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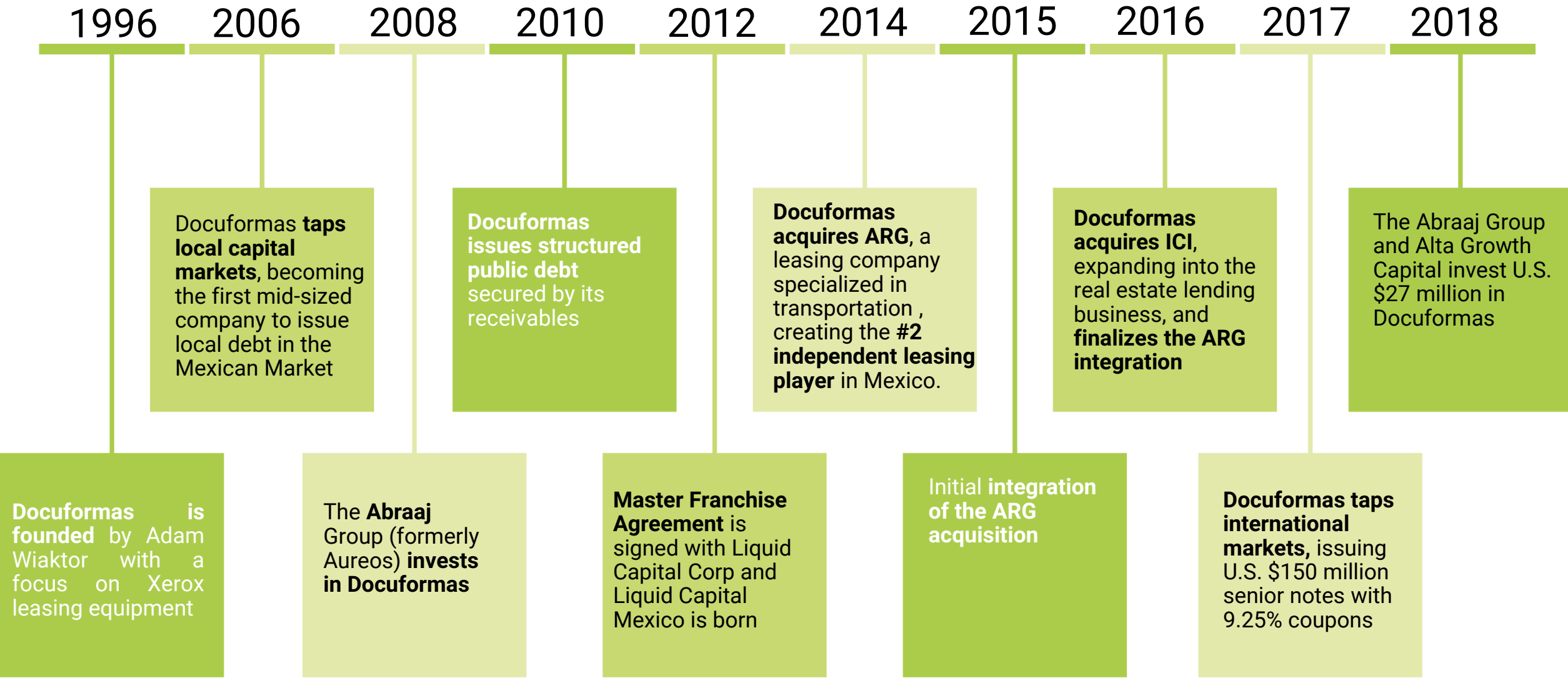
# Docuformas

