

10 YEARS

MAKING OUR MARK IN ASIA



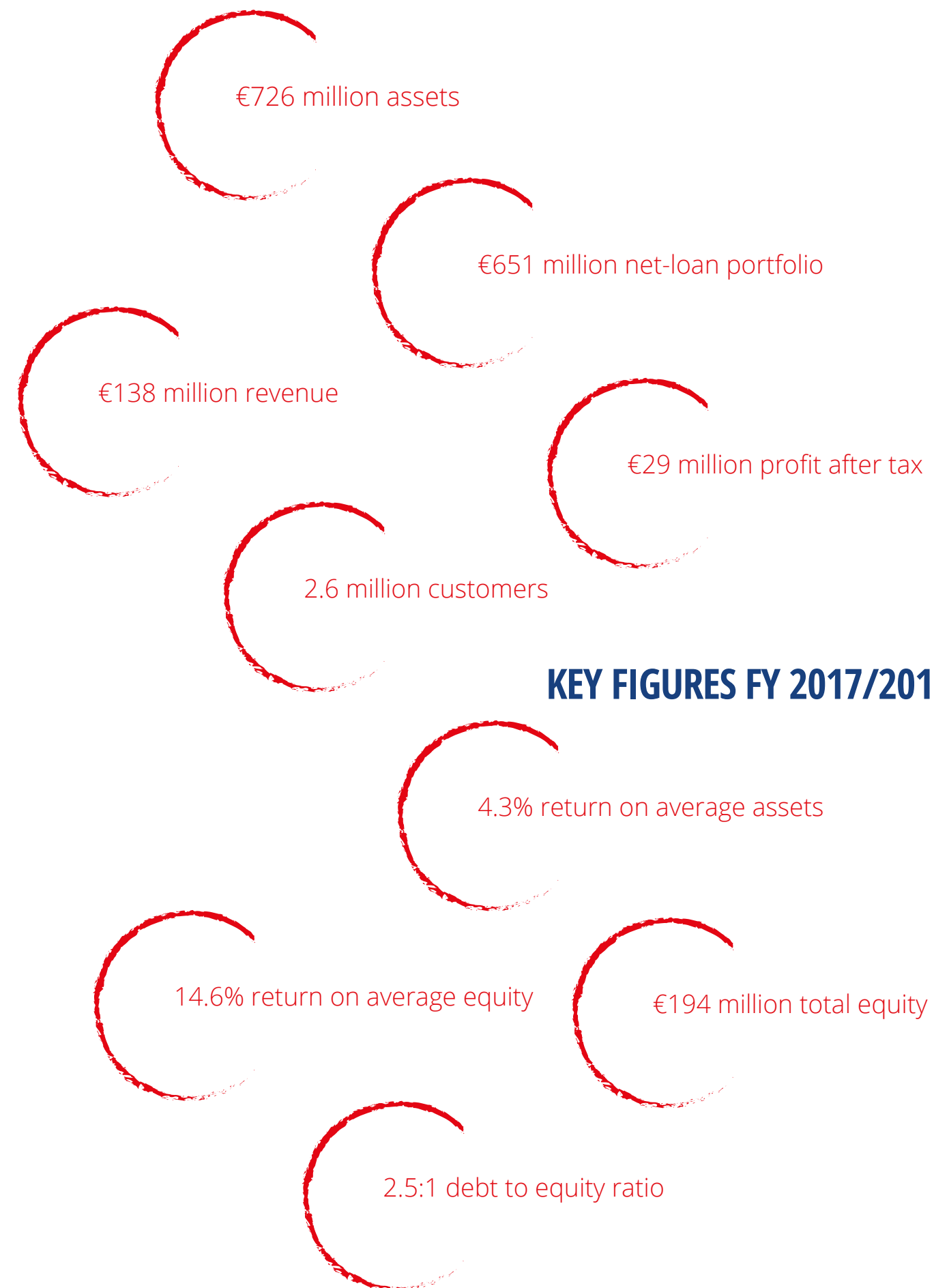
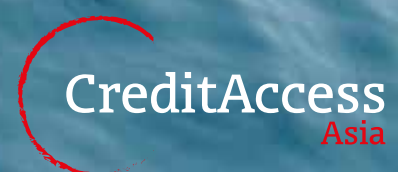
INDIA

PHILIPPINES

INDONESIA

ANNUAL REVIEW FY 2017/18

Our mission: To be the market leading financial partner of micro and small ("MSE") businesses and underbanked workers in India and South-East Asia; providing - fair conditions - simple, innovative and customized financial services matching their evolving needs.



OUR PROFILE

CreditAccess Asia N.V. (the ‘Company’ or CAA) and its subsidiaries (jointly referred to as the ‘Group’) provides high quality and simple financial services to the unbanked micro and small businesses in India and South-East Asia.

MARKET OPPORTUNITY AND BUSINESS MODEL There are over 150 million unbanked micro and small businesses which are credit worthy and demand working capital and other financial services.

