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Av. Adolfo López Mateos Norte 391 piso 15
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Guadalajara, Jalisco, México
C. P. 44680

SWELL FINANZAS EN MOVIMIENTO, S.A.P.I. DE C.V.,
SOFOM E.N.R.
CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2023 AND 2022
AND INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Stockholders meeting of
Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R.

Opinion

We have audited the accompanying consolidated financial statements of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. (the Entity) and subsidiary company, and the non-consolidated financial statements of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R., which comprises the consolidated and non-consolidated statements of financial position as of December 31, 2023 and 2022, and the consolidated and non-consolidated statements of income, of changes in stockholders equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. and its subsidiary company and Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the accounting criteria established by the National Banking and Securities Commission (Spanish initials "CNBV" or Commission), as well as applicable Regulations to Multi-Purpose Financial Institutions regulated in Mexico ("Regulations").

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and non-consolidated financial statements section of our report. We are independent of the Entity in accordance with the Mexican Institute of Public Accountants' Code of Ethics for Professional Accountants (MIPA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mexico, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the MIPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

- Without effect in our opinion, we draw attention to Note 2-a to the consolidated and non-consolidated financial statements, where it is indicated that the operations of the Entity and its reporting requirements are voluntarily based on the accounting criteria established by the CNBV, contained in Annex 17 of the "General Provisions Applicable to Regulated Multi-Purpose Financial Institutions" and may not be useful for general purposes.

- As stated in Note 2-a, the non-consolidated financial statements of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. have been prepared to comply with the legal requirements to which the Entity is subject as an independent legal entity, the assessment of the financial position and operating results of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. should be based on the consolidated financial statements which are also presented.

Other matters

As stated in the forth paragraph of Note 2-a, these financial statements have been translated into English solely for the convenience of readers of this language. In all cases, where there are any disagreements between the English and Spanish versions, the Spanish version shall be considered authoritative and controlling.

Responsibilities of Management and Those Charged with Governance for the consolidated and non-consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated and non-consolidated financial statements in accordance with the accounting criteria established by the National Banking and Securities Commission in the applicable Regulations to Multi-Purpose Financial Institutions regulated in Mexico and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and non-consolidated financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and non-consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and non-consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or activities of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CASTILLO MIRANDA Y COMPAÑÍA, S. C.

C.P.C. Ramón Munguía Ortiz

July 8, 2024

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. and subsidiary company
Consolidated statement of financial position
December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Note	2 0 2 3	2 0 2 2
Assets			
Cash and cash equivalents		$ 26,745	$ 28,171
Restricted cash and cash equivalents		-	1,340
	4	26,745	29,511
Financial intruments investments:			
Trade financial instruments		-	-
Financial instruments receivable or sold		-	-
Financial instruments to be collected principal and interest (securities)		-	-
Derivative financial instruments:			
For trading purposes		-	-
For hedging purposes	5	-	1,601
Valuation adjustments for coverage of financial assets		-	1,601
Current credit portfolio (credit risk stage 1 & 2):	6		
Trade receivables:			
Business activity or commercial		224,105	168,105
Financial entities		-	-
Governmental entities		-	-
		224,105	168,105
Consumer credits		-	-
Housing credits		-	-
Total current credit portfolio (credit risk stage 1 & 2)		224,105	168,105
Expired credit portfolio (credit risk stage 3):	6		
Commercial credits:			
Business activity or commercial		10,730	7,729
Financial entities		-	-
Governmental entities		-	-
		10,730	7,729
Consumer credits		-	-
Housing credits		-	-
Total expired credit portfolio (credit risk stage 3)		10,730	7,729
Total credit portfolio	6	234,835	175,834
Allowance for credit risks	7	(17,217)	(10,069)
Credit portfolio, net		217,618	165,765
Purchased receivables			
Non-recoverable estimation or difficult to collect		-	-
Receivables, net		-	-
Total credit portfolio, net		217,618	165,765
Earnings receivable on securitization transactions		-	-
Other accounts receivable	8	22,329	28,121
Repossessed assets, net	9	26,560	22,418
Property, plant and equipment, net	10	44,466	57,494
Equity investments		-	-
Income tax and employee statutory profit sharing deferred, net	18	9,365	7,655
Other assets:			
Deferred charges and prepayments		1,118	218
Other short and long term assets		-	-
Intangible assets	3-i	11,500	11,500
Total assets		$ 359,701	$ 324,283

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. and subsidiary company
Consolidated statement of financial position
December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Note	2 0 2 3	2 0 2 2
Liabilities			
Financial liabilities		$ -	$ -
Interbank loans and other lending:	13		
Immediately enforceable			
Short term		50,977	50,614
Long term		176,561	141,437
		227,538	192,051
Creditors by securities		-	-
Securities lending		-	-
Collaterals due or collateralized:			
Securities borrowings (credit balance)		-	-
Stock borrowings		-	-
Derivatives		-	-
Other collaterals due		-	-
Derivatives:			
For trading purposes		-	-
For hedging purposes		-	-
		-	-
Valuation adjustments for coverage of financial liabilities		-	-
Obligations in securitization transactions		-	-
Other accounts payable:			
Income taxes payable		-	438
Employee statutory profit sharing payable		884	2,870
Contributions for future capital increases to be formalized at shareholders' meeting		-	-
Collateral creditors received in cash		14,936	18,235
Sundry creditors and other accounts payable	12	25,463	22,017
		41,283	43,560
Outstanding subordinated liabilities	16	-	400
Income tax and employee statutory profit sharing deferred, net		-	-
Deferred credits and anticipated payments		181	564
Contingencies and commitments	14	-	-
Total liabilities		269,002	236,575
Stockholders' equity	15		
Contributed capital:			
Capital stock		95,410	100,410
Future capital increases contributions formalized by the shareholders' meeting		-	-
Share premium		-	-
		95,410	100,410
Earned capital			
Capital reserves		-	-
Accumulated results		(13,663)	(23,308)
Valuation result for securities available for sale		-	-
Valuation result on cash flow hedging instruments		-	961
Cumulative effect by conversion		-	-
Result from holdings of non-monetary assets		-	-
Net income		8,952	9,645
Non-controlling interest		-	-
Total stockholders' equity		90,699	87,708
Total liabilities and stockholders' equity		$ 359,701	$ 324,283

The accompanying notes are an integral part of these financial statements

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. and subsidiary company
Consolidated statement of income
for the years ended December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Note	2023	2022
Interest income	17	$ 61,215	$ 50,582
Interest expense	17	(31,900)	(25,990)
Result by monetary position, net (financial margin)		-	-
Financial margin	17	29,315	24,592
Allowance for credit risks		(7,428)	(5,616)
Financial margin adjusted for credit risks		21,887	18,976
Commissions and paid fees		(5,479)	(4,729)
Financial intermediation results	17	309	898
Operating leases result	17	23,151	24,129
Other income of the operation		1,177	4,577
Administrative and promotional expenses		(30,457)	(30,944)
		(11,299)	(6,069)
Operation result		10,588	12,907
Participation in the results of subsidiaries, non-consolidated associates and joint ventures		-	-
Income before income taxes		10,588	12,907
Current ISR	18	(2,745)	(2,803)
Deferred ISR, net	18	1,109	(459)
Income before discontinued operations		8,952	9,645
Discontinued operations		-	-
Net result		8,952	9,645
Hedging financial instruments cash flow valuation		(961)	680
Integral result		7,991	10,325
Non controlling participation		-	-
Controlling participation integral result		$ 7,991	$ 10,325

The accompanying notes are an integral part of these financial statements

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R.
Statement of changes in stockholders' equity
for the years ended December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Capital Stock	Accumulated results	Valuation result on cash flow hedging instruments	Net income	Non-controlling interest	Total stockholders' equity
Balance as of December 31, 2021	$ 100,410	$ (28,996)	$ 281	$ 5,688	$ -	$ 77,383
Movements inherents to the shareholders decisions:						
Application of 2021 net income	-	5,688	-	(5,688)	-	-
Total movements inherents to the shareholders decisions	-	5,688	-	(5,688)	-	-
Movements inherents to the recognition of comprehensive income:						
Net income	-	-	-	9,645	-	9,645
Valuation result on cash flow hedging instruments	-	-	680	-	-	680
Balance as of December 31, 2022	100,410	(23,308)	961	9,645	-	87,708
Movements inherents to the shareholders decisions:						
Capital repayment	(5,000)	-	-	-	-	(5,000)
Application of 2022 net income	-	9,645	-	(9,645)	-	-
Total movements inherents to the shareholders decisions	(5,000)	9,645	-	(9,645)	-	(5,000)
Movements inherents to the recognition of comprehensive income:						
Net income	-	-	-	8,952	-	8,952
Valuation result on cash flow hedging instruments	-	-	(961)	-	-	(961)
Balance as of December 31, 2023	$ 95,410	$ (13,663)	$ -	$ 8,952	$ -	$ 90,699

