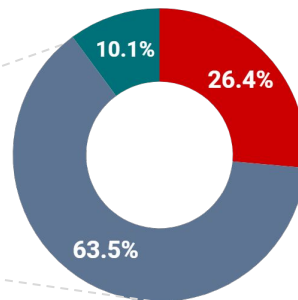
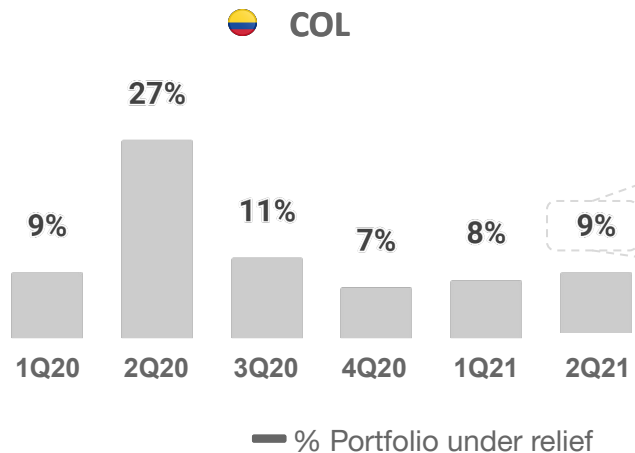
## Gross Loans

**2Q21/1Q21      2Q21/2Q20**

Colombia		2.3%	0.7%
International	COP	3.6%	3.8%
	USD <sup>1</sup>	1.7%	4.0%

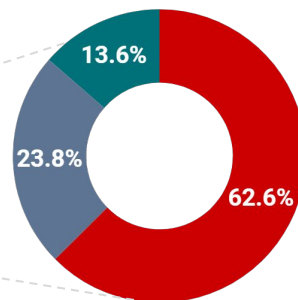
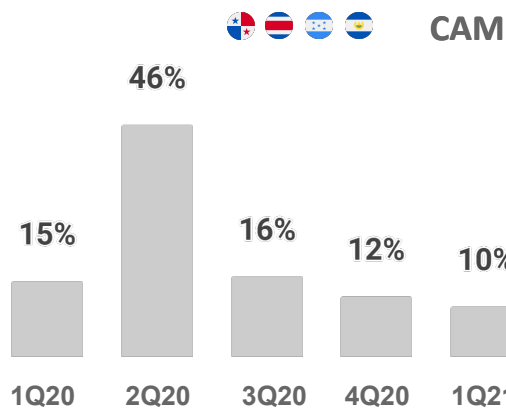


# Relief Evolution



## Payment Behavior

- ▶ Up to date: 91.0%
- ▶ Past due 31 - 90 days: 5.5%
- ▶ Past due > 90 days: 3.5%



## Payment Behavior

- ▶ Up to date: 93.3%
- ▶ Past due 31 - 90 days: 3.7%
- ▶ Past due > 90 days: 3.0%



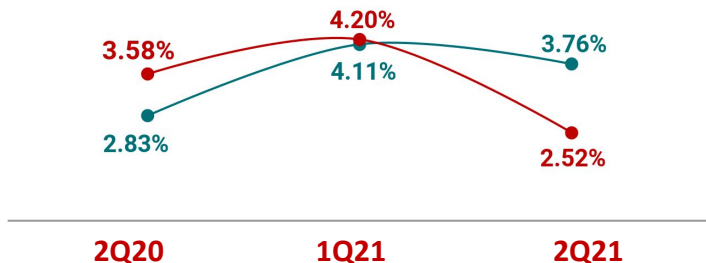
# Balance sheet - Credit Risk Management