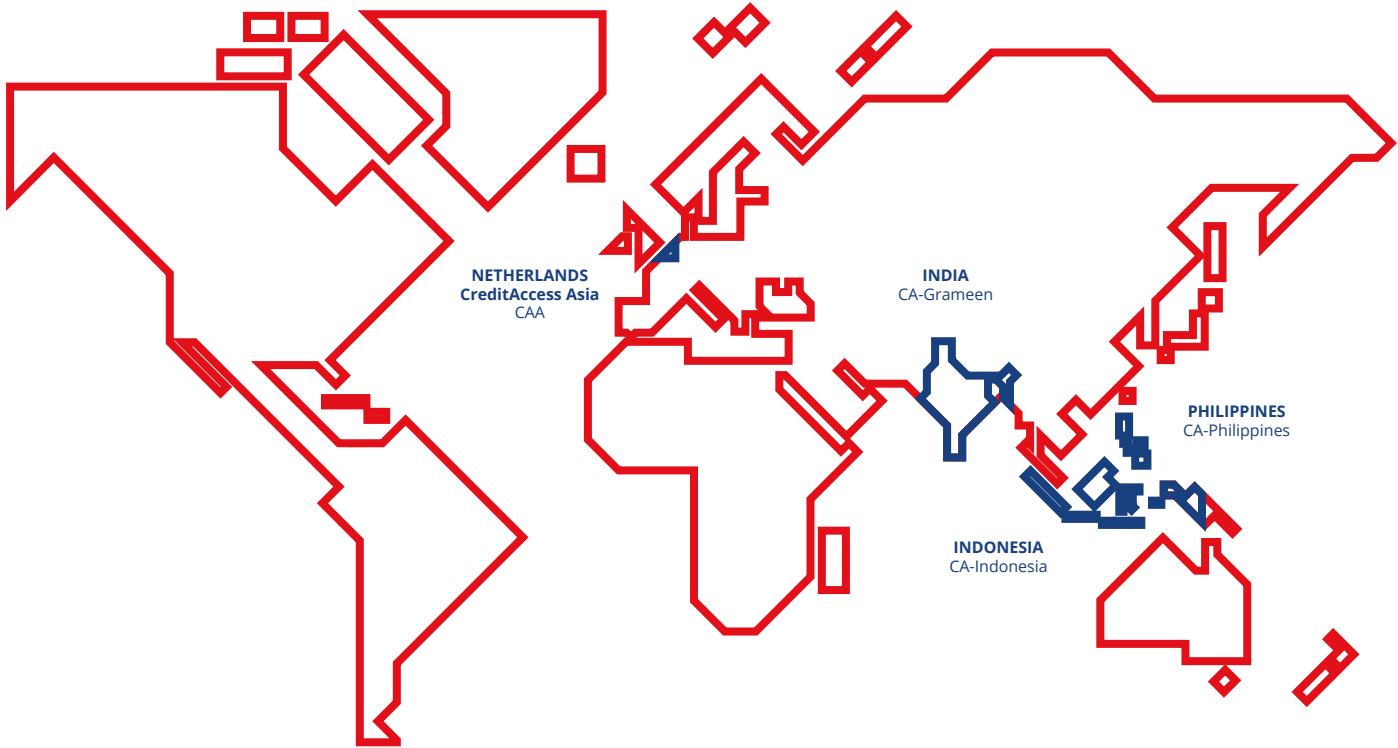
CreditAccess Asia responds to this strategic opportunity by providing professional and customised financial services, at low risk and with high levels of transparency and efficiency.

SUSTAINABILITY Our unique selling proposition has been successful at growing and sustaining our business.

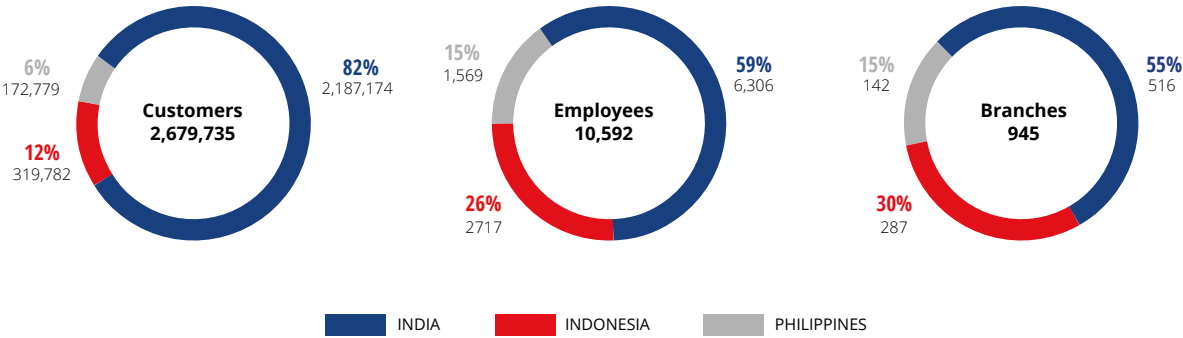
- Strong relationship with our customers ■
- Relevant credit and other financial services products ■
- Well known and established local retail brands ■

Our vision: in a region of 2 billion people, the financial inclusion process will enable 150 million MSE businesses and low-income workers to get access to credit and tailored financial services at fair conditions and CreditAccess will emerge as a leading contributor to this fundamental economic and social change, in India and South-East Asia.

