

swell[®]



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- This presentation is provided for **information purposes only**.
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SWELL

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ABOUT US

WE ARE YOUR BEST PARTNER

Together, we contribute to the growth of Mexico.

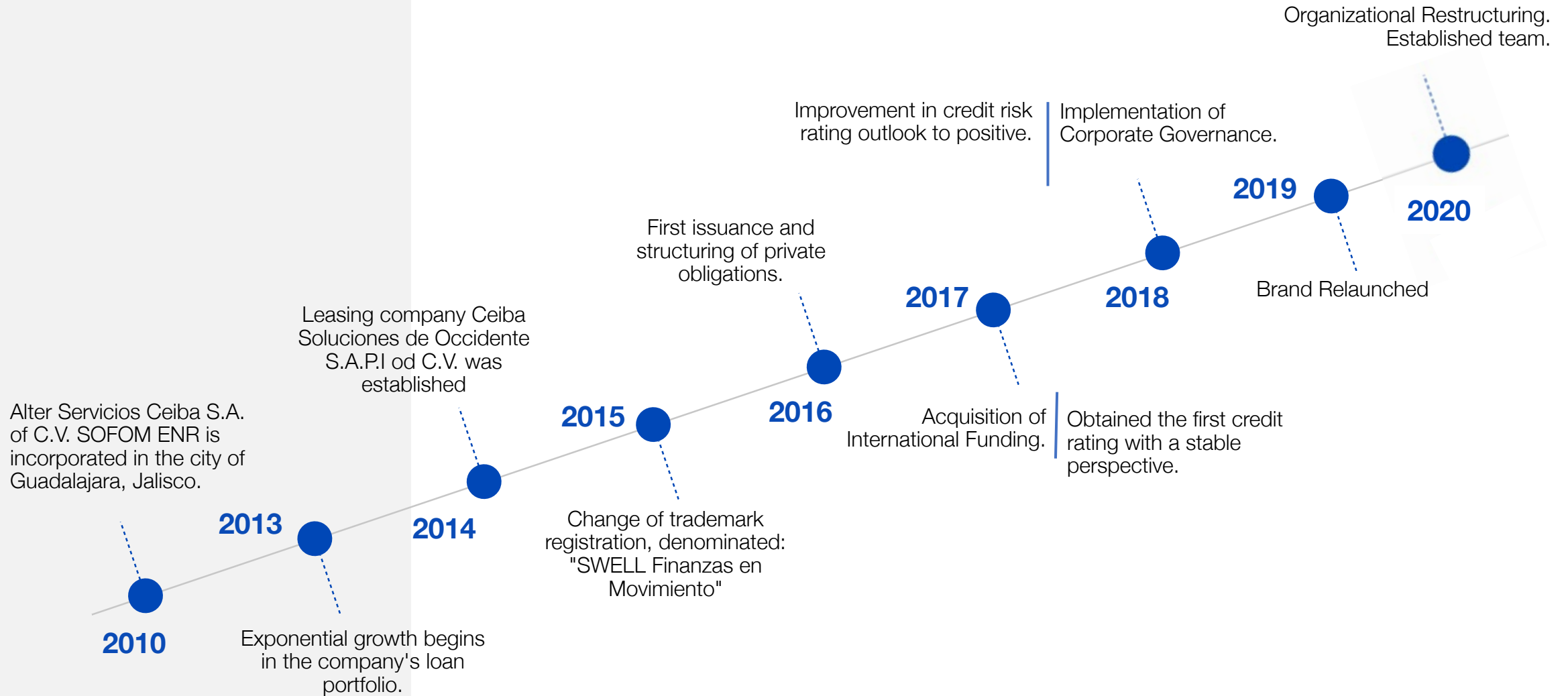
Our passion is to help Small and Medium Enterprises. We promote job creation and equitable distribution of wealth.

We are supervised by the Mexican banking regulators and we are members of the Asociación de Sociedades Financieras de Objeto Múltiple (ASOFOM).

We create plans that drive business growth and productivity in each of its phases. Our approach and understanding of the various industries have allowed us to configure financing schemes aligned to the economic objectives of our clients.



EVOLUTION



CORE BUSINESS

Credit and Lease for Small and Medium Enterprises.