The accompanying notes are an integral part of these financial statements

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. and subsidiary company
Consolidated statement of cash flows
for the years ended December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	2023	2022
Result before income tax	$ 10,588	$ 12,907
Adjustments for non-cash items		
Income from recoverability associated with activities investing and financing activities	(291)	(2,567)
Allowance for credit risks	7,428	5,616
Cost in asset disposal	(785)	11,662
Depreciations and amortizations	18,637	23,711
Participation in the results of associate	-	-
Others	-	3,000
	35,577	54,329
Operating activities		
Changes in:		
Margin accounts	-	-
Change in equity investments	-	-
Derivatives (assets)	-	-
Credit portfolio	(51,853)	(13,709)
Benefits receivable on securitization transactions		-
Repossessed assets	(4,142)	12,339
Other operating assets	3,230	(7,220)
Traditional deposits		-
Financial liabilities		-
Interbank loans and other lending	35,487	661
Creditors by securities		-
Sold collaterals or given as collateral	(3,299)	(6,062)
Derivatives (liabilities)		-
Other operating liabilities	677	(2,973)
Income tax payments	(438)	(225)
Others		-
Net cash flows in operating activities	15,239	37,140
Investing activities		
Collections from property, plant and equipment disposals		-
Payments for property, plant and equipment purchases	(13,005)	(14,603)
Payments for the acquisition of subsidiaries and associates		-
Payments for the acquisition of intangible assets	-	(11,500)
Net cash flows in investing activities	(13,005)	(26,103)
Financing activities		
Capital repayment	(5,000)	-
Collections for shares suscription	-	-
Collections for shares issuance	-	-
Net cash flows in financing activities	(5,000)	-
Net increase or decrease in cash and cash equivalents	(2,766)	11,037
Cash and cash equivalents at the beginning of the year	29,511	18,474
Cash and cash equivalents at year end	$ 26,745	$ 29,511

The accompanying notes are an integral part of these financial statements

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R.
Non-consolidated statement of financial position
December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Note	2 0 2 3	2 0 2 2
Assets			
Cash and cash equivalents		$ 26,325	$ 25,748
Restricted cash and cash equivalents		-	1,340
	4	26,325	27,088
Financial intruments investments:			
Trade financial instruments		-	-
Financial instruments receivable or sold		-	-
Financial instruments to be collected principal and interest (securities)		-	-
		-	-
Derivative financial instruments:			
For trading purposes		-	-
For hedging purposes	5	-	1,601
Valuation adjustments for coverage of financial assets		-	1,601
Current credit portfolio (credit risk stage 1 & 2):	6		
Commercial credits:			
Business activity or commercial		236,965	192,647
Financial entities		-	-
Governmental entities		-	-
		236,965	192,647
Consumer credits		-	-
Housing credits		-	-
Total current credit portfolio (credit risk stage 1 & 2)		236,965	192,647
Expired credit portfolio (credit risk stage 3):	6		
Commercial credits:			
Business activity or commercial		10,730	7,729
Financial entities		-	-
Governmental entities		-	-
		10,730	7,729
Consumer credits		-	-
Housing credits		-	-
Total expired credit portfolio (credit risk stage 3)		10,730	7,729
Total credit portfolio	6	247,695	200,376
Allowance for credit risks	7	(16,789)	(10,069)
Credit portfolio, net		230,906	190,307
Purchased receivables		-	-
Non-recoverable estimation or difficult to collect		-	-
Receivables, net		-	-
Total credit portfolio, net		230,906	190,307
Earnings receivable on securitization transactions		-	-
Other accounts receivable	8	23,846	31,617
Repossessed assets, net	9	26,560	22,418
Property, plant and equipment, net	10	14,492	22,849
Equity investments	11	2,083	1,047
Income tax and employee statutory profit sharing deferred, net	18	9,365	7,655
Other assets:			
Deferred charges and prepayments			-
Other short and long term assets		1,063	218
Intangible assets	3-i	11,500	11,500
Total assets		$ 346,140	$ 316,300

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R.
Non-consolidated statement of financial position
December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Note	2 0 2 3	2 0 2 2
Liabilities			
Financial labilities		$ -	$ -
Interbank loans and other lending:	13		
Immediately enforceable		-	-
Short term		45,695	50,614
Long term		173,920	141,437
		219,615	192,051
Creditors by securities		-	-
Securities lending		-	-
Collaterals due or collateralized:			
Securities borrowings (credit balance)		-	-
Stock borrowings		-	-
Derivatives		-	-
Other collaterals due		-	-
		-	-
Derivatives:			
For trading purposes		-	-
For hedging purposes		-	-
Valuation adjustments for coverage of financial liabilities			
Obligations in securitization transactions		-	-
Other accounts payable:			
Income taxes payable		-	438
Employee statutory profit sharing payable		840	2,548
Contributions for future capital increases to be formalized at shareholders' meeting		-	-
Collateral creditors received in cash		7,937	9,200
Sundry creditors and other accounts payable	12	26,884	23,871
		35,661	36,057
Outstanding subordinated liabilities	16	-	400
Income tax and employee statutory profit sharing deferred, net		-	-
Deferred credits and anticipated payments		165	84
Contingencies and commitments	14	-	-
Total liabilities		255,441	228,592
Stockholders’ equity	15		
Contributed capital:			
Capital stock		95,410	100,410
Future capital increases contributions formalized by the shareholders’ meeting		-	-
Share premium		-	-
		95,410	100,410
Earned capital			
Capital reserves			
Accumulated results		(13,663)	(23,308)
Valuation result for securities available for sale		-	-
Valuation result on cash flow hedging instruments		-	961
Cumulative effect by conversion		-	-
Result from holdings of non-monetary assets		-	-
Net income		8,952	9,645
Total stockholders’ equity		90,699	87,708
Total liabilities and stockholders’ equity		$ 346,140	$ 316,300

The accompanying notes are an integral part of these financial statements

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R.
Non-consolidated statement of income
for the years ended December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	Note	2 0 2 3	2 0 2 2
Interest income	17	$ 64,594	$ 56,161
Interest expense	17	(31,900)	(25,910)
Result by monetary position, net (financial margin)		-	-
Financial margin	17	32,694	30,251
Allowance for credit risks		(7,000)	(5,616)
Financial margin adjusted for credit risks		25,694	24,635
Commissions and paid fees		(4,953)	(3,745)
Financial intermediation results	17	309	898
Operating leases result	17	11,392	12,151
Other income of the operation		3,082	7,527
Administrative and promotional expenses		(26,044)	(29,631)
		(16,214)	(12,800)
Operation result		9,480	11,835
Participation in the results of subsidiaries, non-consolidated associates and joint ventures	11	1,036	1,072
Income before income taxes		10,516	12,907
Current ISR	18	(2,673)	(2,803)
Deferred ISR, net	18	1,109	(459)
Income before discontinued operations		8,952	9,645
Discontinued operations		-	-
Net result		8,952	9,645
Hedging financial instruments cash flow valuation		(961)	680
Integral result		7,991	10,325
Non controlling participation		-	-
Controlling participation integral result		$ 7,991	$ 10,325

The accompanying notes are an integral part of these financial statements

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R.
Non-consolidated statement of cash flows
for the years ended December 31, 2023 and 2022
(Figures expressed in thousand of pesos)

	2023	2022
Result before income tax	$ 10,516	$ 12,907
Adjustments for non-cash items		
Income from recoverability associated with activities investing and financing activities	(291)	(2,567)
Allowance for credit risks	7,000	5,616
Cost in asset disposal	464	7,605
Depreciations and amortizations	7,151	10,853
Participation in the results of associate	(1,036)	(1,072)
Others	-	3,000
	23,804	36,342
Operating activities		
Changes in:	-	
Margin accounts	-	-
Change in equity investments	-	-
Derivatives (assets)	-	-
Credit portfolio	(40,599)	(5,303)
Benefits receivable on securitization transactions	-	-
Repossessed assets	(4,142)	12,339
Other operating assets	70	(13,744)
Traditional deposits	-	-
Financial liabilities	-	-
Interbank loans and other lending	27,564	843
Creditors by securities	-	-
Sold collaterals or given as collateral	(1,263)	(6,499)
Derivatives (liabilities)	-	-
Other operating liabilities	986	(2,253)
Income tax payments	(438)	(225)
Others	-	-
Net cash flows in operating activities	5,982	21,500
Investing activities		
Collections from property, plant and equipment disposals	-	-
Payments for property, plant and equipment purchases	(1,745)	(593)
Payments for the acquisition of subsidiaries and associates		-
Payments for the acquisition of intangible assets	-	(11,500)
Net cash flows in investing activities	(1,745)	(12,093)
Financing activities		
Capital repayment	(5,000)	-
Collections for shares suscription	-	-
Collections for shares issuance	-	-
Net cash flows in financing activities	(5,000)	-
Net increase or decrease in cash and cash equivalents	(763)	9,407
Cash and cash equivalents at the beginning of the year	27,088	17,681
Cash and cash equivalents at year end	$ 26,325	$ 27,088

The accompanying notes are an integral part of these financial statements

1. Activity and regulatory environment

Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. (the Entity) the main purpose of performing credit operations in all of its modalities, financial leasing, pure leasing, financial factoring to general public in accordance to the General Law on Credit Organizations and Auxiliary Activities (Spanish initials "LGOAAC"). Its accounting policies are self-regulated by the General Regulations applicable to Multi-Purpose Financial Institutions regulated in Mexico ("Regulations ").