FACTS + FIGURES

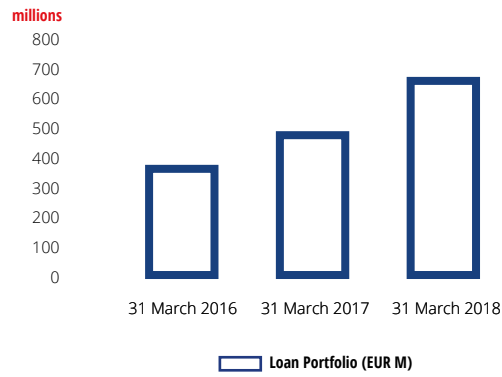


GEOGRAPHICAL DISTRIBUTION

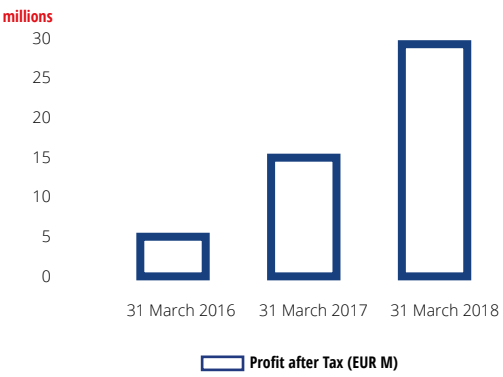


HISTORICAL TRENDS

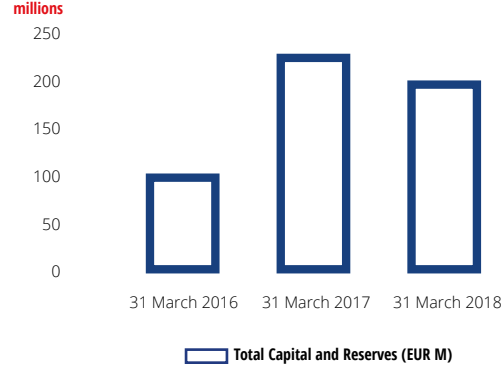
TOTAL NET LOAN PORTFOLIO



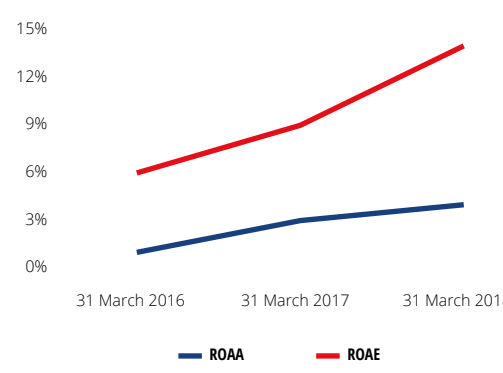
PROFIT AFTER TAX



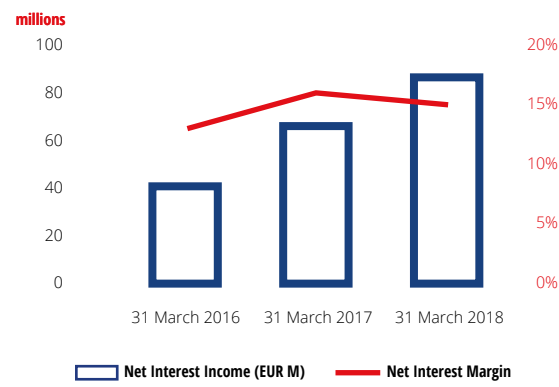
TOTAL CAPITAL AND RESERVES



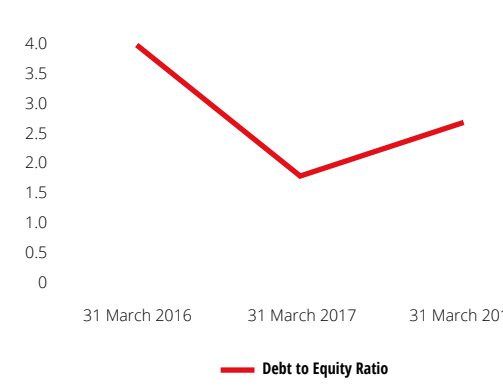
RETURN ON AVERAGE ASSETS & AVERAGE EQUITY



NET INTEREST INCOME



DEBT TO EQUITY





LETTER FROM THE CEO

CreditAccess is approaching 10 years in business and the accomplishment of the first “life-cycle” of the initiative: not only in term of size (from 0 to 10,000 employees and 2.6 million clients) but furthermore in terms of maturity and public recognition. Today it is an emerging multinational financial group, well respected within the global micro-finance and MSE lending industry, gaining visibility and appreciation in capital markets too.

CreditAccess has demonstrated a consistent growth and profitability trajectory in past years, while sailing through extraordinary external shocks like the demonetization in India or the civil unrest in south-west Philippines. The proven resilience of the core business combined with the unique ability to leverage a still untapped “financial inclusion” market opportunity, has paved the way to gaining positive recognition in the public capital markets.