PRODUCTS

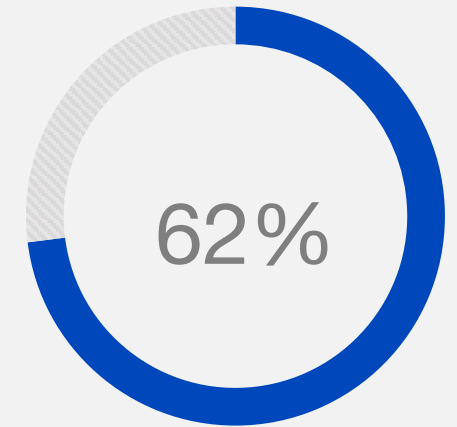
- We offer Credit and Lease.
- Terms from 12 to 60 months.
- Average annual rate of 30%.
- Amounts of \$300,000.00 MXN up to \$10,000,000.00 MXN.

LEASE

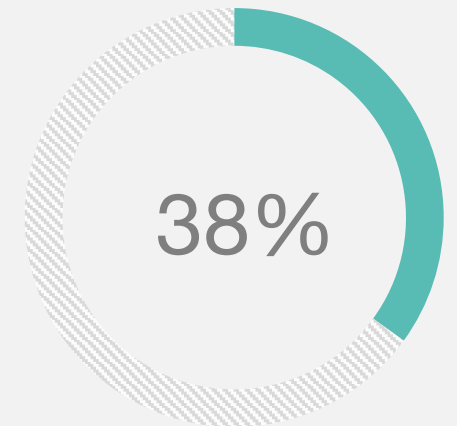
- Transport equipment.
- Machinery.

CREDIT

- Finance Investment projects.
- Working capital.
- Unexpected expenses.
- Asset Purchase.



Lease



Credit

*Data until December, 2020

COMPETITION

SOFOM was born in Mexico in 2006 and since then it has established itself as one of the most relevant financing options in this country. These institutions have the permission of the CNBV to grant the following products: Credit, financial leasing and factoring.

There are currently more than 1,700 SOFOMES in Mexico. This industry covers about 20% of financing to the private sector.

According to a study conducted by the Asociación de Sociedades Financieras de Objeto Múltiple (ASOFOM), Swell is ranked among the best SOFOMES in Mexico.

TOP20 RANKING NACIONAL DE SOFOMES	
1	AVANZA SOLIDO SA DE CV SOFOM ENR
2	PRETMEX SA DE CV SOFOM ENR
3	FIMUBAC SA DE CV SOFOM ENR
4	IMPULSORA EMERGENTE SAPI DE CV SOFOM ENR
5	FINANCIAMIENTO PROGRESEMOS SA DE CV SOFOM ENR
6	MONTE MITLA SA DE CV SOFOM ENR
7	EQUITY LINK SAPI DE CV SOFOM ENR
8	PROAKTIVA SAPI DE CV SOFOM ENR
9	MEX CAPITAL SA DE CV SOFOM ENR
10	CREDIMON SAPI DE CV SOFOM ENR
11	JINX SA DE CV SOFOM ENR
12	FINANCIERA CUALI SAPI DE CV SOFOM ENR
13	POWER MIX DE MEXICO SA DE CV SOFOM ENR
14	SOLUCIONES PARA TI, SOLUCIONES PARA TODOS SAPI DE CV SOFOM ENR
15	FACTOR GFC GLOBAL SA DE CV SOFOM ENR
16	CREDIAVANCE SA DE CV SOFOM ENR
17	BIEN PARA BIEN SAPI DE CV SOFOM ENR
18	SOLUCIONES FINANCIERAS INTERNACIONALES SA DE CV SOFOM ENR
19	SWELL FINANZAS EN MOVIMIENTO SAPI DE CV SOFOM ENR
20	ENTIDAD DE FOMENTO REGIONAL SA DE CV SOFOM ENR

ASOFOM 18 DE DICIEMBRE del 2020

MANAGEMENT TEAM



**Ernesto Mario
Vela Berrondo**

Chief Executive Officer

CEO – Talisis Value
HSBC International Bank - 25
years

27 years of experience in the
Financial Sector.
MBA – IPADE Business School
Bachelor of Business
Administration - Texas A&M
University



