

Process Update

- Advisors to an ad hoc group of unsecured creditors (the “**AHG Unsecured Creditors**”) have been working with Crédito Real, SAB de CV, SOFOM ENR (the “**Company**”) and its advisors and representatives to negotiate a restructuring support agreement (“**RSA**”)
- The RSA was executed on May 15, 2023 by the Company and the members of the Steering Committee of the AHG Unsecured Creditors. A copy of the executed RSA is attached hereto for your reference
- The RSA sets forth a plan of reorganization (the “**Reorganization Plan**”) to be included as part of a “pre-packaged” *Concurso* petition to be approved by a Mexican court presiding over a *Concurso* proceeding to be commenced by the Company and participating creditors
- Before the Company proceeds with filing the *Concurso* petition, the RSA provides that the Company and the AHG Unsecured Creditors will obtain the agreement of the unsecured creditors collectively holding more than a majority (fifty percent (50%) plus one) in principal amount of the Company’s outstanding eligible unsecured debt (“**Majority Creditors**”) to enter into the RSA, including through the execution of a joinder agreement by additional participating creditors
- Once final, and with requisite consents and approval of the Mexican Bankruptcy Court, the *Concurso* petition will be admitted by a court order that will effectively allow for the implementation of the Reorganization Plan. The Mexican Bankruptcy Court will need to issue a Judgment of Recognition and Ranking of Claims to list recognized creditors and priority
- The Reorganization Plan provides for the creation of an SPV (under a Mexican trust agreement) into which certain agreed assets of the Company will be transferred for the benefit of unsecured creditors. Certain remaining assets will be retained by the Liquidator in connection with the remaining proceedings (including those necessary to facilitate the wind-down and dissolution of the Company in the Mexican liquidation proceeding)
- The RSA provides for (i) withdrawal of the involuntary chapter 11 case by the petitioning creditors within three business days following approval of the *Convenio Concursal*, (ii) the dismissal of the amparo proceeding and the appeal in Mexico as soon as the RSA is executed by the Majority Creditors, (iii) the filing of the appropriate adjustments or amendments to the current chapter 15 case within three business days following the commencement of the *Concurso Mercantil* proceeding, and (iv) the Mexican liquidation proceeding will continue by the Liquidator
- The RSA requires the Company to seek recognition of the *Concurso* proceeding and the Reorganization Plan under chapter 15 of the U.S. Bankruptcy Code and to seek an order of the U.S. Bankruptcy Court giving full force and effect to the Reorganization Plan in the U.S. once the chapter 11 case is dismissed
- The *Concurso* proceeding is expected to take 5 – 8 months
- If you are an unsecured creditor of the Company and wish to participate by signing a joinder agreement to the RSA and individualizing your claim, we kindly request you to contact us at Team-CREAL-Steerco-Advisors-External@cgsh.com
- *Note: Each of the AHG Unsecured Creditors (and their advisors) and the Company (and its representatives and advisors) acknowledges that nothing contained herein constitutes any consent, waiver, or admission with respect to any arguments, positions or disputes in any pending litigation in the United States or Mexico relating to the Mexican liquidation, the chapter 15 case, the chapter 11 case or any related amparos, appeals or other matters, or otherwise, all of which are specifically reserved*

Capital Structure

Recent Changes to Capital Structure (\$mm)

	10/31/22 Amount	Adj. on Principal Outstanding	Current Amount ⁽¹⁾	Rate	Original Maturity
CEBURES 17	-	-	-	TIIIE+2.25	Nov-22
CEBURES 19	17	(17)	-	TIIIE+2.15	Oct-24
Secured Bank Debt	40	(40)	-	Various	Various
Total Secured Debt	\$57	(\$57)	-		
NAFIN Priority Debt ⁽²⁾	-	-	-		
Unsecured Bank Debt ⁽³⁾	248	-	248	Various	Various
Senior Notes due 2022	165	-	165	2.875%	Feb-22
Senior Notes due 2023	249	-	249	7.250%	Jun-23
Senior Notes due 2026	400	-	400	9.500%	Feb-26
Senior Notes due 2027	378	-	378	5.000%	Feb-27
Senior Notes due 2028	500	-	500	8.000%	Jan-28
Total Priority and Senior Unsec. Debt	\$1,941	-	\$1,941		
Total Debt (Excl. Sub. Debt)	\$1,998	(\$57)	\$1,941		
Subordinated Perpetual Debt	230	-	230	9.125%	Perpetual
Total Debt (Incl. Sub. Debt)	\$2,228	(\$57)	\$2,171		
Less: Cash	58	29	87		
Total Net Debt	\$2,170	(\$86)	\$2,084		

- The Liquidator has repaid all of its secured debt and priority debt. Repayments were made at a substantial discount to par

Notes: MXN:USD of 20:1; USD:CHF of 1.09:1; USD:EUR of 1.08:1

(1) As of 2/28/23

(2) Settlement is being finalized to address NAFIN principal balance of 1,330mm MXN in return for a combination of repossessed assets and cash

(3) Comprised of unsecured facilities with BNP, Credit Suisse and DFC

Illustrative Distributable Value to Unsecured Creditors

Illustrative Distributable Value (\$mm)

	Presented 11/27/2022	Current Co. Estimate ⁽¹⁾	Basis of Valuation	Commentary
Portfolio Collections				
Payroll	309	226	Present Value	Present value (using a 20% discount rate) of collections less costs to collect
New Autos			Present Value	Present value (using a 20% discount rate) of collections less costs to collect
Used Autos			Present Value	Present value (using a 20% discount rate) of collections less costs to collect
SMEs		22	Present Value	Present value (using a 20% discount rate) of collections less costs to collect
Total Collections	\$369	\$277		
U.S. Assets				
CRUSAFin		55	Sale	Company sold via 363 process in U.S. chapter 11; proceeds expected Apr-23
CR Business Capital (US)		21	Sale	Sold portfolio and equity interest in business; proceeds received Mar-23
Camino Financial		-	-	Value is TBD
Total U.S. Asset Sales [A]		\$76		
Mexico / Central American Assets				
Instacredit / Marevalley			Asset Bids	Reflects non-binding offers; subject to ongoing negotiations
Contigo			Asset Bids	Offer accepted; awaiting due diligence item resolutions
Flotillas		-	Sold	Proceeds of prior sale used to offset secured liability of purchaser
Repossessed Assets			Management	Management provided estimated recoveries
Total Mexico / CA Asset Sales [B]		\$68		
Total Asset Sales [A+B]	\$112	\$144		
Total Asset Value	\$481	\$421		
Less: Est. Wind-Down and Liquidation Costs	(70)	(70)		
Less: Outstanding Secured Creditors' Claims	(57)	-		
Plus: Cash	58	87		
Distributive Value to Unsecured Creditors	\$412	\$438		

- Under the payroll valuation of ~\$226mm shown above, (i) ~51% of total collections are made by the end of year 1, (ii) ~78% of total collections are made by the end of year 2 and (iii) ~91% of total collections are made by the end of year 3
- In an illustrative downside case, present value of payroll portfolio would be ~\$145mm

Note: MXN:USD of 20:1

(1) As of 2/28/23