During the financial year 2018, the Group CreditAccess launched a second IPO. After the successful listing of Equitas Holdings in May 2016, CreditAccess launched the public listing of its flagship subsidiary CreditAccess Grameen in India. The objective of such a strategic move, beyond the opportunity to raise fresh capital to support the growth of our business in India, is to gain exposure and start discovering the value of our venture to the public equity capital markets. The IPO was successfully completed in August 2018, for a size of 141 mIn EUR which was welcomed by the capital market with an oversubscription of 2.2 times from investors all over the world (23 anchor investors from the US, Asia and the UK and overall around 150,000 investors). The market capitalization of CreditAccess Grameen at listing was 766 mIn EUR and CreditAccess maintains post listing a controlling stake of 80.3%.

In the mean-time the businesses in Indonesia and Philippines have been growing and becoming more sustainable and we expect to reach full profitability within the next 24 months.

In Vietnam we have been successfully piloting an innovative credit model, however we did not manage to get a definitive license from the Ministry of Finance to scale-up operations. For this reason we are currently scaling down operations and we will continue exploring alternative legal and business models, to create an enabling environment for the development of a sustainable business in Vietnam.

FUTURE DEVELOPMENTS

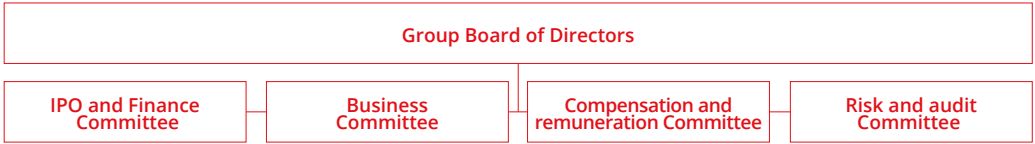
CreditAccess came out of the demonetization stronger and well recognized as a top performer in India on account of sound operations and processes and of the unparalleled resilience of its clients. The subsidiaries are well capitalized and geared up for leveraging the still untapped un-banked market opportunity. We expect that financial year 2019 will be very satisfactory, with high growth in all markets where we are established and a strong come back on performance India, while Indonesia's positive profitability is gaining steam and the Philippines should reach break-even. Expansion means not only increasing the portfolio book size but it signifies also opening new, branches, new districts, new states which add up in terms of geographical diversification. Furthermore, we hope that the new verticals introduced for the individual lending products will deliver good results in terms of expansion, portfolio quality and customer retention and will soon become a relevant part of the core business of CreditAccess Group.

PAOLO BRICHETTI

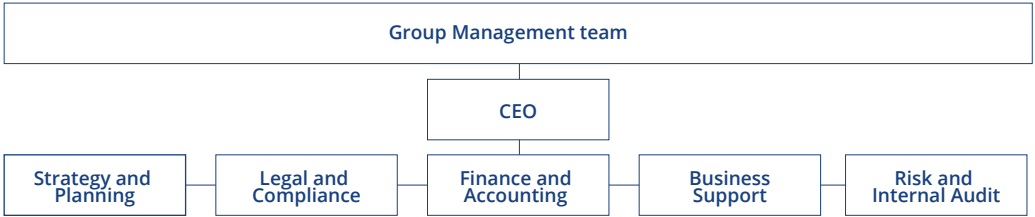
Chief Executive Officer of CreditAccess Asia

GOVERNANCE STRUCTURE

GROUP GOVERNANCE



GROUP MANAGEMENT



OPCO GOVERNANCE



The Group Chief Executive Officer (CEO), Chief Business support Officer* (CBsO) and Chief Risk Officer (CRO) are members of the Board of Directors of each Operating Company



OPCO MANAGEMENT



Note: Not all committees are present in our smaller OpCos. These are gradually being introduced.

RISK MITIGATION STRATEGY

CAA's key risks are ■ Regulatory and political risk ■ Operational risk ■ Funding and credit risk ■ Competition risk

OUR BOARD AND OPERATING CEOS



Paolo Brichetti
Founder and Chief Executive Officer
Paolo is Chief Executive Officer and Founder of CreditAccess. He has more than 20 years of experience in innovative business and financial incentives. Prior to setting up CAA, he served as Managing Director of CTM Altromercato, Advisor of Council of Europe, President of Microcredit Scrl, MicrocreditCoop, and the European Fair Trade Association.



Koen J. M. Slobbe
Chairman of the Company – independent
Koen is the Managing Partner at Fipaco Corporate Consultancy where he specializes in international taxation. Prior to his role at Fipaco Corporate Consultancy, Koen was the Tax Director at GE Working Capital Solutions.

Els Boerhof
Non-executive Director

Els Boerhof is an investment professional with 20+ years of experience in development finance and cross border investments. She is currently the Co-owner of, and Partner at Goodwell Investments. Before FMO, Els worked for MeesPierson (ABN AMRO Private Bank) in Amsterdam, Rotterdam and Johannesburg in International Trade & Commodity Finance.



Joel Epstein
Non-executive Director

Joel Epstein is a financial services professional with more than 40 years of commercial and retail banking experience in the US and in the emerging markets of Asia, Latin America and Eastern Europe. He has held senior executive positions at Chase Manhattan Bank (EVP), AIG Consumer Finance Group (Chairman/CEO) and has served on boards of banks and other entities.



Francesco Moccagatta
Non-executive Director – independent
Francesco is partner and managing director of Alantra Italy. He has extensive experience in corporate governance as Managing Director of several financial institutions such as Banca IMI (Intesa San Paolo Group) and DC Advisory Partners.