**Alberto Eduardo
Goyeneche Sillas**

Chief Financial Officer

President – IMEF Guadalajara
Finance Professor – ITESM
Campus Guadalajara
Smart That – Co-founder

Phd in Financial Sciences –
ITESM Campus Guadalajara
Master in Finance – ITESM
Campus Guadalajara



**María Estela
Velasco López**

Chief Commercial Officer

Financial Group Mifel –
Commercial Banking
HSBC International Bank - 19
years

21 years of experience in the
Financial Sector.
Bachelor of Public Accounting –
ITESO



**Alberto Osvaldo
Esparza Hernández**

General Accountant

CFO – F Rápido SA de CV
Senior Finance Manager –
Negocios y Proyectos SAPI de CV
SOFOM ENR

Master in Comptroller –
Universidad Panamericana
Bachelor of Public Accounting -
UDG

Actual Staff of 30+ colleagues, We have the potential to double the assets without additional headcount.



PORTFOLIO QUALIFICATION



**Credit
Rating
Agency**

STABLE OUTLOOK

- ▶ **SWELL LP** **HR BB+**
- ▶ **SWELL CP** **HR4**
- ▶ **SWELL CP** **HRAP3-**

Source: <https://www.hrratings.com/search.xhtml?keyword=swell>

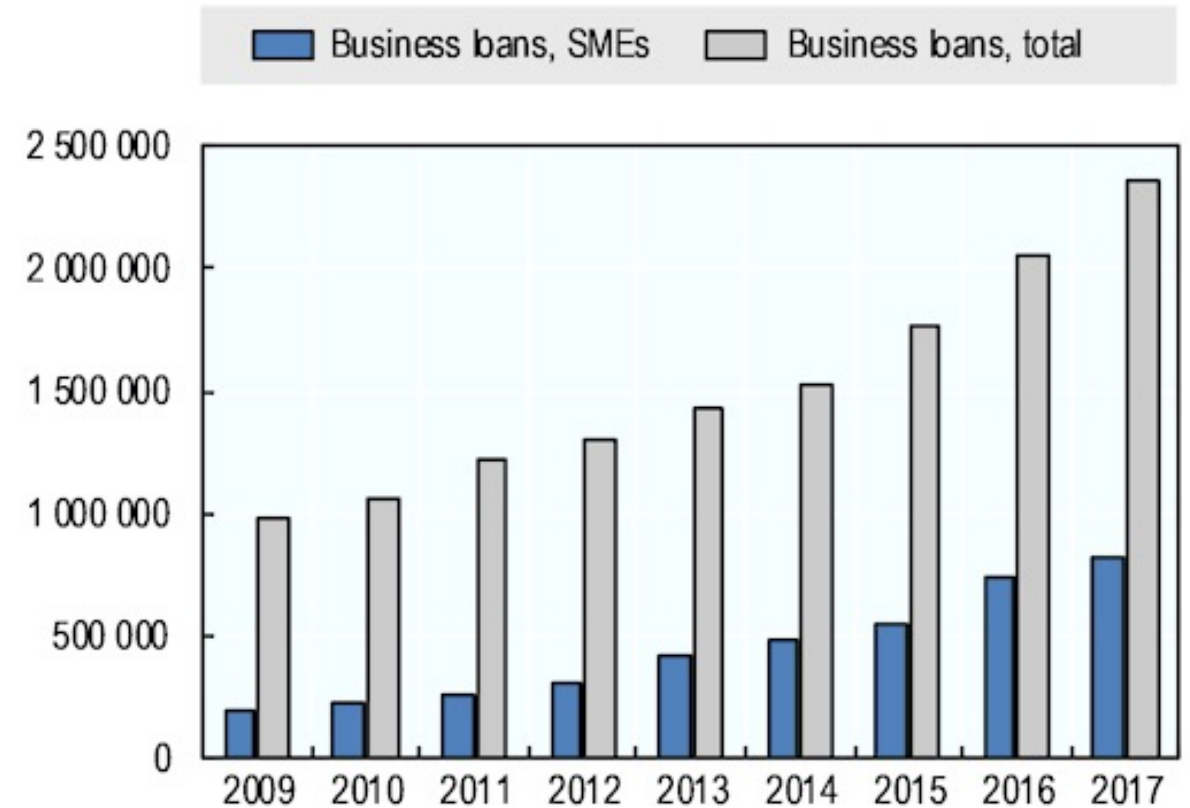
Market opportunity

In Mexico there are 4 million SMEs, of which 97.4% are microenterprises that represent 12.4% of total gross production (TGP) and employ 47.2% of the workforce.