The credit operations carried out by the Entity are regulated by the General Law on Credit Organizations and Activities (LGOAAC) and by the Law on Credit Institutions and other applicable regulations. Likewise, the Entity shall comply with the relative regulations to the prevention and detections of operations with resources of illicit origin and terrorism financing, under the supervision of the National Banking and Securities Commission (the Commission or "CNBV"). It is also required to comply with the requirements established on the Act on the Protection and Defense of Users of Financial Services.

2. Basis of preparation of the financial statements

a. Declaration of compliance

The consolidated and non-consolidated financial statements where prepared in accordance to what was established in the LGOAAC and the issued regulations by the Commission. The Multi-Purpose Financial Institutions, with registered stocks in the Bolsa Mexicana de Valores, S.A.B. de C.V., shall prepare the financial statements, based on the "accounting criteria applicable to Regulated Multi-Purpose Financial Institutions" established by the Commission in the "General Regulations applicable to regulated Multi-Purpose Financial Institutions" which in turn, are contained in the "applicable Regulations to Multi-Purpose Financial Institutions".

In the absence of specific accounting criteria from the CNBV, the following hierarchy of accounting standards shall be applied:

1. Mexican Financial Reporting Standards (NIF) issued by the Mexican Financial Reporting Standards Board (CINIF)

2. International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

3. Generally Accepted Accounting Principles in the United States (US GAAP) issued by the Financial Accounting Standards Board (FASB)

4. Other financial reporting standards that form part of a set of formal and recognized standards

The non-consolidated financial Statements of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. have been prepared with the purpose to comply with certain legal matters on which the Entity is subject as an independent legal entity. The assessment of the financial position and its financial performance of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. shall be based on the consolidated financial statements that are also presented.

These financial statements have been translated into English solely for the convenience of readers of this language. In all cases, where there are any disagreements between the English and Spanish versions, the Spanish version shall be considered authoritative and controlling.

b. Consolidation

The consolidated financial statements include the assets, liabilities and results of the Entity and its subsidiary on which it possess over the 50% of its equity and/or has effective control. All balances and important transactions with intercompanies have been eliminated in the consolidation.

As of December 31, 2023 and 2022, the subsidiary of Swell Finanzas en Movimiento, S.A.P.I. de C.V., SOFOM E.N.R. (Swell) included in the consolidation, on which the Entity has 100% of participation is Alt Easing, S.A.P.I. de C.V., mainly dedicated to financing through operative lease agreements and is located in Guadalajara, Jalisco, México. Refer to Note 11.

The consolidation was carried out based on the financial statements of the subsidiary as of December 31, 2023 and 2022, which were prepared in accordance with the same accounting policies of the Entity.

c. Effects of inflation

In accordance with the NIFs, the effects of inflation are recognized only when the inflation accumulated in the previous three years, in the Mexican economy, is 26% or higher. As of December 31, 2023 and 2022, the inflation percentage of the three previous years was 19.14% and 13.9%, respectively.

d. Uso of estimates

The preparation of the consolidated and non-consolidated financial statements requires certain estimates to be made and the use of certain assumptions to measure items in the financial statements and to prepare the required disclosures. However, actual results may differ from these estimates, therefore it is considered that the estimates and assumptions used were appropriate in the circumstances.

e. Statement of income

The consolidated and non-consolidated statement of income is being presented as required by the accounting criteria for Multi-Purpose Financial Institutions regulated in Mexico.

f. Statements of changes in stockholders' equity

The statements of changes in stockholders' equity present in a segregated way the reconciliation between the beginning and final balances from the captions that comprises the stockholders' equity, reserves movements, as well as comprehensive income.

g. Statements of cash flows

The consolidated and non-consolidated statements of cash flow were prepared by using the indirect method which consists in presenting in first place, the net result, and after the changes in working capital, investing activities and finally, financing activities.

h. Accounting changes

Starting January 1, 2023, the CINIF issued several New Standards, Improvements and Guidance to Standards that came into force as of that date but are not relevant to the Company's activities. Likewise, the conceptual framework was updated through the issuance of NIF A-1 "Conceptual Framework of Financial Reporting Standards", going from eight individual standards to a single standard with ten chapters and updating several concepts to be consistent with the NIFs.

3. Significant accounting policies

a. Cash and cash equivalents

The cash and cash equivalents are represented mainly by bank deposits and investments in highly liquid instruments, with maturities not exceeding 90 days and are presented at their acquisition cost, and adding accrued uncollected interests as of the date of the statement of financial position, a similar amount to its market value.

b. Security investments

Security investments are classified according to their intention of use in: trade securities (with the purpose of obtaining gains from transactions as a market participant), available for sale securities and held at maturity securities.

Titles held at maturity are those debt titles with determinable payments and known deadlines, acquired with the intention of maintaining them until they are due, which are recorded initially at their acquisition cost plus accrued interests. The accrual of the interests are recorded in the income statements, calculated through the straight-line method, in accordance with the instrument nature.

c. Derivative financial instruments

In order to mitigate the risks arising from the interest rates, derivative financial instruments are selectively used for hedging purposes, such as SWAPS of cash flow coverage, through the interest rate. Such instruments are recognized at fair value, on which the accounting treatment is described as follows:

Changes in the fair value of the option, attributable to changes in the intrinsic value of it, will be included in the comprehensive income account, and after will be reclassified to the results.

d. Risk management

Internal risk management consists in stablishing policies for measurement, monitoring and controlling the risks to be managed, analyzed and assessed, as well as evaluating the obtained results and the connection with the assumed risks in accordance with the mandate and objective to be achieved.

Risk management is considered as a strategic competitive element with the ultimate objective of maximizing the generated value. This managements is defined, in a conceptual and organizational matter, as an integral treatment of the different risks (market risk, liquidity risk, credit risk, operational risk, technological risk and legal risk), assumed in the development of the financial operations.

e. Credit portfolio, net

The credit portfolio is represented by the amounts effectively granted to the clients plus accrued interests not collected minus interests collected in advance.

Credits are granted based on the payment capacity analysis of the client, which is made through a study based on the provided information by the customer and the statistics of its credit history.

The expired credit portfolio is comprised by the total outstanding balance of the credit, when the following deadlines are met in the absence of payment of the interests or of any capital repayments:

1. Credits with one-off principal and interests payments at maturity and present 30 or more calendar days of maturity.

2. Credits with one-off principal payment at maturity and periodic payments of interests and present 90 or more calendar days after respective interests payment has expired, or 30 or more calendar days after principal has expired.

3. Credits with partial principal and interests payments, and present 90 or more calendar days of expiration.

Interests are recognized as income at the time of accrual, nevertheless, interests recognition is suspended at the time where the credits are transferred to expired portfolio and those are recognized in off-balance-sheet items.

Regarding principal and the accrued ordinary interests not collected related to credits considered as expired portfolio, an allowance for credit risks in accordance with the application of the established methodology by the Commission, at the time of the credit transfer as expired portfolio.

Accrued default interests are recognized as revenue until the moment they are effectively collected.

Portfolio acquisition, session, control and recovery

The Entity might grant credits to the general public that request them and that meet with the requirements established on the Credit Manual; the loans to grant will be in accordance with the client's capacity of payments, and mainly destined to activities related to economy development and regional and national production.