Daniel Mintz
Non-executive Director
Daniel has more than 25 years of private equity investment and M&A experience in Asia and the United States. Prior to founding Olympus Capital in 1997, he was head of Asia for Morgan Stanley Capital Partners, the former private equity arm of Morgan Stanley.

Federico Carini
Non-executive Director

Federico is an executive director at Mediobanca S.p.A. He has over 20 years of private banking experience with UBS Wealth Management and Banca Regionale Europea.



Giovanni Siccardi
Non-executive Director

Giovanni has 25 years of experience as senior manager in large international companies and is now promoter of a medical devices company.



Udaya Kumar
CEO of CA-Grameen (India)

Udaya joined CA-Grameen in 2010 as CEO. He has over thirty years of experience in the financial services industry. Prior to joining CA-Grameen, he was Associate Director at Barclays Bank.



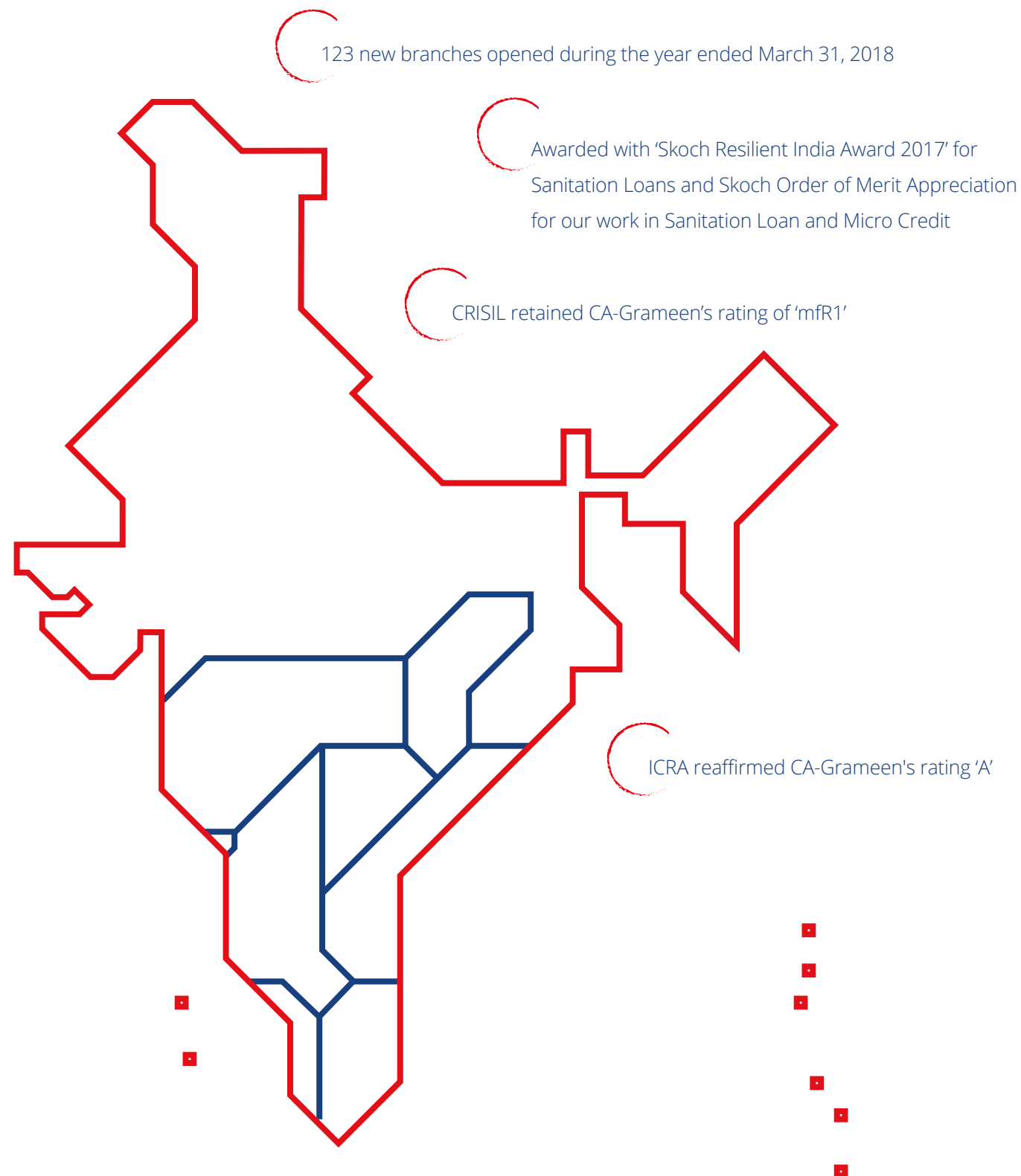
Christian Banno
CEO of CA-Indonesia (Indonesia)

Christian played a key role in setting up CA-Indonesia and is currently the CEO of this entity. He joined CreditAccess Asia in 2008. Prior to joining CAA, he worked for Oracle and Microfinanza Ratings.