In 2018, the average interest rates varied according to the amounts of the loans and the size of the borrowing company. For large companies, the average interest rate was approximately 11.78%; For SMEs, the average was 17.70%.

Financial Institutions offer different types of financing to SMEs, ranging from simple credit to revolving credit, to commercial credit cards. The demand is higher for simple credit, which represents 67% of the total credit volume for companies. Loan maturities usually range between 21 and 60 months, since loans to micro and small companies usually have long maturities.

A. SME loans and total business loans, 2009-17
Annual, in MXN million



HOW WE EVALUATE OUR CUSTOMERS

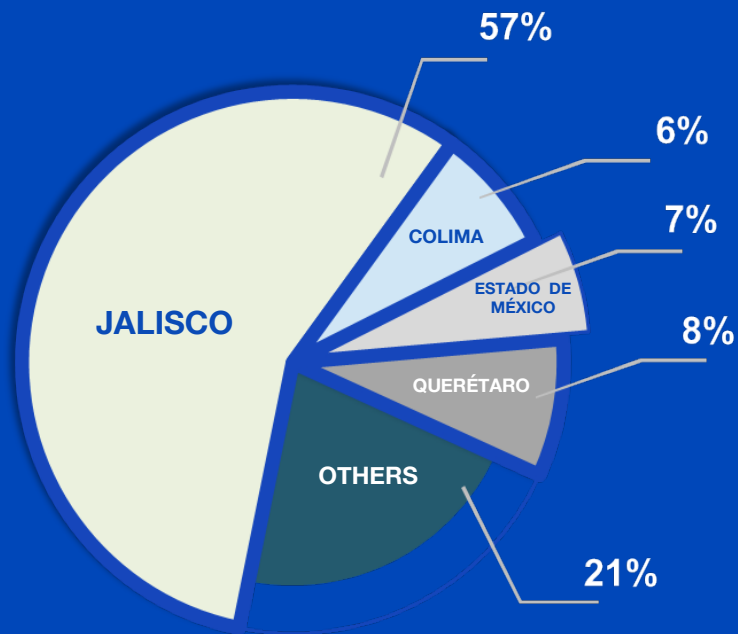
For a comprehensive customer analysis we focus on the following points:

- 1 Credit history with no recorded arrears.
- 2 Last 6 months of bank accounts.
- 3 Activity in which the prospect is engaged.
- 4 Annual tax return.
- 5 Guarantee with coverage ratio.
- 6 Collateral.

A Score is determined for customers, crediting only those who pass the points-based analysis filters.