Eligible for credit

Will be eligible for credit:

- People and legal entities. In case of people, they shall be older than 18 years and younger than 64 years and 11 months and in full use of their mental capacities, and show both, the legal capability to bound and contract, demonstrating financial soundness and payment capacity.

- People or Entities with foreign nationalities will not be eligible for credit.

Integration of files

The integration of the files will adhere to the established guidelines in the Manual Credit applicable to the integration of credit files, defining on a particular manner on the policies for type of loan, the minimum required documents, considering in a particular manner, that for each credit granted the following documents should be updated and are denominated as basics:

- Copy of customer's ID and of its guarantors, if any.
- Copy of proof of residence.
- Copy of revenue proof.
- Credit application with numer reference of the assembly authorizing such credit (if applies).
- Copy of contracts and credit titles.
- Credit rating card.
- Guarantees

The documentation proving formulating to a Credit Information Entity, a previous consultation. Information regarding the credit history of the client regarding the compliance of its obligations with the Entity.

Responsibles of the files

It will be responsability of the file clerk on maintaining the archives complete and updating them.

In the case of clients, who are part of a common risk (related parties), the files shall be identified with the purpose of analyzing them together through the policies described in this section.

Credit application analysis

For loan granting, it will be determinant the result arising from the analysis application per credit type.

During the credit approval process, the following models will be adhered, which, depending on the loan type, it shall be clearly defined in the policies by loan type.

Credit analysis for commercial loans

Related parties

With the purpose of maintaining transparency in its operations, as well as keeping control over the loans to related parties, and that there are no favorable conditions and/or different to the ones permitted in the Manual, the guidelines in the treatment to those stockholders or officers within this section.

Assessment and monitoring

With the purpose of maintaining acceptable levels on the credit portfolio, the Entity shall stablish within its credit process, the assessment and monitoring, which consists on a post-loan granting monitoring and most help on maintaining a healthy credit portfolio.

The Entity shall continuously monitor the credits of its portfolio, including the guarantees and references, particularly; more attention shall be paid to those credits classified as non-performing loans and/or expired portfolio.

For credit Information security purposes, the portfolio control system has automated back—up processes for the recovery of information in case of contingency.

Once the loan has been granted, it shall be identified that it must be used for the requested purposes, as well as providing a reasonable behavior in the compliance of the contracted obligations and anticipating problems due to non-payment problems.

The loan evaluation and monitoring may be done through:

- Documental evidence, such as financial statements, invoices, inspection reports and/or photographs.

- Inspections at the client’s home or work residence confirming the proper resource application of the loan.

- There is a proper control of the credit portfolio and performing visits on the most important credits in amount and in risk, on those that a physical visit is not feasible, continuous communication with the clients must be established.

- Every monitoring action will be documented through a written record (visit or communication report), becoming part of the credit file (could be exempted if there is control within the system).

Credit portfolio recovery

General policies

- Administrative collection activity management shall be sole responsibility of the collection department.

- The recovery of expired credit portfolio and/or in judicial process shall be performed by External legal.

- The administrative collection may be exercised by both, as long as favorable conditions for this purposes are presented.

- The Entity will distinguish four types of collections for this management and will be determined by default period presented on the credits granted, being the following:

    i. Preventive collection made before payment due date of each credit amortization.

    ii. Administrative collection is the one given through a period from 1 to 90 days and/or when there are less than three expired credits considered as current portfolio.

    iii. Extrajudicial collection is the one given through a period from 91 to 180 days and/or when there are over than two expired credits considered as current or expired portfolio.

    iv. Extrajudicial collection is the one given through a period over 181 days considering it as expired portfolio or those loans with one-off payment, with lateness over 30 days.

- The collection department will determine the procedures to be followed in each of the collection types mentioned in previous item according to what it is established in the corresponding manual.

- The Entity will only and exclusively receive for the interests and current principal payment, bank transfers, as well as documents denominated in checks which acceptance will be governed by the Securities and Credit Operations Act.

- The checks acceptance for interests and/or principal payments will always be under good collection.

- The note subscribed by the client shall be delivered when the customer settle his account, in case the customer performed the payment through check, when it has paid by the bank to the Entity.

- The Entity will receive assets as interest payment and total principal loan payment; as long as it is authorized by Management Board and all instances of recovery have been exhausted.

- The valuation that determines the amount of the received assets as payment, shall settle the credit balance, ordinary and default interests, as well as legal and administrative costs and expenses.

- All received assets by Entity as payment may be insured.

- Regarding the remission of default interests shall be the authority of the General Director and Collection Coordinator, jointly. Such authority must be written and authorized by Board Management and the remission of the default rate may be authorized under the following scheme:

  Remission of interests may be accepted the General Director by her/his criteria, and shall be always approved by Board Management and the supporting documentation shall be integral part of the credit files.

- Exclusively under written approval by Board Management, the loan may be taken away or impaired versus the allowance, only in those cases where it is impossible the recovery of the loan in adherence to the collection regulations.

Doubtable credits

Are the commercial credits for which it is determined that, based on information and current facts, as well as the credits review process, there is considerable probability that won't be completely recovered, both principal and interests, in a accordance with what is established in the contract.

Allowance

The Entity in compliance with the regulations established by the CNBV, will generate allowances for those loans with no payment probability.

The allowances will be generated versus the expense and credited to its corresponding complementary asset account. For the application of the allowances, it shall be adhered to what is established in the Credit and Collection Manual.

Policies and procedures established to determine credit risks concentration

The Entity has policies in accordance with the different loan types: the credit risks limits will be a percentage of the Entity's net equity.

Regarding the liquidity risks, it shall not be lower than a percentage of current assets and liabilities (30 days).

The Detail of the calculation of the credit, market and liquidity risks are described in detail in the Manual for the Entity's risks administration.

f. Allowance for credit risks

Based on the Information analyzed by each credit type, the assignation of certain credit score is performed, which is considered as a significant element to determine la probability of non-compliance within the expected loss formula and, as consequence, to determine the percentage of the applicable estimation, as well as the assignation of credit score. The allowances for credit risks are determined in all cases based on standard methodology issued by the CNBV. The assessment of such factors may differ from real results.

g. Repossessed assets

Are recorded considering the outstanding balance as of the moment of the allocation. In case of loss of the value, the corresponding effect is evaluated, with the purpose of constructing on a quarterly basis the provisions to recognize the potential impairment of the assets through the time. The loss value of the repossessed assets and provisions, are impaired and recorded as an expense in the results of the year.

The difference between the sales price and the book value, net of estimates of the sale of the repossessed assets, are recognized in the results of the year as other products or other expenses, as applicable.

h. Property, plant and equipment

Are recorded at acquisition cost. This value includes the costs initially incurred to be acquired, as well as the ones incurred after to increase its remaining useful life. The added components are depreciated during their useful life.

Depreciation is calculated in accordance with the straight-line method over initial monthly balances of the assets based on the useful lives estimated by management.

Maintenance expense incurred of property, plant and equipment are recorded in the results.

Property, plant and equipment are written off at the time they are being sold; the gain or loss of the sale is recorded in the results.

i. Intangible assets

The intangible asset with an indefinite useful life is from the Swell trademark and is considered as such since there are no legal, regulatory, contractual, competitive, economic factors, etc., that limit its useful life, therefore, it is subject to impairment in each reporting period and at any time there is an indication of impairment. The Entity made the payment for the trademark to its related parties that owned it.

As of December 31, 2023 and 2022, the trademark amounts to $ 11,500.

j. Impairment of the recovery value of long-lived assets

The values of the long-lived assets is evaluated periodically in order to determine the existence of indicators that such values exceeds the recoverable value. The recoverable value represents the amount of potential net revenues reasonably expected to obtain as a consequence of the utilization or realization of such assets.

If it is determined that the updated values are excessive, the required estimates are recorded to reduce them to their recovery value. When there is intention of selling the assets, these are presented in the financial statements at their lowest between accounting or realization value.