Daniele Rovere
CEO of CA-Philippines (Philippines)

Daniele is currently the CEO of CA-Philippines. He has over 10 years of management experience. Prior to joining CA-Philippines, Daniele worked for Rizzani de Eccher, one of the worldleading construction companies.



OUR OPERATION IN INDIA

CREDITACCESS GRAMEEN LTD.

COMPANY PROFILE CA-Grameen, is a financial institution offering a variety of credit and financial services, catering to the life cycles of micro and small enterprises, with medium to low income levels, in small urban and rural areas. Over the years, it has built a strong brand by providing relevant products and establishing solid long-term relationships with its customers.

MARKET OPPORTUNITY AND SIZE From a working population of 519 million people, 65% are daily workers, or self-employed individuals, who do not have access to formal credit. 67% of such unbanked self-employed people reside in rural areas and contribute 47% to the national GDP. Currently only 10% of them have access to credit.

MARKET POSITION CA-Grameen is classified as a Large MFI. Among the 19 large MFI's, CA-Grameen stands at 3RD position when classified by gross loan portfolio having 10% of the market share and 2ND position in overall disbursement with 11% of the overall market share.

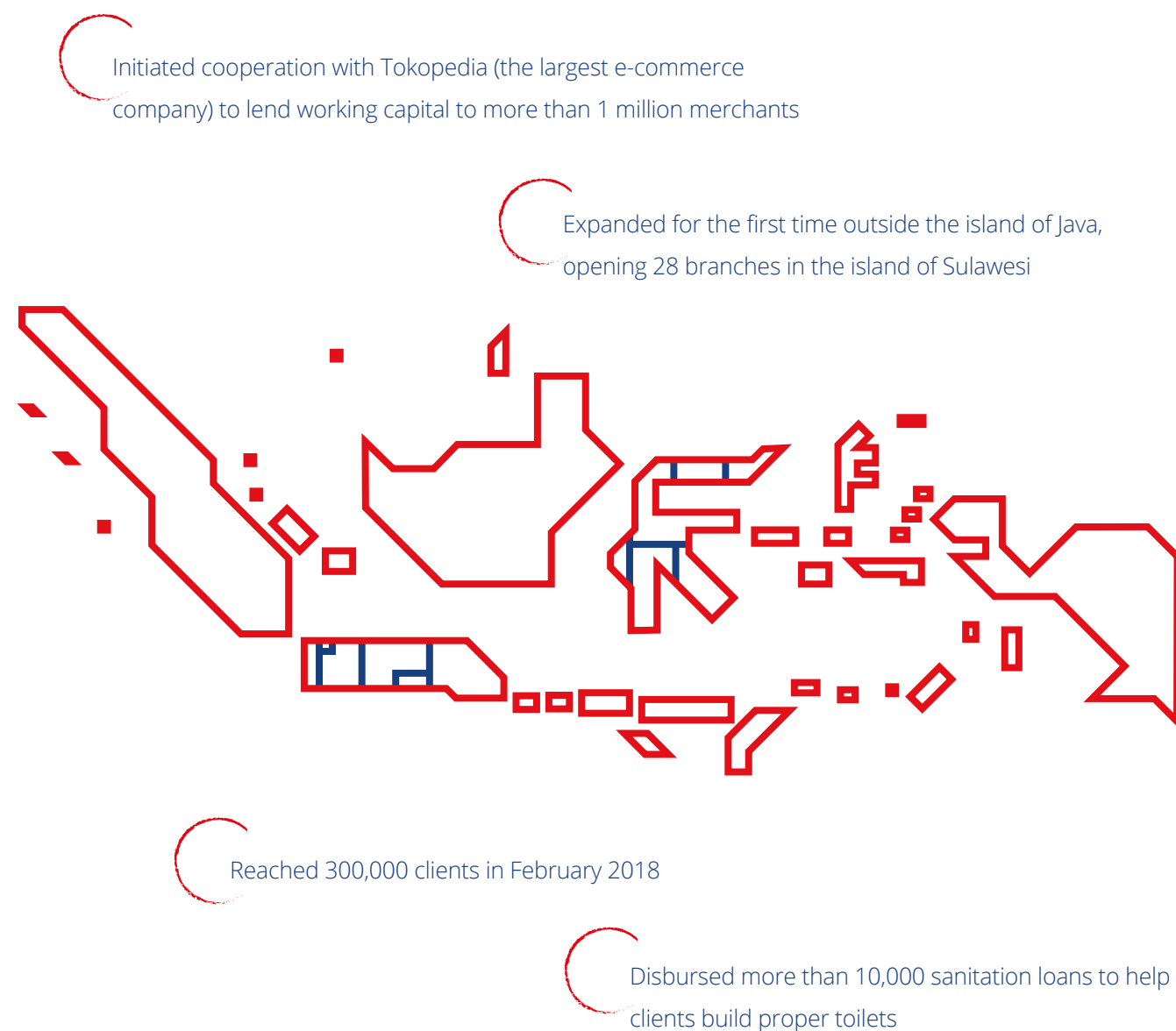
COMPETITORS Bharat Financial Inclusion Ltd. Satin Creditcare Network Ltd. Annapurna Micro-finance Pvt. Ltd. Arohan Financial Services Pvt. Ltd. Spandana Sphoorty Financial Ltd.