PORTFOLIO PLACEMENT

DISPERSION OF THE PORTFOLIO BY STATES



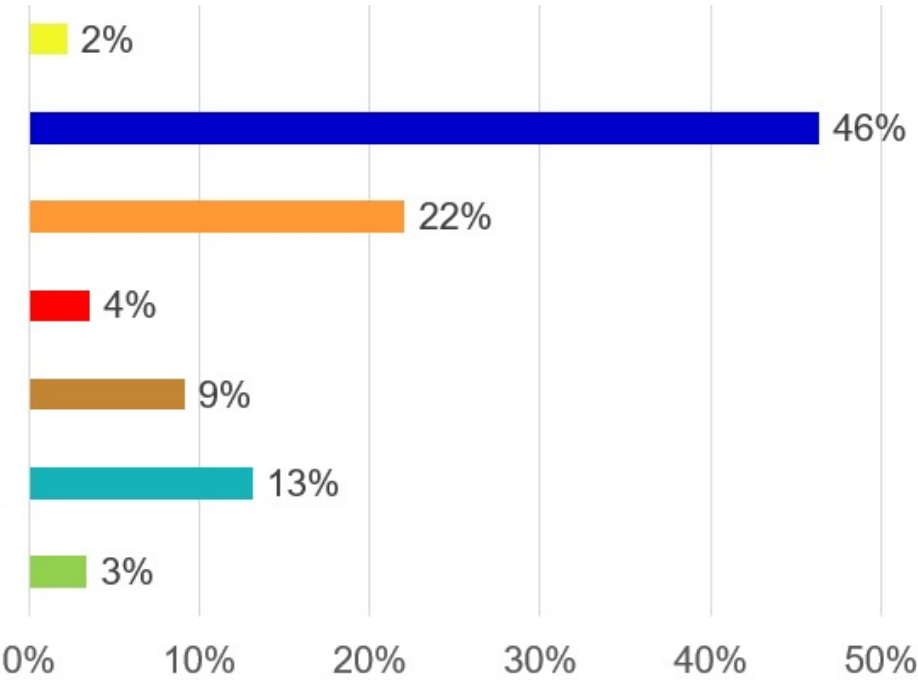
RISK DISTRIBUTION- SWELL

CREDIT SCORE

GOOD	VERY GOOD	EXCELENT
0%	0%	100%
30%	55%	15%
22%	40%	36%
0%	70%	30%
7%	71%	22%
6%	57%	37%
26%	70%	4%

TOURISM
TRANSPORT
SERVICES
MANUFACTURE
CONSTRUCTION /REAL ESTATE
COMMERCE
AGRICULTURE

PORTFOLIO BY ACTIVITY



OTHER FUNDING SOURCES



In Swell's history we have had more than
400 customers.

We have granted more than
1,100 credits.

Repeating
customers **44%**

Past due
portfolio **1.79%**
NPL

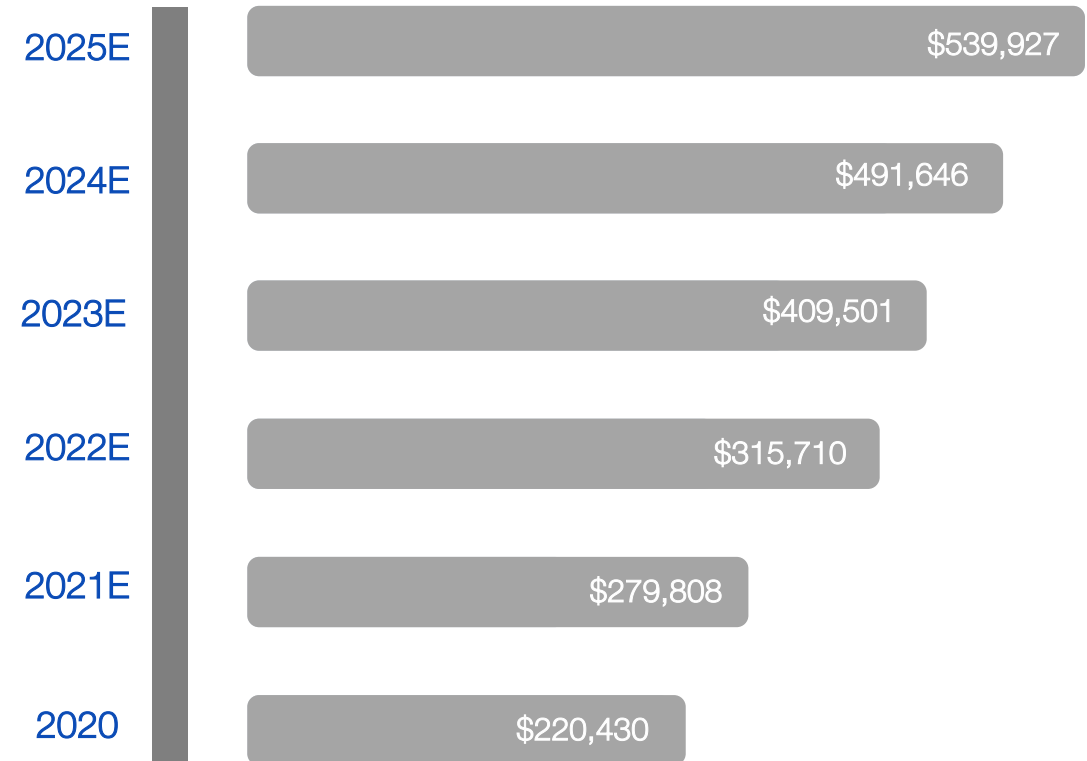
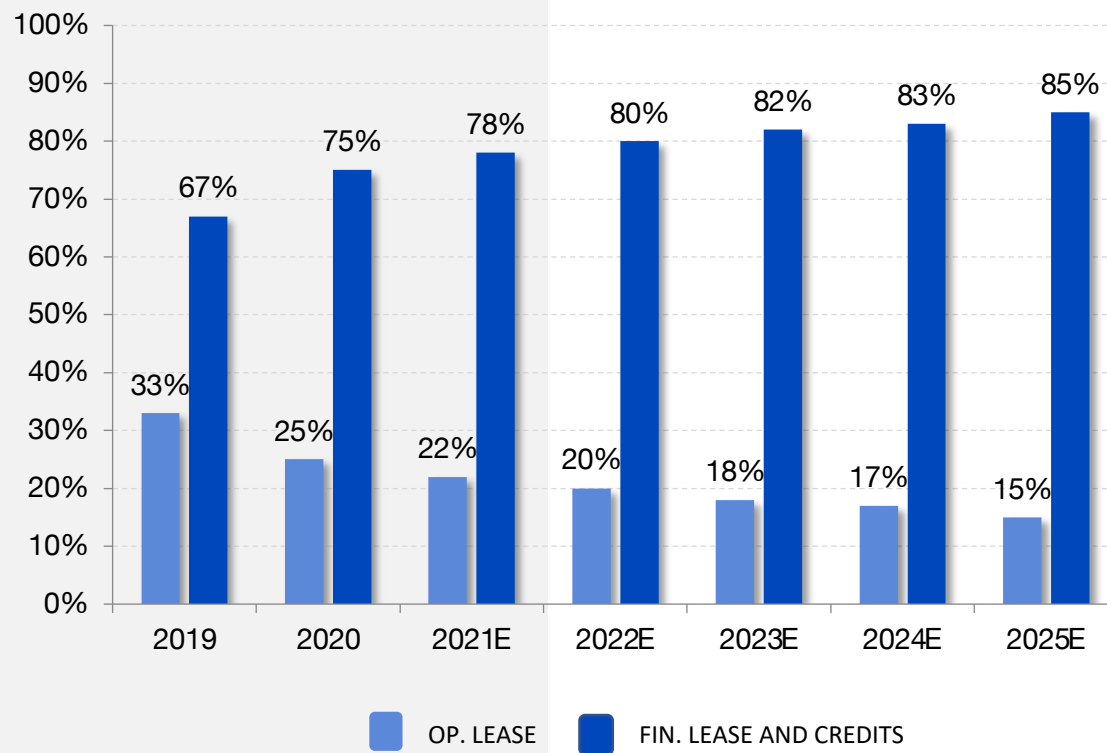
FINANCIAL INDICATORS