## PDL<sup>1</sup> > 90 days

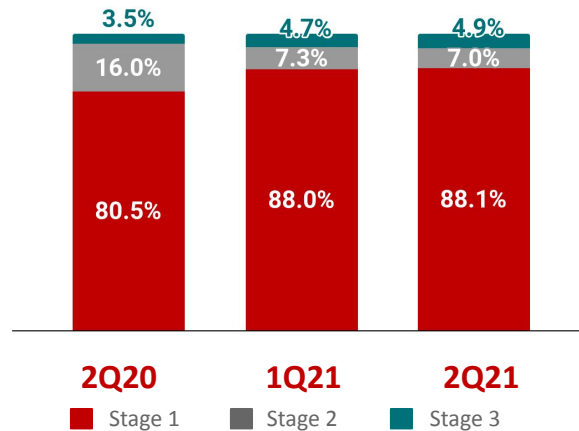
Portfolio	2Q20	1Q21	2Q21
Commercial	3.76%	3.68%	3.91%
Consumer	0.75%	3.63%	2.90%
Mortgage	4.07%	4.91%	4.96%
<b>Total</b>	<b>3.00%</b>	<b>3.98%</b>	<b>3.90%</b>
Mortgage <sup>2</sup> (120)	3.81%	4.06%	4.17%
<b>Total<sup>3</sup> (120)</b>	<b>2.94%</b>	<b>3.76%</b>	<b>3.70%</b>

## Cost of Risk

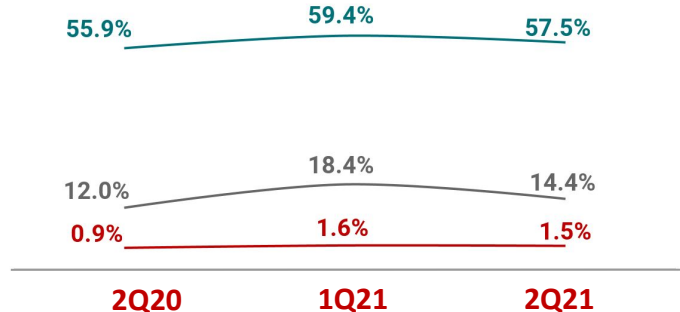
● 3M Annualized  
● 12 Months



## Loans by Stages



## Coverage by Stages



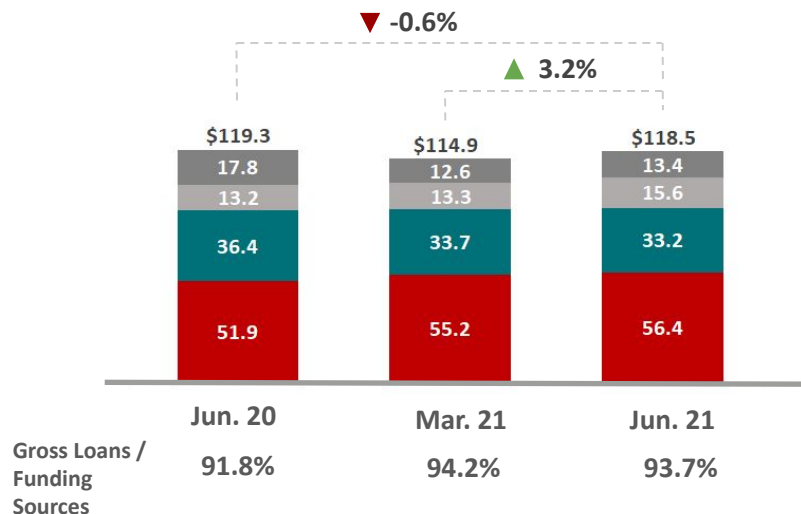
1. PDL: Loans > 90 days / Gross Loans

2. Mortgage > 120 days / Gross Loans

3. Total (120) includes: (Mortgage > 120 days + Commercial > 90 days + Consumer > 90 days) / Gross Loans



# Balance Sheet - Funding Sources



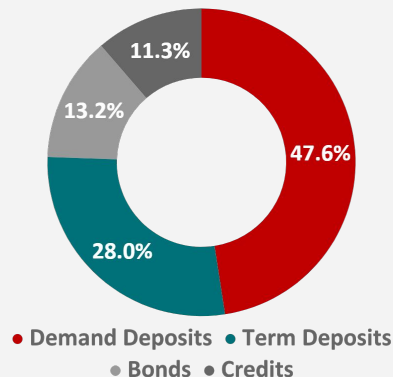
	2Q21/1Q21	2Q21/2Q20
Demand Deposits	2.2%	8.6%
Term Deposits	-1.6%	-8.8%
Bonds	17.1%	18.1%
Credits	5.6%	-24.8%
Funding Sources	3.2%	-0.6%
FX Effect	0.5%	-0.1%