## Corporate Presentation



*As of September 2018*

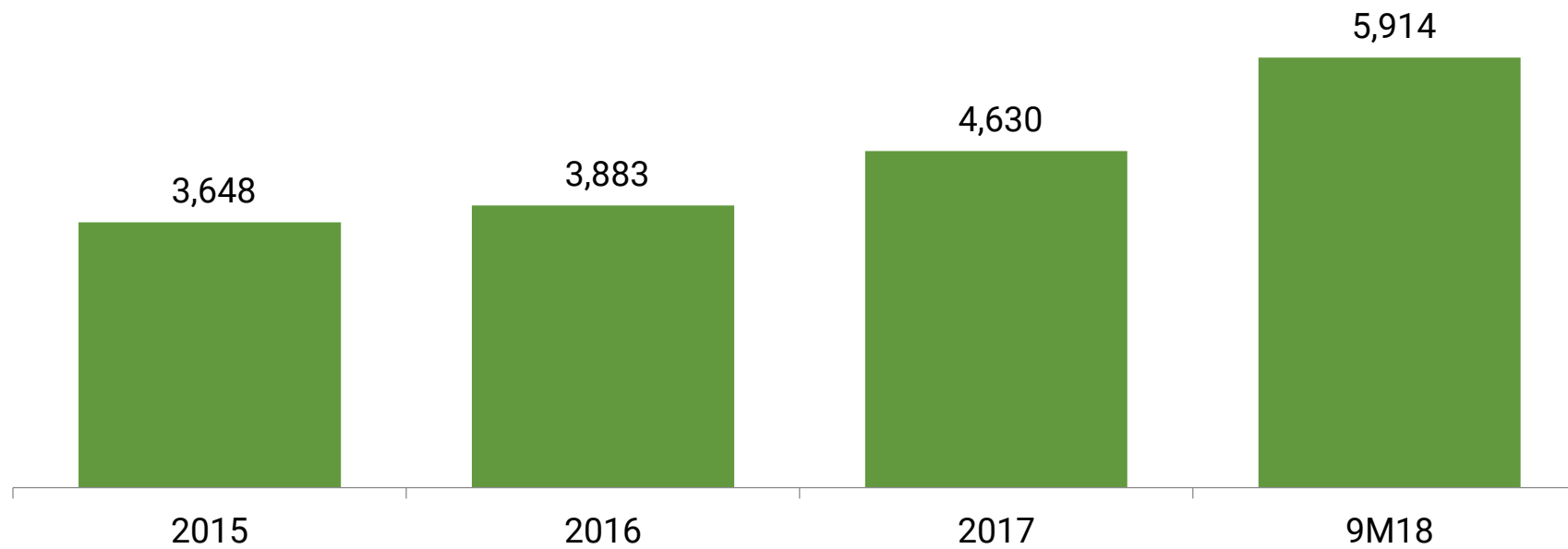
# Docuformas' key milestones



# ...have led us to consistent growth and profitability

## Total Portfolio

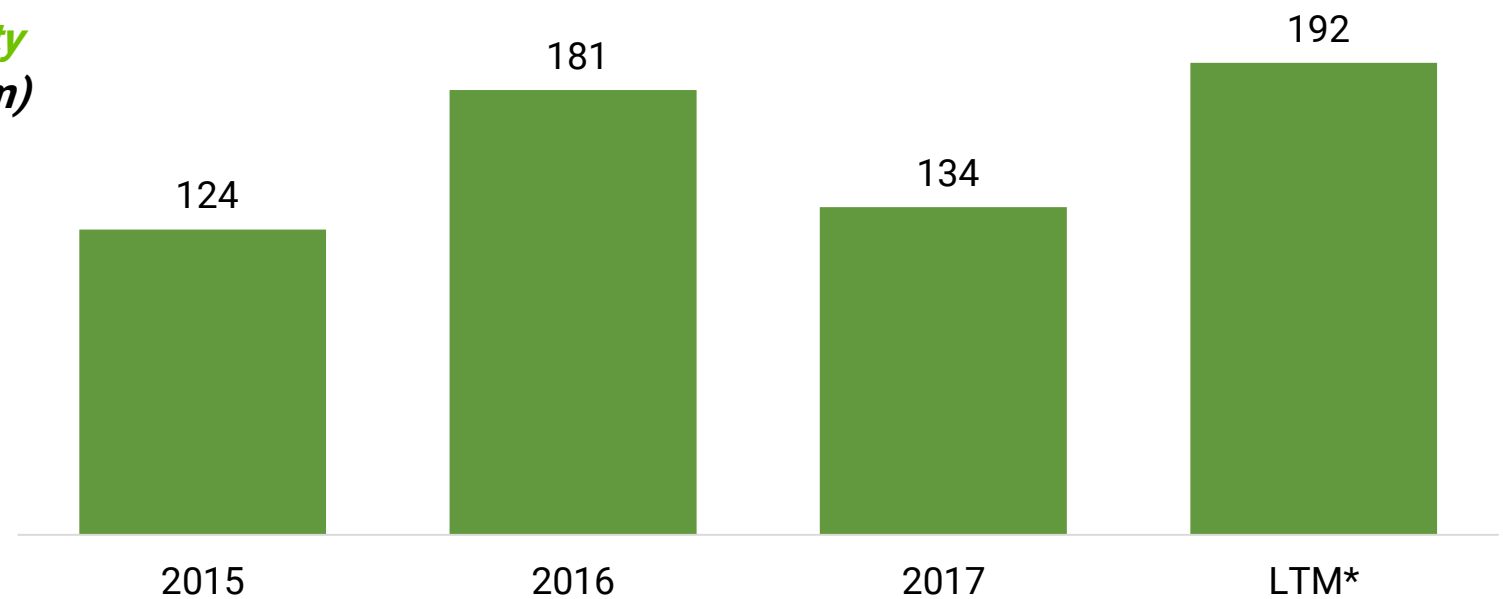
In (MX\$mm)



Since its inception, **Docuformas** has had consistent growth in portfolio year over year and a solid growth in profitability and other key metrics

## Profitability

In (MX\$mm)



Throughout the years, the Company has:

- ✓ Maintained profit growth and profit margins **above its competitors**

\* As of September 2018

## Business description



**Largest independent leasing** company in Mexico providing specialized financing of productive assets (including leases, loans and factoring) to SMEs and individuals.