	2019	2020	2021 E	2022 E	2023 E	2024 E	2025 E
Net Loan Portfolio	\$147,918	\$164,486	\$218,250	\$252,568	\$335,791	\$408,066	\$458,938
Leased Fixed Assets	\$73,336	\$55,944	\$61,558	\$63,142	\$73,710	\$83,580	\$80,989
Total Net Portfolio ¹	\$221,254	\$220,430	\$279,808	\$315,710	\$409,501	\$491,646	\$539,927
Loans Originated	\$170,389	\$101,848	\$151,000	\$174,000	\$198,000	\$222,000	\$240,000
Total Revenue	\$30,813	\$40,598	\$65,172	\$81,054	\$92,544	\$118,059	\$134,480
Preventive Estimation for Credit Risks	\$5,270	\$2,407	\$2,542	\$2,837	\$2,961	\$3,188	\$3,362
Total Expenses	\$25,402	\$56,513	\$55,507	\$68,900	\$78,759	\$99,972	\$114,021
Net Income	\$141	(\$18,322)	\$7,123	\$9,317	\$10,823	\$14,900	\$17,097

¹ Considering Leased Fixed Assets + Net Loan Portfolio
 *Figures in thousands of pesos

TOTAL NET PORTFOLIO

PORTFOLIO COMPOSITION BY PRODUCT



*December 2020 Data
*Figures in thousands of pesos

NET INCOME

YEAR	AMOUNT
2021E	7,123
2022E	9,317
2023E	10,823
2024E	14,900
2025E	17,097

*Projections based on December 2020 Data

*Figures in thousands of pesos

NET MARGIN