1. Figures in billion USD

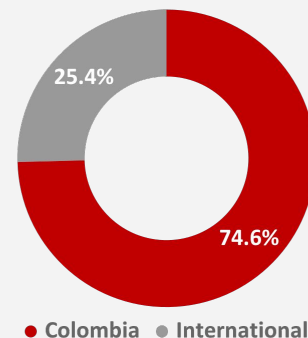
Figures in COP trillion

At the end of June the COP depreciated 1.9% Q/Q and appreciated 0.2% Y/Y

## By Segment



## By Operation



## Funding Sources

### Colombia

### International

COP

USD<sup>1</sup>

## 2Q21/1Q21 2Q21/2Q20

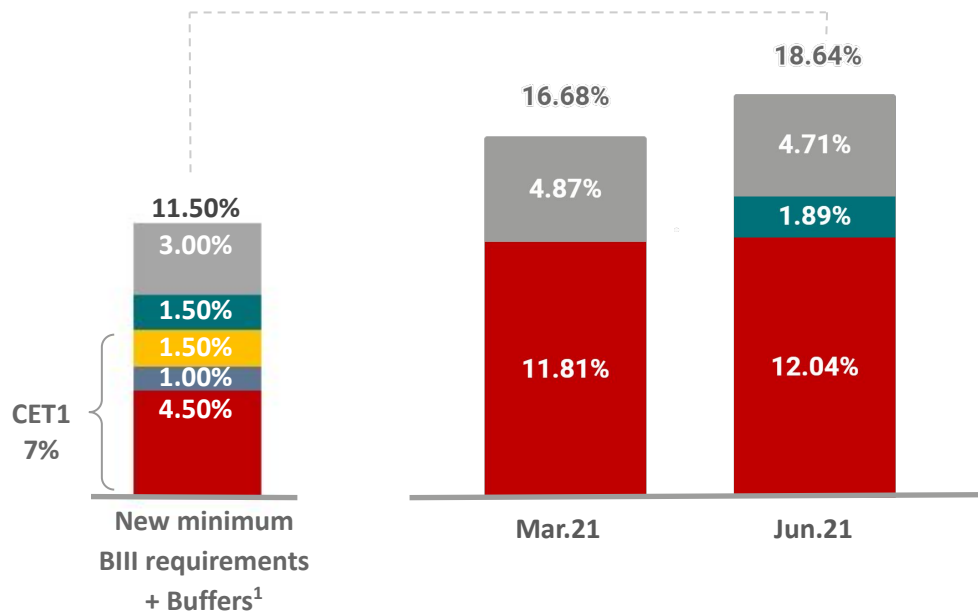
2.4%	0.0%
5.7%	-2.6%
3.7%	-2.4%



# Balance Sheet - Capital Structure

## Capital Adequacy Ratios

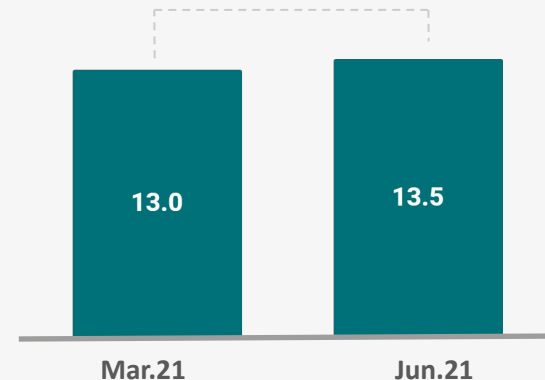
Buffer vs Minimum requirements  
714 bps



