



CRÈDIT ANDORRÀ CLOSSES THE ACQUISITION AGREEMENT FOR VALL BANC

- The operation, which will be financed entirely with Crèdit Andorrà's own funds, will enable the bank to meet the objectives set in its 2021-2023 Strategic Plan this year

Andorra la Vella, 26 September 2021.

Crèdit Andorrà has closed the agreement to acquire Vall Banc, owned by the J.C. Flowers & Co. fund. The agreement is to acquire 100% of Vall Banc and it will be financed entirely with Crèdit Andorrà's own funds.

Negotiations between the two banks culminated in the signing of the agreement between Xavier Cornella, CEO of Crèdit Andorrà Financial Group, and Richard Carrión, chairman of the Board of Directors of Vall Banc. The formalisation of the operation is subject to obtaining the authorisations of the corresponding supervisory bodies.

With this acquisition, Crèdit Andorrà consolidates its leadership in the Andorran market, accelerates the objectives included in its 2021-2023 Strategic Plan and reinforces its strength in the main business metrics, i.e., profitability and assets. It also enhances the bank's capacities in private banking, a key business sector for Crèdit Andorrà Financial Group and one in which Vall Banc has specialised. Crèdit Andorrà also reinforces its leadership in retail banking, which it consolidated many years ago, in which it has held a market share of close to 50% in the individual segment and almost 70% in the corporate segment.

As a result of the acquisition of Vall Banc and the recently announced acquisition of GBS Finance in Spain, as well as the significant organic growth of the business, Crèdit Andorrà Financial Group expects to close the 2021 financial year with close to EUR 23 billion in business volume, a figure well above the forecasts of its 2021-2023 Strategic Plan, to the extent that it is two years ahead of its strategic objectives. The operation also represents a significant boost for the bank to achieve its 2023 target of generating recurring profits of EUR 40 million.

This deal will also strengthen the Group's capabilities through the integration of the human capital of both banks, resulting in a more robust, global group with a clear international character, which will undoubtedly allow for professional development with a longer career path and more opportunities for its professionals.

The new reality of Crèdit Andorrà Financial Group reaffirms its growth project and has a direct impact on the customer service capacity, efficiency and profitability of the different business areas and central services.



For the CEO of Crédit Andorrà Group, Xavier Cornella, *“this operation aligns with our Strategic Plan, focused on consolidating our business model, boosting growth in the financial centres where we are present worldwide and contributing to the economic development of our shareholders, customers and employees, as well as the progress of Andorran society. We also reaffirm our leadership in Andorra, a foundational and strategic market for the bank, due to its commitment to service in the country”*.

FOR MORE INFORMATION

Crédit Andorrà
Corporate Communications
press@creditandorragroup.com
Tel.: +376 88 86 35 / +376 88 82 78
www.creditandorragroup.com/en/pressroom