As of December 31, 2023 and 2022, there are no impairment indicators that require the determination of any estimate towards this concept.

k. Other assets

Are represented by insurance, services among others, which are amortized in straight-line in accordance with the period covered by the expense.

l. Bank loans and other lending

Bank loans and other lending are registered at the contractual value of the obligation, recognizing the interest in the results as accrued. Refer to Note 13.

m. Income taxes

The incurred tax of the year is determined on the basis of the tax provisions in force and is recorded in the results for the year to which it is attributable; likewise, the deferred taxes determined on the basis of the assets and liabilities method are calculated, which consists of comparing the accounting and tax values of the assets and liabilities, from which temporary differences arise, both deductible and taxable. All the resulting temporary differences, including the benefit for tax losses pending to be amortized, are applied the relevant tax rate and are recognized as a deferred asset or liability. The deferred tax assets are recorded only when there is a probability for their recovery. Refer to Note 18.

n. Deferred credits and anticipated payments

In this caption, anticipated collected commissions are recorded, which are amortized in the results in a lineal way during the life of the credit, among others.

o. Foreign currency transactions

Foreign currency transactions are recorded at the current exchange rate as of the date on which they are carried out. Assets and liabilities in foreign currency are valued at the exchange rate published by the Bank of Mexico (Banxico). Exchange fluctuations are recognized in the results of the year. As of December 31, 2023 and 2022, assets for 42 and 471 thousand euros, respectively, and liabilities for 935 thousand and 1.4 million euros, respectively, have been recorded. As of July 8, 2024, the date of issuance of the financial statements, the exchange rate was 19.50 pesos per one euro.

p. Contingencies

Significant obligations or important losses related to contingencies are recorded when it is probable that their effects are materialized and there are reasonable elements to estimate the amount. If there are no reasonable elements, qualitatively disclosure is provided in the notes to the financial statements. Contingent revenues, earnings or assets are not recognized until their realization is certain.

4. Cash and cash equivalent

The cash and cash equivalent in the consolidated are as follows:

	2023	2022
Banks in the country	$ 1,246	$ 14,521
Security investments	25,499	13,650
Restricted cash		1,340
	$ 26,745	$ 29,511

The cash and cash equivalent in the non-consolidated are as follows:

	2023	2022
Banks in the country	$ 1,173	$ 12,098
Security investments	25,152	13,650
Restricted cash		1,340
	$ 26,325	$ 27,088

5. Transactions with derivative financial instruments

The Entity uses derivative financial instruments (DFIs), primarily interest rate swaps, for hedging purposes. These instruments are used to mitigate the risk of adverse movements in interest rates on long-term debt and to ensure certainty in cash flows for meeting financial obligations. The Entity's hedging strategy aims to reduce volatility in interest expenses and improve predictability in cash outflows.

The determination of the fair value as of the end of the years of 2023 and 2022 originated an effect for $ (961) and $ 680, respectively, which was recognized in the other comprehensive income, net of income tax and employee statutory profit sharing. As of December 31, 2022 the fair value of these instruments as shown below:

		2 0 2 2				2 0 2 2
		Maturity				
DFI	Institution	Since	Until	Business model	Currency	Fair value
Swap interest rate	Casa de Bolsa Finamex, S.A.B. de C.V.	Oct 17, 2019	Oct 13, 2023	Hedge	MXN	$ 1,601

As of December 31, 2023, there are not derivative financial instruments.

6. Credit portfolio

a. The classification of current and expired credits are as follows:

	CONSOLIDATED Credit portfolio 2 0 2 3		
	Current	Expired	Total
Commercial credits	$ 167,073	$ 5,175	$ 172,248
Leasing credits	57,032	5,555	62,587
	$ 224,105	$ 10,730	$ 234,835

	CONSOLIDATED Credit portfolio 2 0 2 2		
	Current	Expired	Total
Commercial credits	$ 114,415	$ 3,626	$ 118,041
Leasing credits	53,690	4,103	57,793
	$ 168,105	$ 7,729	$ 175,834

	NON-CONSOLIDATED Credit portfolio 2 0 2 3		
	Current	Expired	Total
Commercial credits	$ 180,456	$ 5,175	$ 185,631
Leasing credits	56,509	5,555	62,064
	$ 236,965	$ 10,730	$ 247,695

	NON-CONSOLIDATED Credit portfolio 2 0 2 2		
	Current	Expired	Total
Commercial credits	$ 138,957	$ 3,626	$ 142,583
Leasing credits	53,690	4,103	57,793
	$ 192,647	$ 7,729	$ 200,376

b. Portfolio classification by economic sector

	CONSOLIDATED				
	2023			2023	
Sector	Current	Expired	Total	Average term (months)	Average rate
Transport	$ 49,032	$ 2,216	$ 51,248	44	29.0%
Industry	41,562	1,681	43,243	42	26.3%
Services	111,775	4,011	115,786	40	22.6%
Agriculture	21,736	2,822	24,558	52	28.4%
	$ 224,105	$ 10,730	$ 234,835		

	CONSOLIDATED				
	2022			2022	
Sector	Current	Expired	Total	Average term (months)	Average rate
Transport	$ 101,055	$ 3,264	$ 104,319	36	26.4%
Industry	37,530	483	38,013	38	27.1%
Services	25,254	3,982	29,236	41	24.6%
Agriculture	4,266		4,266	54	27.6%
	$ 168,105	$ 7,729	$ 175,834		

	NON-CONSOLIDATED				
	2023			2023	
Sector	Current	Expired	Total	Average term (months)	Average rate
Transport	$ 48,509	$ 2,216	$ 50,725	44	29.0%
Industry	41,562	1,681	43,243	42	26.3%
Services	125,158	4,011	129,169	40	22.6%
Agriculture	21,736	2,822	24,558	52	28.4%
	$ 236,965	$ 10,730	$ 247,695		

	NON-CONSOLIDATED				
	2022			2022	
Sector	Current	Expired	Total	Average term (months)	Average rate
Transport	$ 101,055	$ 3,264	$ 104,319	34	23.7%
Industry	37,530	483	38,013	38	27.1%
Services	49,796	3,982	53,778	41	24.6%
Agriculture	4,266		4,266	54	27.6%
	$ 192,647	$ 7,729	$ 200,376		

c. Information on expired portfolio

The expired portfolio in accordance to its aging in the consolidated and the non-consolidated is as follows:

Year	1 to 180 days	181 to 365 days	Over one year	Total
2023	$ -	$ -	$ 10,730	$ 10,730
2022	$ -	$ -	$ 7,729	$ 7,729

d. The movements of the expired portfolio in the consolidated and non-consolidated is comprised as follows:

	2023	2022
Balance at the beginning of the year	$ 7,729	$ 11,199
Transfers from current portfolio	3,001	
Recoverability of the expired portfolio		(3,470)
	$ 10,730	$ 7,729

Procedures assuring that the balances of credits granted, considered as expired portfolio and with recoverability problem are transferred to expired portfolio and recorded in accounting, have been established.

e. The balances included in the current portfolio for credits granted to related parties are comprised as follows:

	CONSOLIDATED	
	2023	2022
Clínica de Ansiedad, Depresión y Estrés Cade, S. de R.L. de C.V.	$ 9,550	$ 5,219
Grupo Cesco de los Altos, S.A. de C.V.	121	384
Very Berry Sweet, S.A. de C.V.	2,252	2,962
Francisco Javier Chávez García	4,473	4,604
Ernesto Mario Vela Berrondo		507
	$ 16,396	$ 13,676

	NON-CONSOLIDATED	
	2023	2022
Alt Easing, S.A.P.I. de C.V.	$ 13,383	$ 24,542
Clínica de Ansiedad, Depresión y Estrés Cade, S. de R.L. de C.V.	9,550	5,219
Grupo Cesco de los Altos, S.A. de C.V.	121	384
Very Berry Sweet, S.A. de C.V.	2,252	2,962
Francisco Javier Chávez García	4,473	4,604
Ernesto Mario Vela Berrondo		507
	$ 29,779	$ 38,218

7. Allowance for credit risks

The Entity applies in an integral matter, the methodology established by the CNBV in the determination of the allowance for credit risks as of December 31, 2023 and 2022, which consists on rating the credit portfolio based on the function of the credit type that comprises it.

Accrued interests not collected pertaining to credits considered as expired, are provisioned on a 100% basis on the amount of the accrued interests since the first breach until the moment the credit was transferred to expired portfolio. Besides, the capital of the expired loans not collected are recorded in the allowance for credit risks.

The Entity determines the accounts subject to an estimate in function of the actual and historical behavior of their clients, seeking to record those estimates as real as the circumstance of its portfolio.

8. Other accounts receivable, net

The other accounts receivable in the consolidated, are as follows:

	2023	2022
Value added tax	$ 1,674	$ 2,143
Income tax	2,217	194
Sundry debtors (1)	20,466	28,784
	24,357	31,121
Expected credit losses	(2,028)	(3,000)
	$ 22,329	$ 28,121

(1) Include balances with related parties as of December 31, 2023 and 2022 for $ 13,248 and $ 20,665, respectively.