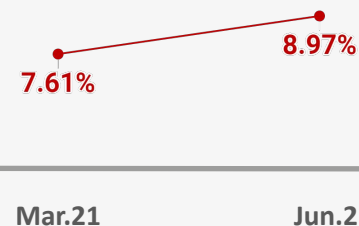
- Common Equity Tier 1 (CET1)
- Tier 2
- Additional Tier 1 (AT1)
- Conservation Buffer (CET1)
- Systemic Buffer (CET1)

## Total Equity<sup>2</sup>

▲ 3.8%



## Leverage Ratio



1. Phase-in period from January 2021 to January 2024.

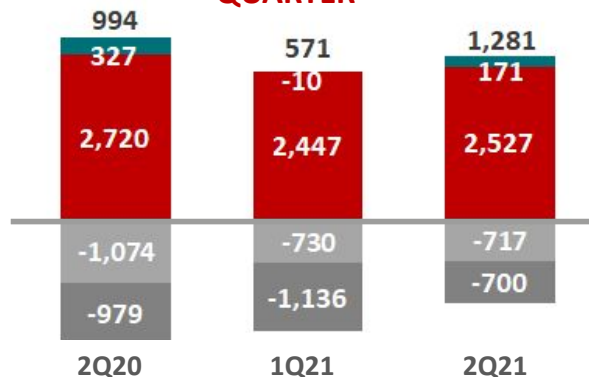
2. Figures in COP Trillion





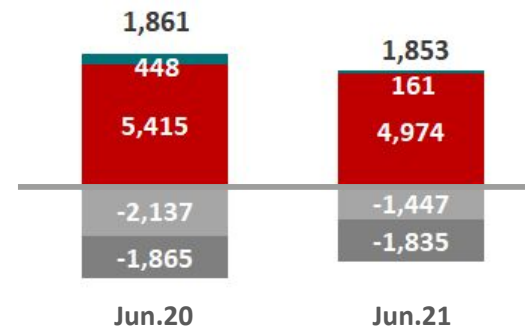
# P&L - Financial Margin

## QUARTER



	Jun.20	Mar.21	Jun.21
NIM <sup>1</sup>	12 Months	6.30%	6.10%
	Annualized	6.40%	5.59%
	Quarter	6.41%	6.41%
NIM FX+D <sup>2</sup>	12 Months	6.41%	6.19%
	Annualized	6.10%	6.28%
	Quarter	6.65%	6.65%

## ACCUMULATED



2Q21 \$	2Q21/1Q21 %	2Q21/2Q20 %		Jun.21 \$	Jun.21/Jun.20 %
2,527	3.3	-7.1	Loan Income	4,974	-8.1
171	100	-47.9	Investment Income + Interbank	161	-64.1
<b>2,698</b>	<b>10.7</b>	<b>-11.5</b>	<b>Financial Income</b>	<b>5,135</b>	<b>-12.4</b>
-717	-1.8	-33.3	Financial Expenses	-1,447	-32.3
<b>1,981</b>	<b>16.1</b>	<b>0.4</b>	<b>Gross Financial Margin</b>	<b>3,688</b>	<b>-1.0</b>
-700	-38.4	-28.6	Provision Expenses	-1,835	-1.6
<b>1,281</b>	<b>100</b>	<b>29.0</b>	<b>Net Financial Margin</b>	<b>1,853</b>	<b>-0.4</b>

Figures in COP billion. As of 2Q21 the average exchange rate depreciated 1.9% Q/Q and appreciated 1.9% Y/Y

1. NIM (12 Months): Gross financial margin (12 months) / Average performing assets (5 Periods)

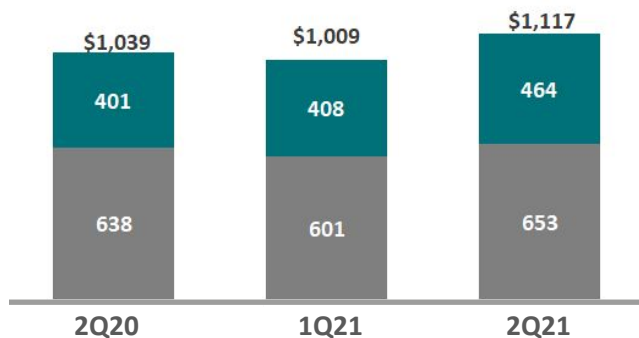
NIM (Annualized Quarter): Gross financial margin (Quarter) x 4 / Average performing assets (2 Periods)