PRODUCTS Income Generation Loans (group lending methodology) \$215 – 715 Emergency Loans \$15 Family Welfare Loans (Festivals, Medical, Education and Livelihood Improvement) \$30 – 215 Home Improvement Loans (Water Connections, Sanitation and Home Improvement) \$70 – 715 Small business loans (Individual lending methodology) \$150 – 7,100 Other financial services, such as pensions and insurance products

CUSTOMERS Micro businesses: self-employed households, often women, who operate retail shops, sell agricultural or handicraft products or provide commercial services, earn \$5-10 per day and mostly live in rural areas (81% of our customers). Small businesses: formal household businesses, or small scale enterprises, with monthly income over \$500, and a more solid collateral base compared to micro business customers, which typically cannot offer hard collateral or undergo the bureaucratic process requested by banks.

GEOGRAPHIC PRESENCE Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Kerala, Odisha, Goa, and one union territory of Puducherry

516 BRANCHES



OUR OPERATION IN INDONESIA

PT BINA ARTHA VENTURA (CA-INDONESIA)

COMPANY PROFILE ■ CA-Indonesia, established by CAA in 2012, provides specialised financial services to micro and small businesses, which do not have, or have limited access, to the formal financial sector. It is a fast-growing Non-Banking Financial Company (NBFC) with a vision of serving **1 MILLION** customers by the year 2020.

MARKET OPPORTUNITY AND SIZE ■ 78% of the Indonesian population, around **199 MILLION** people, are considered unbanked, making Indonesia one of the largest unbanked countries in Asia. The Indonesian financial market presents unique differentiation elements versus its Asian peers. A younger population, a limited credit penetration and a steady GDP growth are supporting the development of the financial market.

MARKET POSITION ■ Second largest NBFC in the Indonesian micro and small business lending market.

COMPETITORS ■ BTPN Syariah ■ Pt. MBK Ventura ■ PNM

PRODUCTS ■ Micro business loans (group lending methodology), ranging from \$250 to \$700. ■ Small business loans (individual lending methodology), ranging from \$500 to \$3,000. ■ Sanitation loans for the construction of proper toilets.

CUSTOMERS ■ Micro businesses: self-employed households, often women, who operate retail shops, sell agricultural or handicraft products or provide commercial services, earn \$5-10 per day and mostly live in rural areas. ■ Small businesses: formal household businesses, or small-scale enterprises, with monthly income over \$500, and a more solid collateral base compared to micro business customers, which typically cannot offer hard collateral or undergo the bureaucratic process requested by banks.

GEOGRAPHIC PRESENCE ■ Java and Sulawesi

306 BRANCHES

Reached 170,000 active customers milestone and became one of the fastest growing finance organizations in the country

Received 'Smart Campaign Client Protection' Certification for maintaining high standards of Business conduct

Started pilot of small business loan product to provide customers loans up to US\$ 6,000

Substantially broadened the range of the loans provided in order to serve the needs of a significantly larger portion of the small entrepreneurs in the Philippines

OUR OPERATION IN THE PHILIPPINES

CREDITACCESS PHILIPPINES FINANCING COMPANY LTD.

Achieved a substantial geographic diversification of the portfolio through expansion into Northern Luzon and Mindanao

COMPANY PROFILE ■ CA-Philippines, established by CAA in 2014, provides simple, convenient and accessible credit products to micro and small businesses in the Philippines. It is a fast growing Non-Banking Financial Company (NBFC) with a vision of being a market leader in providing relevant financial products to its customer base.

MARKET OPPORTUNITY AND SIZE ■ Over 70% of households in the Philippines are unbanked, the majority of which are self-employed, working for a private household or a farm, or in other informal occupations. The self-employed households are mainly micro and small businesses, which do not have access to formal capital. ■ CA Philippines Outstanding Portfolio has recorded a CAGR of 102% for the last 3 years

MARKET POSITION ■ Currently one of the top 10 NBFCs in the Philippines.

COMPETITORS ■ CARD NGO ■ ASA Philippines ■ CARD Bank ■ TSPI ■ KMBI ■ TSKI ■ Pagasa ■ NWTF ■ 1st Valley Bank ■ ASKI

PRODUCTS ■ Micro business loans (group lending methodology), ranging from \$60 to \$1,000 ■ Small business loans (individual lending methodology), ranging from \$1,000 to \$6,000

CUSTOMERS ■ Micro businesses: self-employed households, often women, who operate retail shops, sell agricultural or handicraft products or provide commercial services, earn \$5-10 per day and mostly live in rural areas. ■ Small businesses: formal household businesses, or small-scale enterprises, with monthly income over \$300, and a more solid collateral base compared to micro business customers, which typically cannot offer hard collateral or undergo the bureaucratic process requested by banks.

GEOGRAPHIC PRESENCE ■ CA-Philippines is currently operating in nine regions covering Central & North Luzon, Calabarzon, Bicol and Mindanao.

142 BRANCHES

HIGHLIGHTS ON PERFORMANCE

The financial year 2018 has demonstrated the strengths of the business model of CreditAccess Asia across the different countries.