The other accounts receivable in the non-consolidated, are as follows:

	2023	2022
Value added tax		$ 940
Income tax	$ 2,217	
Sundry debtors (2)	23,657	33,677
	25,874	34,617
Expected credit losses	(2,028)	(3,000)
	$ 23,846	$ 31,617

(2) Include balances with related parties as of December 31, 2023 and 2022 for $ 18,633 and $ 25,904, respectively.

9. Repossessed assets

Repossessed assets correspond to property and vehicles, that were recovered as dation in payment. Balances as of December 31, 2023 and 2022 are as follows:

	2023	2022
Property	$ 26,354	$ 22,212
Vehicles	206	206
	$ 26,560	$ 22,418

10. Property, plant and equipment

Balances as of December 31 are as follows:

	CONSOLIDATED 2023			
	Investment	Accumulated depreciation	Net	Average annual depreciation rate
Transportation equipment	$ 1,476	$ 1,476		25%
Computer equipment	534	510	$ 24	30%
Office equipment	907	383	524	10%
Leasehold improvements	563	152	411	10%
Leased transport equipment	97,365	54,161	43,204	25% y 20%
Leased office equipment	898	595	303	10%
	$ 101,743	$ 57,277	$ 44,466	

	CONSOLIDATED 2022			
	Investment	Accumulated depreciation	Net	Average annual depreciation rate
Transportation equipment	$ 1,476	$ 1,412	$ 64	25%
Computer equipment	509	489	20	30%
Office equipment	816	300	516	10%
Leasehold improvements	563	96	467	10%
Leased transport equipment	107,086	55,936	51,150	25% y 20%
Leased office equipment	6,221	944	5,277	10%
	$ 116,671	$ 59,177	$ 57,494	

In the period that ended December 31, 2023, the application to the income statement for depreciation in the consolidated ascended to $ 18,637 ($ 23,711 in 2022).

	NON-CONSOLIDATED 2023 Investment	Accumulated depreciation	Net	Average annual depreciation rate
Transportation equipment	$ 1,476	$ 1,476		25%
Computer equipment	518	494	$ 24	30%
Office equipment	907	383	524	10%
Leasehold improvements	563	152	411	10%
Leased transport equipment	43,812	30,528	13,284	25% y 20%
Leased office equipment	766	517	249	10%
	$ 48,042	$ 33,550	$ 14,492	

	NON-CONSOLIDATED 2022 Investment	Accumulated depreciation	Net	Average annual depreciation rate
Transportation equipment	$ 1,476	$ 1,412	$ 64	25%
Computer equipment	491	473	18	30%
Office equipment	816	300	516	10%
Leasehold improvements	563	96	467	10%
Leased transport equipment	55,661	34,203	21,458	25% y 20%
Leased office equipment	766	440	326	10%
	$ 59,773	$ 36,924	$ 22,849	

In the period that ended December 31, 2023, the application to the income statement for depreciation in the non-consolidated ascended to $ 7,151 ($ 10,853 in 2022).

11. Equity investments

The summarized Information in which the Entity participates in its subsidiary is as follows:

		2023 Total assets	Total liabilities	Shareholders' equity	Equity investment in subsidiary
Alt Easing, S.A.P.I. de C.V.	100%	$ 36,501	$ 34,418	$ 2,083	$ 2,083

		Net result	Participation in subsidiary
Results	100%	$ 1,036	$ 1,036

		2022			
		Total assets	Total liabilities	Shareholders' equity	Equity investment in subsidiary
Alt Easing, S.A.P.I. de C.V.	100%	$ 41,501	$ 40,454	$ 1,047	$ 1,047
				Net result	Participation in subsidiary
Results	100%			$ 1,072	$ 1,072

12. Sundry creditors and other accounts payable

Sundry creditors and other accounts payable in the consolidated are as follows:

	2023	2022
Value Added Tax	$ 14,104	$ 12,581
Customer advanced payments	9,183	8,625
Sundry creditors (1)	1,722	210
Others	454	601
	$ 25,463	$ 22,017

(1) Include balances with related parties as of December 31, 2023 and 2022 for $ 50 and $ 88, respectively.

Sundry creditors and other accounts payable in the non-consolidated are as follows:

	2023	2022
Value Added Tax	$ 13,988	$ 12,569
Customer advanced payments	9,168	8,625
Sundry creditors (2)	3,274	2,240
Others	454	437
	$ 26,884	$ 23,871

(2) Include balances with related parties as of December 31, 2023 and 2022 for $ 1,900 and $ 2,240, respectively.

13. Bank loans and other lending

As of December 31, 2023 and 2022, interbank loans and other lending are as follows:

	CONSOLIDATED	
	2023	2022
Banco del Bajío, S.A., Multiple Banking Institution	$ 2,665	$ 4,833
Toyota Financial Services México, S.A. de C.V. with an interest rate of 12.50%	1,759	4,027
Daimler Financial Services, S.A. de C.V., SOFOM ENR with an interest rate of 13%	3,897	9,366
Oikocredit Ecumenical Development Cooperative Society U.A. with an interest rate of TIIE +7	47,833	
Altum Capital, S.A.P.I. de C.V., SOFOM ENR with an interest rate of TIIE +7.5	32,860	37,595
AS Mintos Marketplace with an interest rate of 9%	16,383	28,433
Commercial loans fixed interest rates ranging from 8% to 13%	122,091	107,797
Other lending	50	
	227,538	192,051
Minus, current portion	50,977	50,614
Long-term debt	$ 176,561	$ 141,437

	NON CONSOLIDATED	
	2023	2022
Banco del Bajío, S.A., Multiple Banking Institution	$ 2,665	$ 4,833
Toyota Financial Services México, S.A. de C.V. with an interest rate of 12.50%	1,759	4,027
Daimler Financial Services, S.A. de C.V., SOFOM ENR with an interest rate of 13%	3,897	9,366
Oikocredit Ecumenical Development Cooperative Society U.A. with an interest rate of TIIE +7	47,833	
Altum Capital, S.A.P.I. de C.V., SOFOM ENR with an interest rate of TIIE +7.5	24,937	37,595
AS Mintos Marketplace with an interest rate of 9%	16,383	28,433
Commercial loans fixed interest rates ranging from 8% to 13%	122,091	107,797
Other lending	50	
	219,615	192,051
Minus, current portion	45,695	50,614
Long-term debt	$ 173,920	$ 141,437

1. Covenants to do (1):

   a. Delivering the internal financial statements each semester and the audited financial statements
   b. Make available to the Bank the files that where integrated, with the purpose of celebrating credit contracts with their debtors
   c. Notifying the bank any action, lawsuit, litigation or procedure against them
   d. Keep the Entity in good conditions with the purpose of enabling the normal and solving course of the business
   e. Allowing access to the personnel the Bank designs, as well as providing the requested information related to the application of the credits
   f. Executing the investment plan in accordance to the Investment project approved by the Bank

2. Covenants not to do (1):

   a. Investing in legal entities, national or foreign, that are not subsidiaries or affiliated
   b. Conduct substantial changes in the administration
   c. To grant joint and several obligations, endorsements, collaterals, or any type of personal or real guarantees, to ensure third parties obligations
   d. Merging with another Entity, or splitting without previous approval or notification
   e. Dispose, tax, sublease or in any other way, transferring pledged assets, without express and written authorization from the Financial Institution

   (1) Summary of main obligations

14. Contingencies and commitments

a. The tax authorities have the right to review, at least, the previous five years and could determine tax differences to be paid, plus their corresponding updates, surcharges and fines.

b. According to the Income Tax Law, companies that carry out transactions with related parties, resident in the country or abroad, are subject to limitations and fiscal obligations, as to the determination of agreed prices, since these shall be comparable to those which would be used with or between other independent parties in comparable operations.

   In the event that the tax authorities review the prices used in the various operations carried out by the Entity with its related parties and reject the amounts determined, they could require, in addition to the collection of the corresponding tax and accessories (updating and surcharges), fines on omitted contributions, which could be up to 100% over the updated amount of contributions.

c. On December 1st, 2012, amendments to the Federal Labor Act entered into force, mainly regarding to definitions in recruitment of service-providing companies and the Company, together with its affiliates, analyzed the possible effects of this amendments and adhered to its applicable rules, that might differ from the authorities' criteria.

d. On April 23, 2021, the labor subcontracting reform was approved, which amends, adds and repeals several labor and tax laws in order to prohibit the subcontracting of personnel for activities related to the Company's main economic activity and to modify the calculation of the Employee Profit Sharing (PTU) to which each employee is entitled. The Company evaluated the impact of these reforms on its financial information and concluded that they do not have a material impact.