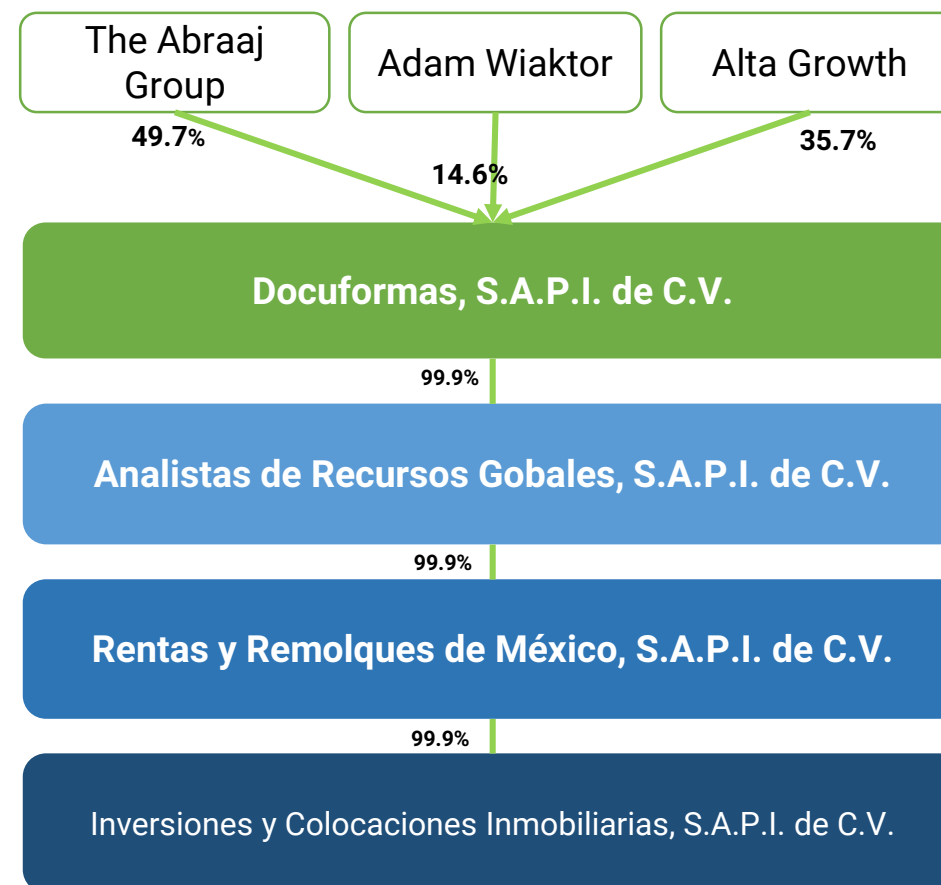
Three key elements to success:

- 1 Targets the rapidly growing and under-banked **SME segment**
- 2 Tailored products to finance **specialized productive assets**
- 3 Personalized assessment and **quick response time** to clients

## Key financial highlights

Financial Indicators	2016	2017	LTM* 9M17	9M18	
R O A A (annualized)	4.1%	2.2%	2.8%	3.6%	4.1%
R O A E (annualized)	27.3%	16.8%	18.1%	20.7%	25.0%
Financial Debt / Stockholders' Equity	4.3	5.6	4.1	3.7	4.1
Capitalization (Stockholders' Equity/ Total Assets)	15.1%	13.0%	15.6%	17.5%	15.6%
Current Assets/ Current Liabilities	1.1	2.9	2.5	1.0	2.5
Total Financial Debt (in millions of pesos)	2,856	4,443	4,328	2,844	4,328

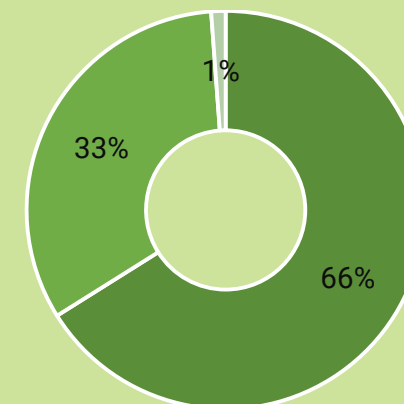
## Corporate Structure



Experienced management team, with a focus on adequate risk management and high corporate governance standards

Portfolio breakdown by product

- Leasing Portfolio
- Credit & Factoring Portfolio
- Services Portfolio



\* As of September 2018

# Leading and established leasing specialist

## Main independent players' portfolio size (MX\$m)



TIP México



## Insights

- Docuformas is the #2 largest independent leasing company in Mexico
- Limited number of players serving Mexican SMEs' proven demand for leasing products
- Industry is characterized by "barriers to scaling" rather than barriers to entry
  - Main barrier to scaling is its players' lack of access to financing



## : A differentiated and established platform

- 22 years of experience in the leasing space with focus on meeting the needs of SMEs in Mexico
- Required infrastructure in place to support growth
  - Tailor-made systems and technology
  - Mix of third-party and in-house IT solutions
- Robust and efficient origination and collections processes
- Purchasing power with equipment manufacturers, dealers and suppliers
- Access to multiple, reliable and competitive funding sources:
  - Securitizations
  - Local public debt
  - Bank loans
  - Development banks
  - Strong cash flow generation
- Initiatives in place to build employees' human capital and improve retention
  - Corporate university
  - Well-aligned incentive structure

- ✓ New investment as previously reported is now complete.
- ✓ Total transaction took place in 3Q18 and 4Q18.
- ✓ Docuformas received U.S. \$27 million in new equity as part of the transaction
- ✓ Mr. Adam Wiaktor will continue as the General Director of Docuformas as well as a member of the Board of Directors.
- ✓ Prior and new Stockholders structure is as follows:

## *New Ownership Structure*

Shareholder	Prior	New
Adam Peter Jan Wiaktor Rynkiewicz	67.9%	14.5%
Aureos Latin America Fund I and Fondo Aureos Colombia	32.1%	
Fideicomiso Actinver 3279 (Alta Growth Capital Fund)		35.7%
Fideicomiso Deutsche Bank F/1900 (CKD The Abraaj Group)		24.9%
Abraaj Thames B.V. (The Abraaj Group)		24.9%
<b>Total</b>	<b>100%</b>	<b>100%</b>

# Leading and established leasing specialist



1. Ample **product strategy**



**1** Well-designed and adapted product offering to finance productive assets for underserved Mexican SMEs

2. Rapid **origination**



**2** Powerful and effective go-to-market model

3. **Diversified** portfolio



**3** Diversified portfolio across clients and industries

4. **Efficient** operating platform



**4** Fast and disciplined credit approval combined with an efficient collection process resulting in robust asset quality

5. **Prudent leverage** policy



**5** Strong balance sheet and prudent funding strategy

6. Consistent **top line growth & profitability**



**6** Highly efficient operation yielding consistent profitability

7. **Highly experienced** team



**7** Experienced management and strong corporate governance

# 1 Well-designed and adapted product offering...

Six main products provide attractive proposition for customers

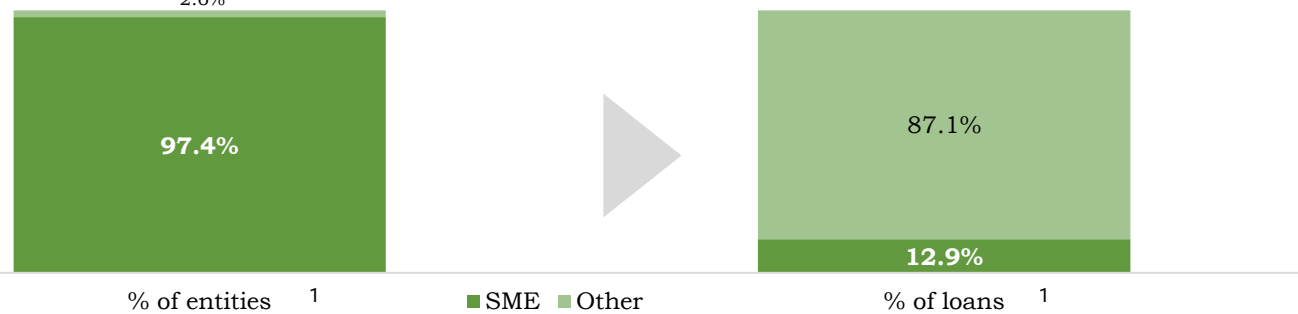
	Capital Leasing	Operating Leases		Transportation Services (Renting)	Factoring	Cash Financing	Equipment Financing
		Equipment	Real Estate				
<b>Description</b>	<ul style="list-style-type: none"> <li>Leasing products with an option to purchase such equipment at the conclusion of the lease term</li> </ul>	<ul style="list-style-type: none"> <li>Leasing products without an option to purchase the underlying asset or equipment upon the conclusion of the lease term</li> </ul>	<ul style="list-style-type: none"> <li>Sale and lease back of real estate assets</li> </ul>	<ul style="list-style-type: none"> <li>Integrated leasing solutions that include the equipment, as well as any supplies, service and maintenance required by such equipment</li> </ul>	<ul style="list-style-type: none"> <li>Short-term liquidity and financing through discounting A/R and provision of vendor-financing and revolving credit lines</li> </ul>	<ul style="list-style-type: none"> <li>Secured and unsecured cash loans as a form of non-asset-based lending</li> </ul>	<ul style="list-style-type: none"> <li>Purchase and resale or lease of equipment with financing – equipment serves as collateral</li> </ul>
<b>Value to Customer</b>	<ul style="list-style-type: none"> <li>Leasing of productive assets or to obtain liquidity via the monetization of assets</li> <li>Can create tax benefit (interest and depreciation)</li> </ul>	<ul style="list-style-type: none"> <li>Can create tax benefit (operating expense)</li> </ul>	<ul style="list-style-type: none"> <li>Monetization of assets that consume clients' capital</li> <li>Allows clients to utilize proceeds for expansion of core business</li> </ul>	<ul style="list-style-type: none"> <li>Allows customers to deduct full cost of vehicle ownership for tax purposes</li> </ul>	<ul style="list-style-type: none"> <li>Improve cash conversion cycle</li> <li>Merchant loan structure allows clients to monetize contracted cash flows that have not yet been invoiced</li> </ul>	<ul style="list-style-type: none"> <li>Access to financing that complements bank offerings</li> </ul>	<ul style="list-style-type: none"> <li>Access to financing that complements bank offerings</li> </ul>
<b>Typical Tenor</b>	24 – 36 months	24 – 36 months	5 – 7 years	12 – 36 months	30 – 60 days	24 – 36 months	24 – 60 months
<b>Indicative Amounts</b>	MX\$1 – 40mm	MX\$1 – 40mm	MX\$15 – 60mm	MX\$1 – 10mm	MX\$1 – 20mm	MX\$1 – 40mm	MX\$1 – 40mm



# ...for underserved Mexican SMEs

## 1 Underserved Mexican SMEs...

SME entities (% of entities in 2015) and SME loan participation (% of loans in 2016)