2. NIM FX+D (12 Months and Annualized Quarter): includes income generated by FX changes and derivatives



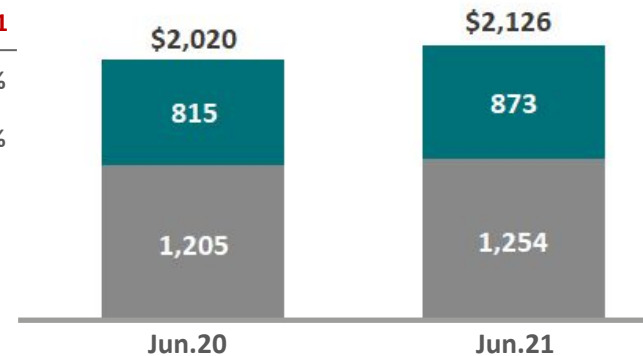
# P&L - Expenses

## QUARTER



		Jun.20	Mar.21	Jun.21
Cost-to-Income <sup>1</sup>	12 Months	47.3%	46.9%	46.3%
	Annualized Quarter	48.7%	44.5%	46.5%

## ACCUMULATED



2Q21 \$	2Q21/1Q21 %	2Q21/2Q20 %		Jun.21 \$	Jun.21/Jun.20 %
464	13.7	15.7	Personnel Expenses	873	7.1
653	8.7	2.3	Operating Expenses and Others <sup>2</sup>	1,254	4.0
<b>1,117</b>	<b>10.7</b>	<b>7.5</b>	<b>Total Expenses</b>	<b>2,126</b>	<b>5.3</b>

Figures in COP billion. As of 2Q21 the average exchange rate depreciated 1.9% Q/Q and appreciated 1.9% Y/Y

1. Cost-to-income(12 months) = Operational Expenses (12 months) / (Gross Financial Margin + Operating Income + Other income and expenses, net)

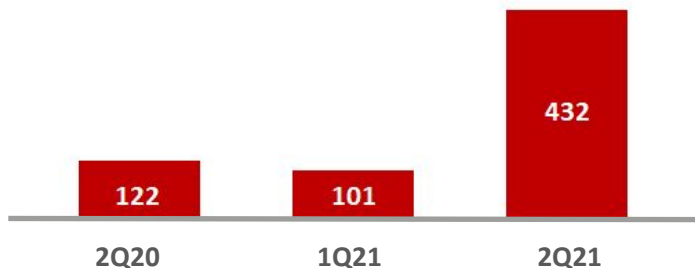
Cost-to-income(Annualized Quarter) = Total Expenses (Quarter) / Total Income (Quarter)

2. Other Expenses include Amortization and Depreciation, Intangibles, Amortization, Taxes and Deposits Insurance



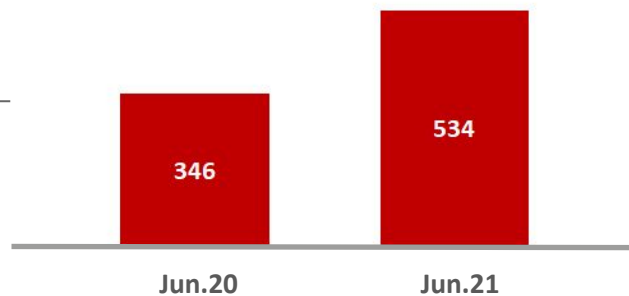
# P&L - Net Income

## QUARTER



	Jun.20	Mar.21	Jun.21
ROAE <sup>1</sup>	12 Months	8.57%	2.21%
	Annualized Quarter	3.77%	3.15%
ROAA <sup>2</sup>	12 Months	0.84%	0.20%
	Annualized Quarter	0.35%	0.30%