15. Stockholder's equity

a. Capital stock

At the General Meeting of Shareholders held on June 1, 2023, the option to repurchase shares for $ 5,000 or a dividend distribution of $ 4,500 is approved. Therefore, at the Board of Directors' Meeting held on July 7, 2023, the option to repurchase Series B and C shares on a pro-rata basis to all Shareholders is approved.

As December 31, 2023 and 2022, the capital stock of the Company is represented by 100,409,638 common shares, nominatives with nominal value of one peso per share, totally subscribed and paid, respectively.

b. Legal reserve

The net income of the Entity is subject to the application of 5% to the legal reserve until it represents 20% of the Capital stock. The legal reserve is not subject of cash distribution, but may be capitalized. As of December 31, 2023 and 2022, the Entity has not constituted the legal reserve.

c. Distribution of dividends and capital refunds

If applicable, accumulated results will be subject to taxes, in case of cash distribution, except if they come from the Net Tax Profit Account (Spanish initials "CUFIN"). Furthermore, capital refunds that proportionally exceeds the Contributed Capital Account (Spanish initials "CUCA") are considered as income distribution subject to the treatment previously mentioned, and if applicable, to tax payment. In accordance with the Tax Law, the dividends to be paid to shareholders and that emanate from CUFIN generated in 2014 or in the following years, will be subject to a 10% tax retention.

d. Valuation result on cash flow hedging instruments

As of December 31, 2022, the valuation result on cash flow hedging instruments included in the statement of changes in stockholders' equity is comprised as follows (See Note 5):

		2022
Derivative Financial Instruments	$	1,601
Tax caused		(480)
Employee statutory profit sharing caused (PTU)		(160)
	$	961

16. Subordinated liabilities

The subordinated liabilities in circulation as of December 31, are as follows:

				2022			
Bond issue	Due date	Average rate	Currency		Authorized amount MXP		Total
SWELL-08	01-apr-22	13.00%	MXP	$	400	$	400

As of December 31, 2023, the Entity has not subordinated liabilities in circulation.

17. Financial and operational margin

In the periods that ended December 31, the financial margin is comprised as follows:

	CONSOLIDATED	
	2023	2022
	National currency	National currency
Interest income		
Commercial credits	$ 50,126	$ 41,058
Availabilities	56	89
Bank investments	3,258	782
Granted credits commissions	3,684	2,313
Foreign exchange income	4,091	6,340
	61,215	50,582
Interest expense		
Bank loans	(15,799)	(11,999)
Amortization of debt issuance expenses	(13,540)	(11,601)
Granted credits commissions	(5)	(24)
Foreign exchange loss	(2,556)	(2,366)
	(31,900)	(25,990)
Total financial margin	$ 29,315	$ 24,592

	NON-CONSOLIDATED	
	2023	2022
	National currency	National currency
Interest income		
Commercial credits	$ 53,014	$ 46,671
Availabilities	56	55
Bank investments	3,258	782
Granted credits commissions	4,175	2,313
Foreign exchange income	4,091	6,340
	64,594	56,161
Interest expense		
Bank loans	(15,799)	(11,919)
Amortization of debt issuance expenses	(13,540)	(11,601)
Granted credits commissions	(5)	(24)
Foreign exchange loss	(2,556)	(2,366)
	(31,900)	(25,910)
Total financial margin	$ 32,694	$ 30,251

The financial intermediation results for the period that ended December 31 in the consolidated and non-consolidated is comprised as follows:

	2023	2022
Financial intermediation results	$ 309	$ 898

The operating leases result for the periods that ended December 31 is comprised as follows:

	CONSOLIDATED	
	2023	2022
Revenue from operating leases	$ 41,542	$ 47,436
Goods depreciation from operating leases	(18,391)	(23,307)
	$ 23,151	$ 24,129

	NON-CONSOLIDATED	
	2023	2022
Revenue from operating leases	$ 18,316	$ 22,618
Goods depreciation from operating leases	(6,924)	(10,467)
	$ 11,392	$ 12,151

18. Income taxes and deferred employee profit sharing

The Entity is subject to the Income Tax (ISR). The ISR is calculated considering the effects of inflation for tax purposes.

The analysis of the taxes (debited) credited to the result of the year, is as follows:

	CONSOLIDADO		NO CONSOLIDADO	
	2023	2022	2023	2022
Income tax	$ (2,745)	$ (2,803)	$ (2,673)	$ (2,803)
Deferred tax	1,109	(459)	1,109	(459)
	$ (1,636)	$ (3,262)	$ (1,564)	$ (3,262)

The ISR law establishes that the tax loss of a year may be amortized against the taxable income of the following ten years. In the period that ended on December 31, 2020, the Entity generated a tax loss of $ 20,387 and a portion was applied to taxable income generated in the year ended December 31, 2021 and the rest was applied for the year ended as of December 31, 2022.

Next, a summary of the temporary items that comprises the deferred tax, net:

	2023		2022	
	Temporary difference	Deferred tax	Temporary difference	Deferred tax
Allowance for credit risks	$ (18,817)	$ (5,645)	$ (13,069)	$ (3,921)
Property, plant and equipment	9,024	2,707	7,594	2,278
Advances from customers	(9,168)	(2,750)	(8,625)	(2,588)
Employees profit sharing	(840)	(252)	(2,548)	(764)
Others	(3,207)	(962)	(2,660)	(798)
Asset at the end of the year		(6,902)		(5,793)
Asset at the beginning of the year		5,793		6,252
Income tax (charged) credited to results		$ 1,109		$ (459)

The analysis of the employees profit sharing (PTU in Spanish) recognized in the results in the consolidated and non-consolidated as follows:

	CONSOLIDATED		NON CONSOLIDATED	
	2023	2022	2023	2022
PTU incurred (1)	$ (884)	$ (2,309)	$ (840)	$ (2,010)
PTU deferred (1)	601	450	601	450
	$ (283)	$ (1,859)	$ (239)	$ (1,560)

(1) The PTU incurred and deferred is recorded under the administrative and promotional expenses.

Next we show a summary of the main temporary items that are part of the asset for deferred PTU as of December 31:

	2023		2022	
	Temporary difference	Deferred PTU	Temporary difference	Deferred PTU
Allowance for credit risks	$ (18,817)	$ (1,882)	$ (13,069)	$ (1,307)
Property, plant and equipment	9,024	902	7,594	759
Advances from customers	(9,168)	(917)	(8,625)	(863)
Others	(5,663)	(566)	(4,514)	(451)
Asstes final balance		(2,463)		(1,862)
Assets initial balance		1,862		1,412
Deferred PTU accredited to results		$ 601		$ 450

19. Balances and operations with related parties

Balances with related parties in the consolidated (*) are integrated as follows:

	Debit balance		Credit balance	
	December 31,			
	2023	2022	2023	2022
Ceiba Soluciones de Occidente, S.A.P.I. de C.V. (1)	$ 8,995	$ 18,521		
Clínica de Ansiedad, Depresión y Estrés Cade, S. de R.L. de C.V. (1)	9,550	5,219	$ 965	$ 499
Grupo Cesco de los Altos, S.A. de C.V.	121	384		
Blackfisk, S.A.P.I. de C.V. (1)			46	46
I-Bizne, S.A.P.I. de C.V.	482	482		336
Francisco Javier Chávez García	5,474	4,604	1,800	2,212
Hugo Gómez Bernal (1)		300		
Jesús Roberto Martínez Orozco			50	50
Jorge Pablo Leroy Gómez Bernal				88
Very Berry Sweet, S.A. de C.V.	3,777	2,962		
Jaime Camarena Domínguez (2)	1,000			4,000
Ernesto Mario Vela Berrondo (1) (2)	245	1,869		2,200
José Antonio Rodríguez Osio (2)			5,100	3,100
Sandra Guadalupe Rodríguez Osio (2)			500	500
Jorge Eduardo Rodríguez Osio (2)			400	300
Maria Estela Velasco López (2)			100	300
Maria Estela López López (2)				400

	Debit balance		Credit balance	
	December 31,			
	2 0 2 3	2 0 2 2	2 0 2 3	2 0 2 2
Andrés Robles Fernández (2)			1,750	1,300
Alejandro Verduzco Ortega (2)			5,300	5,300
Gasolinera Triunfo, S.A. de C.V. (2)			1,000	1,000
Janneth Sánchez López			200	
	29,644	34,341	$ 17,211	$ 21,631
Expected credit losses	(2,028)	(3,000)		
	$ 27,616	$ 31,341		

Balances with related parties in the non-consolidated (*) are integrated as follows:

	Debit balance		Credit balance	
	December 31,			
	2 0 2 3	2 0 2 2	2 0 2 3	2 0 2 2
Ceiba Soluciones de Occidente, S.A.P.I. de C.V. (1)	$ 8,995	$ 18,521		
Clínica de Ansiedad, Depresión y Estrés Cade, S. de R.L. de C.V. (1) (2)	9,550	5,219	$ 965	$ 365
Grupo Cesco de los Altos, S.A. de C.V. (1)	121	384		
I-Bizne, S.A.P.I. de C.V.	482	482		300
Francisco Javier Chávez García	5,474	4,604	1,800	2,212
Alt Easing, S.A.P.I. de C.V. (1)	18,768	30,081	2,090	2,390
Very Berry Sweet, S.A. de C.V.	3,777	2,962		
Jaime Camarena Domínguez (2)	1,000			4,000
Ernesto Mario Vela Berrondo (1) (2)	245	1,869		2,200
José Antonio Rodríguez Osio (2)			5,100	3,100
Sandra Guadalupe Rodríguez Osio (2)			500	500
Jorge Eduardo Rodríguez Osio (2)			400	300
Maria Estela Velasco López (2)			100	300
Maria Estela López López (2)			-	400
Andrés Robles Fernández (2)			1,750	1,300
Alejandro Verduzco Ortega (2)			5,300	5,300
Gasolinera Triunfo, S.A. de C.V. (2)			1,000	1,000
Janneth Sánchez López			200	
	$ 48,412	$ 64,122	$ 19,205	$ 23,667
Expected credit losses	(2,028)	(3,000)		
	$ 46,384	$ 61,122		

(1) Receivable balances correspond to loans with interests, among others
(2) Liabilities for “outstanding subordinated” and/or liabilities from commercial contracts
(*) Balances are integrated in different accounts of the statement of financial position.

For the years that ended December 31, the main transactions carried out with related parties in the consolidated where as follows:

	2023	2022
Ceiba Soluciones de Occidente, S.A.P.I. de C.V.		
Income:		
Sale portfolio		$ 8,817
Clínica de Ansiedad, Depresión y Estrés Cade, S. de R.L. de C.V.		
Income:		
Interest	$ 1,280	1,034
Vehicles leasing		30
Administrative services	71	5
Inventments and expenses:		
Brand purchase		3,833
Interest	46	
I-Bizne, S.A.P.I. de C.V.		
Income:		
Vehicles leasing		30
Administrative services	13	16
Expenses:		
Interest		36
Grupo Cesco de los Altos, S.A. de C.V.		
Income:		
Interest	42	81
Wild México Aventuras, S.A. de C.V.		
Income:		
Interest	63	2
Services	13	9
Very Berry Sweet, S.A. de C.V.		
Income:		
Interest	576	747
Ethel Mora Ponce		
Expenses:		
Fee	1,124	
Francisco Javier Chávez García		
Income:		
Interest	695	588
Inventments and expenses:		
Brand purchase		3,833
Interest	265	294
Fee	220	289
Jesús Roberto Martínez Orozco		
Expenses:		
Fee		125
Jaime Camarena Domínguez		
Inventments and expenses:		
Brand purchase		3,833
Interest		185
Fee	1,038	1,177
Ernesto Mario Vela Berrondo		
Income:		
Interest	73	
Expenses:		
Interest		76
Commission for promotion		410
Fee	4,133	4,727

	2023	2022
Sandra Guadalupe Rodríguez Osio		
Expenses:		
Interest	49	48
Jorge Eduardo Rodríguez Osio		
Expenses:		
Interest	41	36
José Antonio Rodríguez Osio		
Expenses:		
Interest	569	415
María Estela Velasco López		
Income:		
Interest	30	
Leases	357	
Services	36	
Expenses:		
Interest	18	30
Leases		404
María Estela López López		
Expenses:		
Interest	36	38
Andrés Robles Fernandez		
Expenses:		
Interest	232	120
Alejandro Verduzco Ortega		
Expenses:		
Interest	628	636
Gasolinera Triunfo, S.A. de C.V.		
Expenses:		
Interest	99	100
Janneth Sánchez López		
Income:		
Services	6	
Interest	33	
Expenses:		
Fee	240	
Interest	24	

For the years that ended December 31, the main transactions carried out with related parties in the non-consolidated, in addition to the above, where as follows:

	2023	2022
Alt Easing, S.A. de C.V. (subsidiary company)		
Income:		
Interests	$ 3,612	$ 5,033
Various services	491	482
Vehicles sales	398	5,576
Exepenses:		
Rendered Services	780	231
Interests	143	

20. Internal risk management

The Entity is exposed through its operations to the following risks:

Credit risk

Credit risk is the risk of financial loss to the Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Entity is mainly exposed to credit risk from credits granted. It is Entity policy to assess the credit risk of new customers before entering contracts.

The Credit Committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Entity's standard payment and delivery terms and conditions are offered. The Entity's review includes external ratings, when available, and in some cases bank references.

The Credit Committee determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' aging analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval of the Risk Management Committee.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions.

The Credit Committee monitors the credit ratings of counterparties regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

Concentration risk

Services are rendered to a large number of customers, without significant concentration with an specific costumer.

Market risk

Market risk arises from the use of financial instruments that generate earnings and can be sold. It is the risk that the fair value of future cash flows of a financial instrument may vary due to changes in interest rates (interest rate risk), or other market factors (other price risks).

Interest rate risk

The Entity is exposed to interest rate risk from short and long-term debt generating interests as a variable rate is being handled, however, there are financial instruments that reduce the risk covering the relative liability.

During 2023 and 2022, the long-term debt at variable interest rates was denominated in Mexican pesos.

In case of variable rates, the Entity analyses the exposure to interest rate risks exposure on a quarterly basis and performs a sensitivity analysis by applying simulation techniques to the liabilities that represent the positions that generate the largest interest payments. Several scenarios are being considered such as refinancing, renewal of existing positions, alternative financing sources and the use of hedges, if any. See Note 5.

Foreign exchange risk

Foreign exchange risk arises when the Entity enters into transactions denominated in a currency other than their functional currency.

The Entity is exposed to foreign exchange risk in euros of institutional loans with foreigners.

Liquidity risk

Liquidity risk arises from the working capital management of the Entity, as well as interest expense and principal repayments on its debt instruments. It is the risk that the Entity will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is treat to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements.

The Board receives monthly rolling 12-month cash flow projections on a monthly basis as well as information regarding cash balances. These projections indicates that the Entity expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

21. Memorandum accounts (not audited)

As of December 31, the memorandum accounts are as follows:

	2023	2022
Assets held in trust or under mandate	$ 51,196	$ 51,196
Uncollected accrued interest derived from overdue credit portfolio	4,742	2,573
Allowance for bad debts	17,611	17,611
Uncollected accrued rent derived from lease transactions		1,858
	$ 73,549	$ 73,238

22. New accounting pronouncements

During 2023, the CINIF issued several Improvements and Guidelines to the NIFs that will come into force in subsequent accounting periods and that the Company has decided not to adopt in advance. The most important ones that generate accounting changes are the following and come into force as of January 1, 2024 and 2025.

Improvements 2024:

- NIF C-10 "Derivative financial instruments and hedging relationships". The accounting treatment of a hedge of equity financial instruments whose valuation at fair value is recognized in other comprehensive income is included in accordance with the provisions of NIF C-2 "Investment in financial instruments".

- NIF C-2 "Investment in financial instruments". The term "financial instruments to be collected or sold" is eliminated to be replaced by "financial instruments to be collected and sold", understanding that according to their business model they have the objective of complying with both issues; That is, collect the contractual cash flows and sell the financial asset; it may not be sold in the end because the expected market conditions do not occur, but that would not affect its initial classification. Other NIFs are modified due to the change in this term.

- NIF D-4 "Income taxes". The applicable rate is clarified when assets and liabilities for incurred and deferred income taxes are recognized when there were benefits in tax rates for the period to encourage the capitalization of profits (undistributed profits).

Improvements 2025:

- NIF A-1 "Conceptual Framework of Financial Reporting Standards". The definition of a public interest entity is included with the objective of identifying disclosures applicable to all entities in general and those that are mandatory only for public interest entities.

The Entity's Management does not expect significant changes in the financial information derived from the adoption of the aforementioned Standards.

23. Responsability of the financial information

The issuance of the financial statements presented, was authorized on July 8, 2024, by Ethel Mora Ponce, Managing Director of the Entity and Alberto Eduardo Goyeneche Sillas, Finance Director of the Entity, consequently, do not reflect the events occurring after that date.

The General Corporate Law gives the stockholders the faculty to modify the financial statements after their issuance.