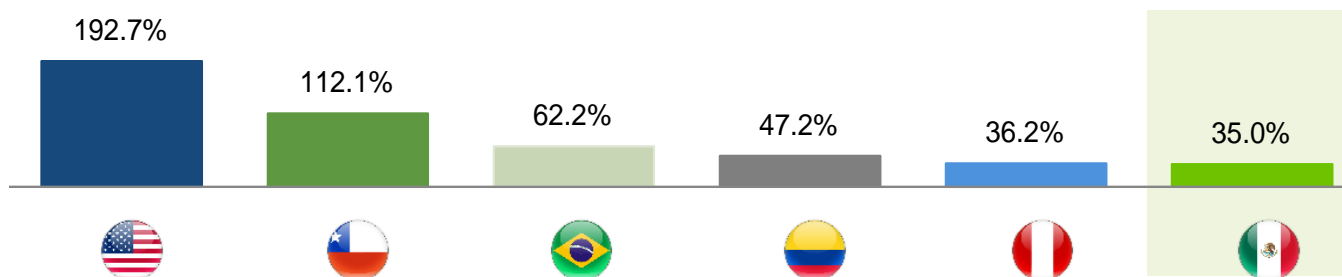


## Characteristics of our clients

- Underbanked
- Not price sensitive
- Receptive to good service, including:
  - Approval speed
  - Flexibility around customized solutions
- Drawn to:
  - Simpler documentation
  - No covenants
  - Tax shield provided by lease payments

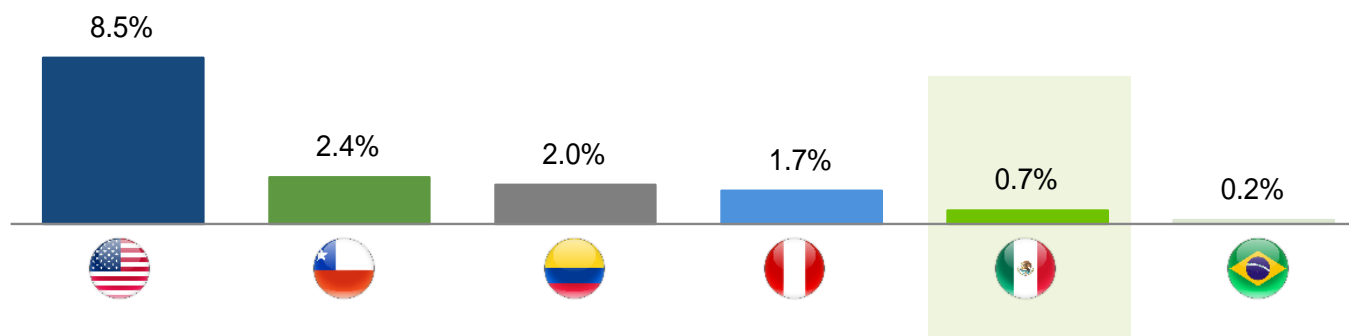
## 2 ...within an underpenetrated financial system...

Domestic credit to the private sector (% of 2016 GDP)<sup>2</sup>



## 3 ...provide an opportunity for financing, particularly in the leasing space

Leasing portfolio (% of 2016 GDP)



## Why are SME clients underbanked?

- Banks are not set up to cater to SMEs' needs
- Banks have heavy fixed cost structures that make SMEs unattractive clients due to smaller "ticket size"
- Banks' reputational and legal risk burden makes KYC requirements onerous
- Banks have stricter reserve and capitalization requirements

**Financing Mexican SMEs is an attractive opportunity with significant growth potential**

Note:

- 1 Sourced from INEGI & CNBV
- 2 Sourced from worldbank.org

# 2 Powerful and effective go-to-market model...

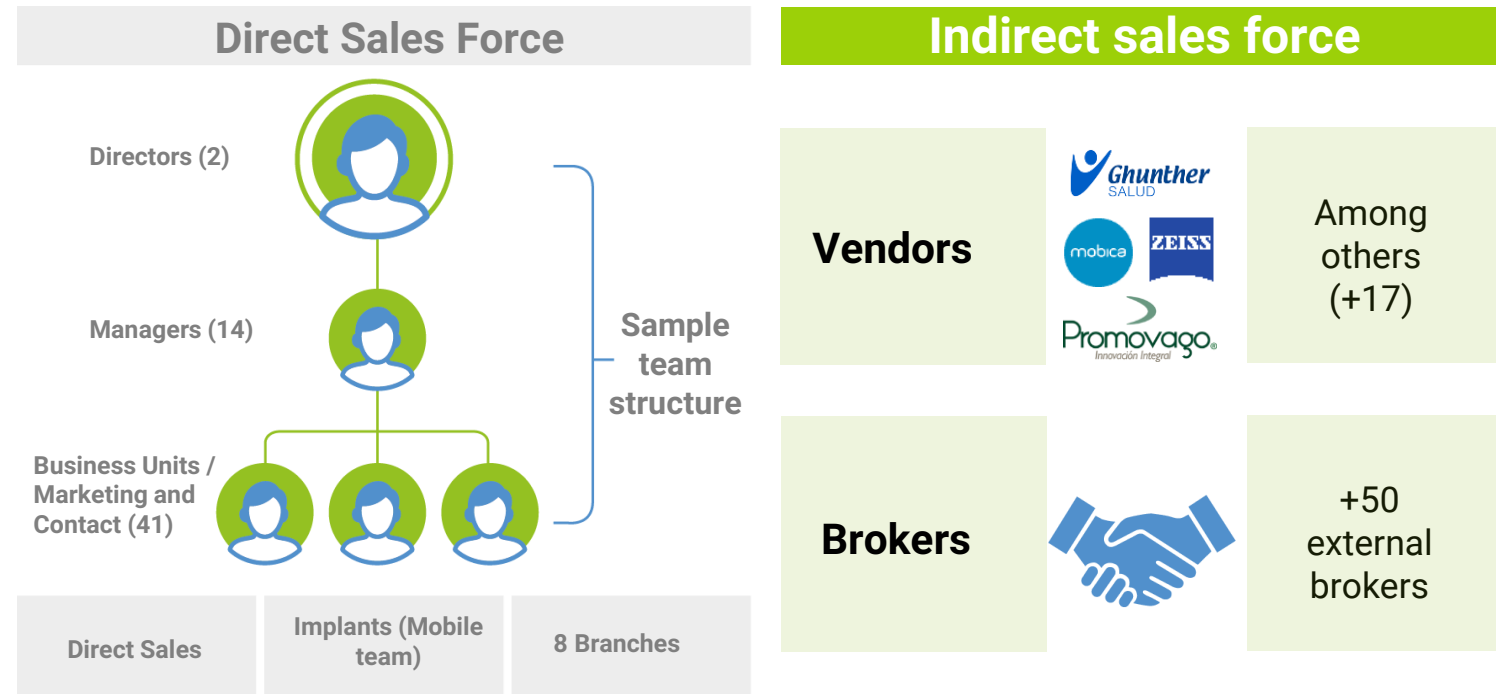
## Client intimacy drives credit quality and recurring business

- Business Unit (salesperson) responsibilities:



- Clients per Business Unit is limited to 30
  - Input into creditworthiness of the client
  - Potential credit risks spotted early on
  - Communication with clients at least once a month
- Incentive-based compensation is  $\frac{1}{3}$  origination based and  $\frac{2}{3}$  collection based
- ~60% of lease approval cases brought before the credit committee correspond to recurring clients

## Strong team on the ground



Sales force made up of 130+ professionals

## Geographic presence extends beyond physical presence

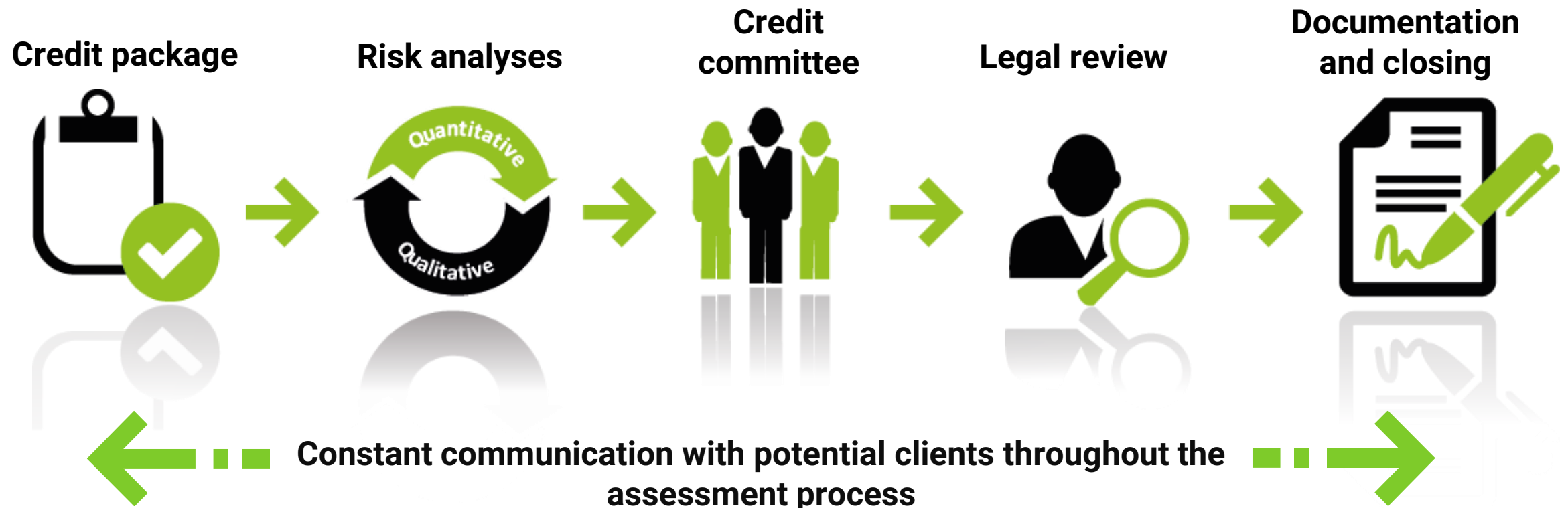
*Leased Assets Presence*



# ..with fast and disciplined credit approval...

The Company follows strict risk assessment processes incorporating quantitative and qualitative parameters