## ACCUMULATED



2Q21 \$	2Q21/1Q21 %	2Q21/2Q20 %		Jun.21 \$	Jun.21/Jun.20 %
1,281	100	29.0	Net Financial Margin	1,853	-0.4
367	-0.1	31.5	Operating Income	734	23.9
1,117	10.7	7.5	Operating Expenses	2,126	5.3
66	-67.7	-100	FX Changes, Derivatives and Others	270	100
<b>597</b>	<b>100</b>	<b>100</b>	<b>Income Before Tax</b>	<b>731</b>	<b>66.2</b>
165	100	100	Taxes	197	100
<b>432</b>	<b>100</b>	<b>100</b>	<b>Net Income<sup>3</sup></b>	<b>534</b>	<b>54.1</b>

Figures in COP billion. As of 2Q21 the average exchange rate depreciated 1.9% Q/Q and appreciated 1.9% Y/Y

1. ROAE (12 Months) = Net Income (12 months) / Average Equity (5 Periods)

ROAE (Annualized Quarter) = 4x (Net Income (Quarter) / Average Equity (2 Periods))

3. Net Income after deletions, homologations and homogenization

2. ROAA (12 Months) = Net Income (12 months) / Average Assets (5 Periods)

ROAA (Annualized Quarter) = 4x (Net Income (Quarter) / Average Assets (2 Periods))



# Expectations 2021

2021

(May 2021)

2021

(August 2021)

## Loan Portfolio

Growth

Δ 5% - 7%

Δ 5% - 7%

PDLs\*

> 4%

~ 4%

## Profitability

NIM

~ 6%

~ 6%

Cost of Risk

3.3% - 3.6%

2.9% - 3.1%

Operating Income

-\*\*

Δ 20% - 25%

Operating expenses

Δ 3% - 5%

Δ 4% - 6%

ROAE

5% - 7%

7% - 9%

\*Past due loans over 90 days.

\*\*Not disclosed



# DAVIVIENDA

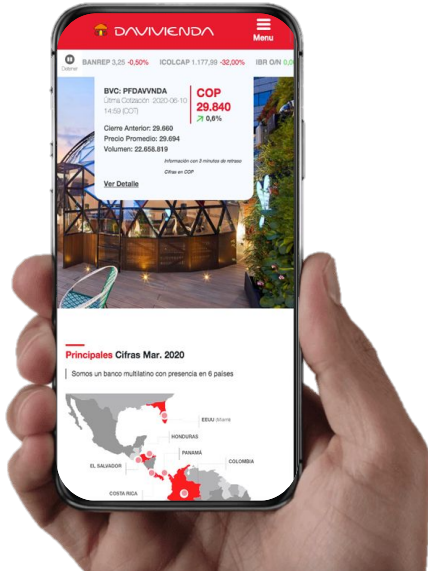
## Investor Relations and Capital Management

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Bogotá - Colombia



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Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

# Appendix



DAVIVIENDA





# Balance Sheet - Coverage Ratios

Portfolio	Coverage <sup>1</sup>		
	2Q20	1Q21	2Q21
Commercial	128.2%	154.1%	143.5%
Consumer	821.3%	237.3%	234.7%
Mortgage	55.6%	38.1%	47.5%
<b>Total</b>	<b>154.1%</b>	<b>139.7%</b>	<b>131.5%</b>

Portfolio	Loan Loss Reserves / Gross Loans <sup>2</sup>		
	2Q20	1Q21	2Q21
Commercial	4.8%	5.7%	5.6%
Consumer	6.2%	8.6%	6.8%
Mortgage	2.3%	1.9%	2.4%
<b>Total</b>	<b>4.6%</b>	<b>5.6%</b>	<b>5.1%</b>

1. Coverage: Asset Allowances / Loans > 90 days

2. Asset Allowances / Gross Loans