CreditAccess Grameen India has clearly moved forward from demonetization, the operations went back to normal and all operational and financial indicators have shown remarkable improvements: Cost to income ratio decreased from 41.5% to 38.3%, Operating Expense Ratio from 5.4% to 5.1%, Return on Equity improved from 12.3% to 13% and Return on Asset from 2.3% to 2.9%, while capitalization remained strong at around 29%. The portfolio grew 62% YoY and the company expanded into 36 more districts while the recovery rate improved from the deep of demonetization from 89.3% to 98.3%. The company keeps putting a lot of effort in to recovering the portfolio affected by demonetization, however it follows a stringent provisioning and write off policy which resulted in € 22.7 million of credit cost for the FY18. The new portfolio after the demonetization (i.e. from Feb 2017) has performed in line with the historical trends in terms of quality with PAR30 lower than 1%.

At March 2018 India represents 92% of the group operations measured by Gross Loan Portfolio to customers, Indonesia 5% and Philippines 3%.

Indonesia posted a small profit for the year, while expanding the business across Java and landing on the next big island of the Indonesia, Sulawesi, while our nascent operations in Philippines, which are still in investment phase, kept expanding the distribution infrastructure and are gaining economies of scale.

The Netherlands achieved very important goals too. It successfully managed the sale of the remaining equity stake in Equitas Holding. The investment has been financially rewarding (capital gain of approximately € 47 million or annualised IRR of 27%), but it has also been an unparalleled learning experience to accompany Equitas in its journey from a few months after incorporation, to maturity, diversification from pure microfinance to secured lending, obtaining a banking license and finally the IPO. Furthermore, the Netherlands secured 17.2 million of additional equity investments, and started to attract debt loans on its balance sheets to ensure further financing to the subsidiaries.

QUALITY OF PORTFOLIO

The quality of portfolio has largely improved from the peak after demonetization in India and is now at a very good level. In fact, the initial severe deterioration of the portfolio due to demonetization in India has gradually and steadily been recovered or written off. The portfolio disbursement post demonetization has witnessed quality performance that is comparable to pre-demonetization levels. The consolidated gross loans to customers overdue at March 2018 was equal to 1.54% of the total portfolio, however, the allowance for impairment provision sufficiently covers the loan portfolio overdue.

We believe the quality of operations of our subsidiaries together with the improving market context will show further ameliorating trends in the quality of portfolio going forward.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN EUROS)

	FY 2018	FY 2017
Cash and Cash Equivalents	34,426,354	71,280,913
Loan portfolio outstanding - net	651,877,500	469,559,492
Other Assets	18,868,063	63,739,469
Net Intangible fixed assets	17,452,408	21,555,890
Tangible fixed assets	3,468,261	3,125,939
Total assets	726,092,586	629,261,703
Borrowing	516,833,847	409,384,130
Other Liabilities	15,456,718	14,016,913
Total liabilities	532,290,565	423,401,043
Shareholder's equity	180,478,997	163,278,997
Equity Reserves	-8,223,601	51,376,836
Accumulated earnings previous periods	-9,648,715	-10,105,796
Net result for the period	29,236,783	574,535
Non-controlling interest	1,958,557	736,088
Total capital and reserves	193,802,021	205,860,660

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (IN EUROS)

	FY 2018	FY 2017
Interest income and fees	138,134,827	114,946,109
Interest expenses and fees	-51,545,576	-53,529,611
Net interest income and fees	86,589,251	61,416,498
Other income	1,864,088	793,111
Total income	88,453,339	62,209,609
Loan loss provision & write-off	-23,705,809	-15,178,393
Operating income after provisions	64,747,530	47,031,216
Total operating expenses	-52,872,346	-41,530,902
Operating result before value adjustments	11,875,184	5,500,314
Value adjustments & gain from Equitas Holding Ltd.	23,618,504	4,170,136
Operating result after value adjustments	35,493,688	9,670,450
Taxation expenses for the period	-6,256,905	-9,095,915
Net Income after taxation	29,236,783	574,535

NETHERLANDS

CreditAccess Asia N.V.
WTC Amsterdam Tower C-10
Strawinskylaan 1043
1077 XX Amsterdam
Telephone: +31 20 8080654
info@creditaccess.com

THAILAND

CAA-BOS LIMITED
191 Silom Complex Building
24th Floor, Unit C
Silom Road, Silom, Bangrak
Bangkok 10500



INDIA

CreditAccess Grameen Limited
26 Srinivasa Archada Srinidhi Layout
Opp. Srinidhi Public School Chunchana Ghatta
560078 Bangalore
Telephone: +91 80 30418100
info@grameenkoota.org

INDONESIA

PT Bina Artha Ventura (CA-Indonesia)
Grha Niaga Thamrin Lantai 3
Jl. KH Mas Mansyur
RT 016 RWW 009
Kel. Kebon Kacang, Kec. Tanah Abang
Jakarta Pusat 10230
Telephone: +62 211 5713946-47
info@bina-arta.net

THE PHILIPPINES

CreditAccess Philippines Financing Company Ltd
Unit 2906 One San Miguel Avenue Office
Condominium San Miguel Avenue cor. Shaw Blwd
Bgy. San Antonio - Ortigas Center, 1600 Pasig City
Telephone: +63 2 2340845
info@onepuhunan.com.ph