## Credit approval process



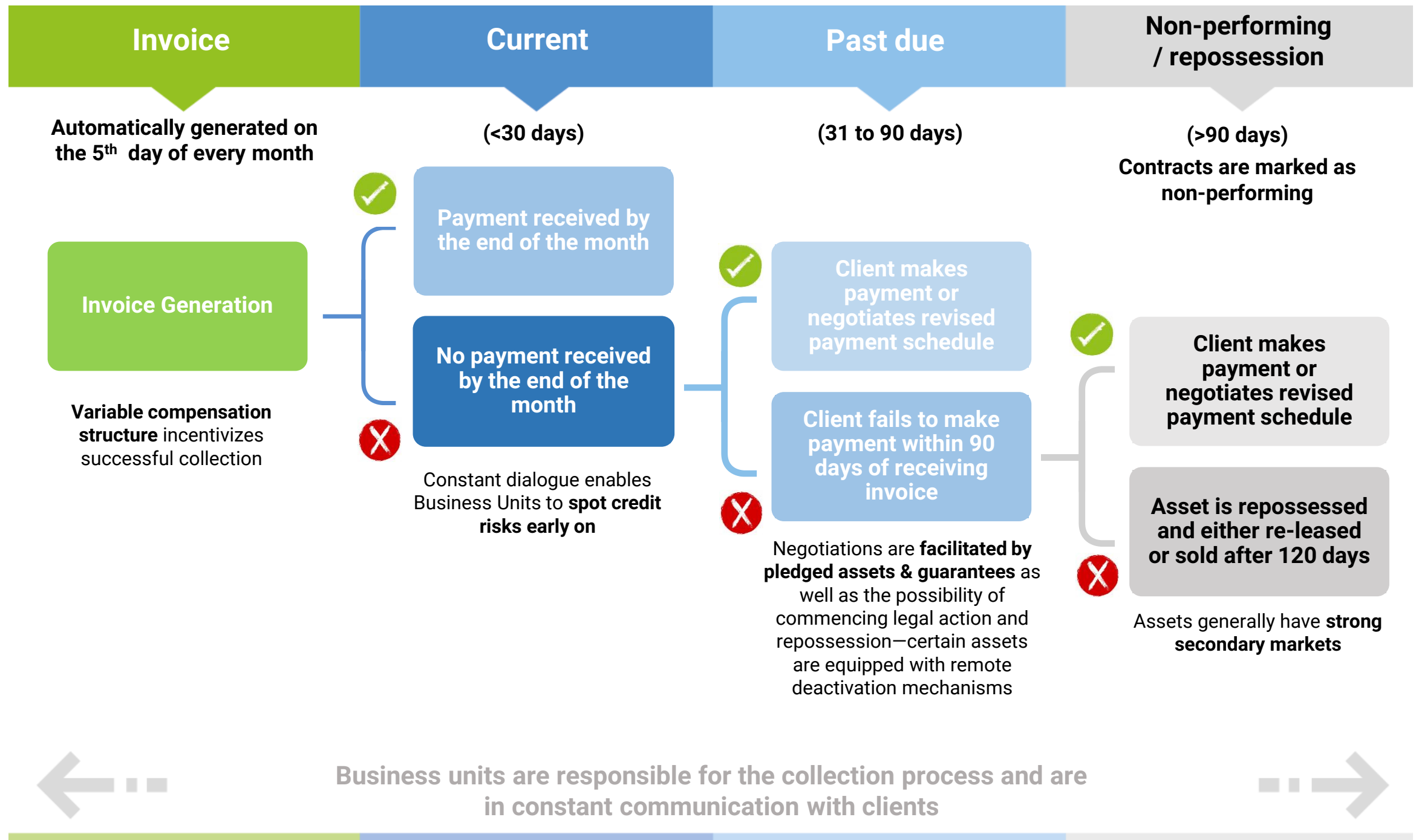
**Credit process enables turnaround times of 5 to 15 business days<sup>1</sup>, significantly faster than a traditional bank**

Note:

<sup>1</sup> Turnaround time measures days of processes for which Dis responsible

# ... and an efficient collection process...

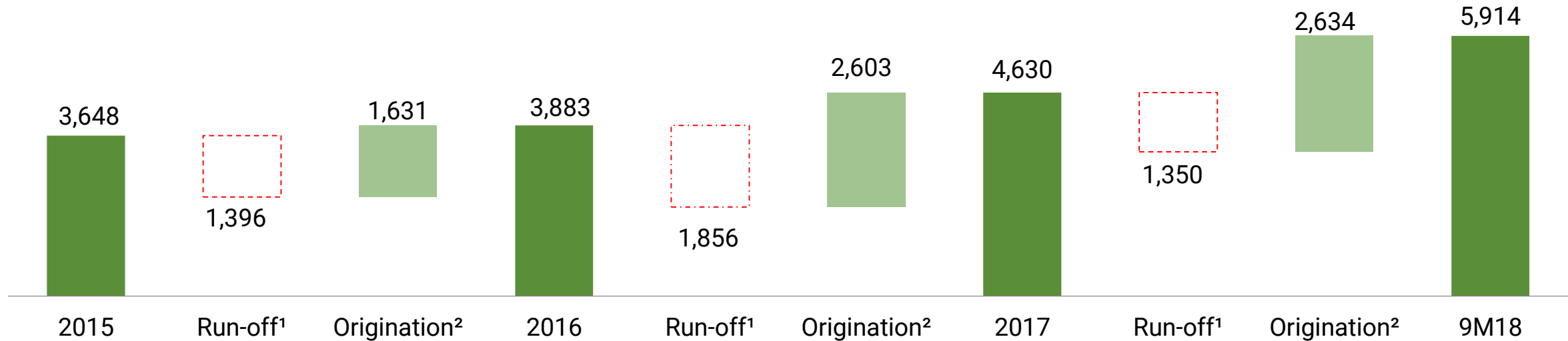
The collection process is greatly facilitated by Docuformas maintaining ownership of leased assets



# ...that drives origination and top-line growth

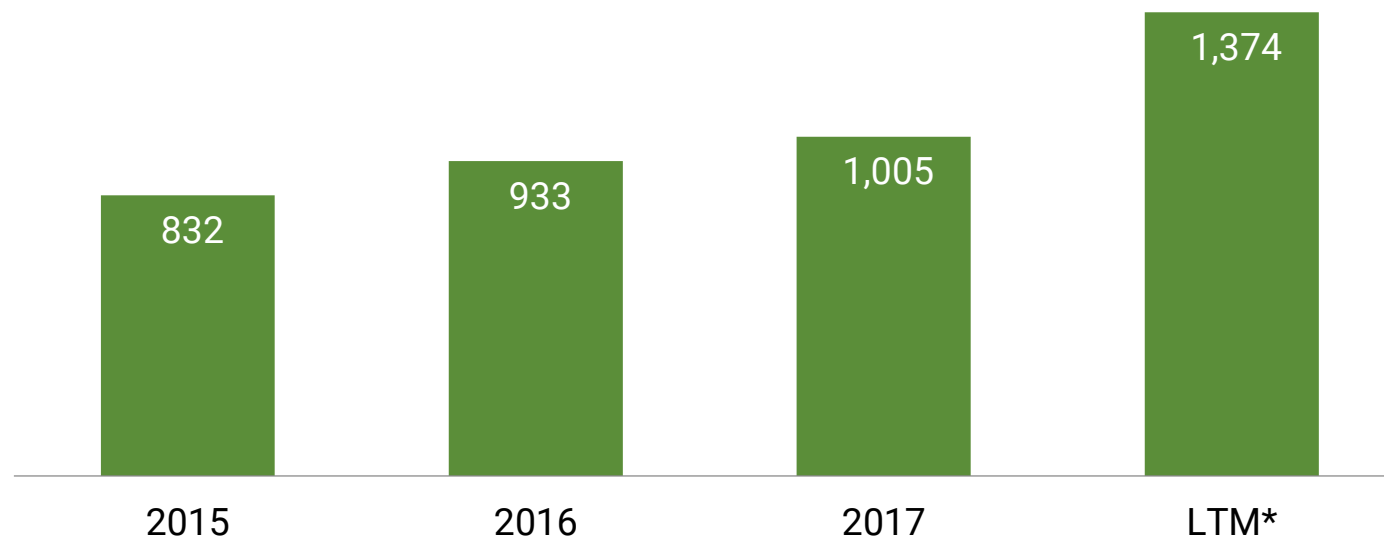
## Strong portfolio growth...

*Portfolio (MX\$mm)*



## ...reflected in top-line expansion

*Total revenues (MX\$mm)*



Note:

\* As of September 2018

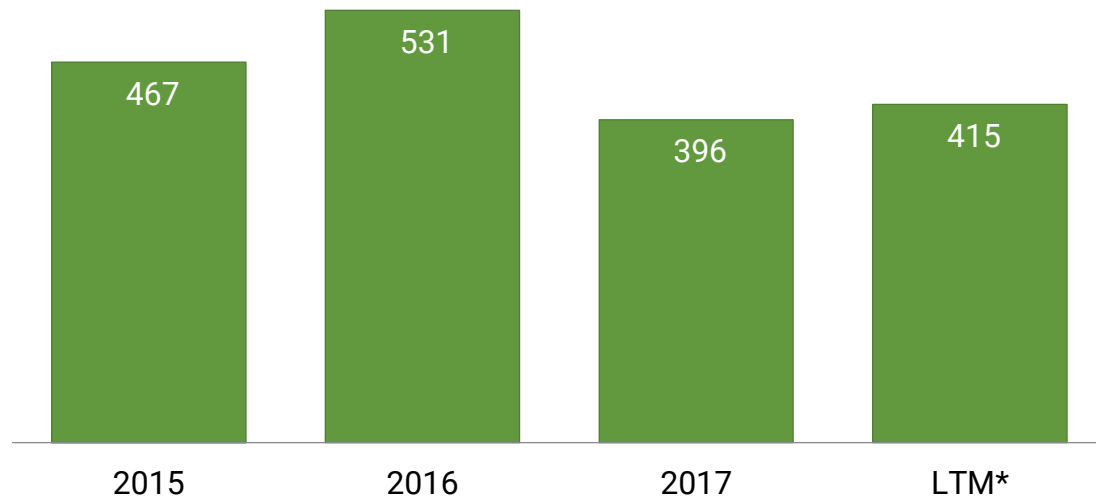
1 Run-off is defined as the minimum contracted payments that were expected to come due as of the end of the previous period (See Notes 7, 8 and 9 of the Audited Financial Statements)

2 Net origination is defined as portfolio originated and acquired throughout the year, net of run-off from portfolio originated within that year

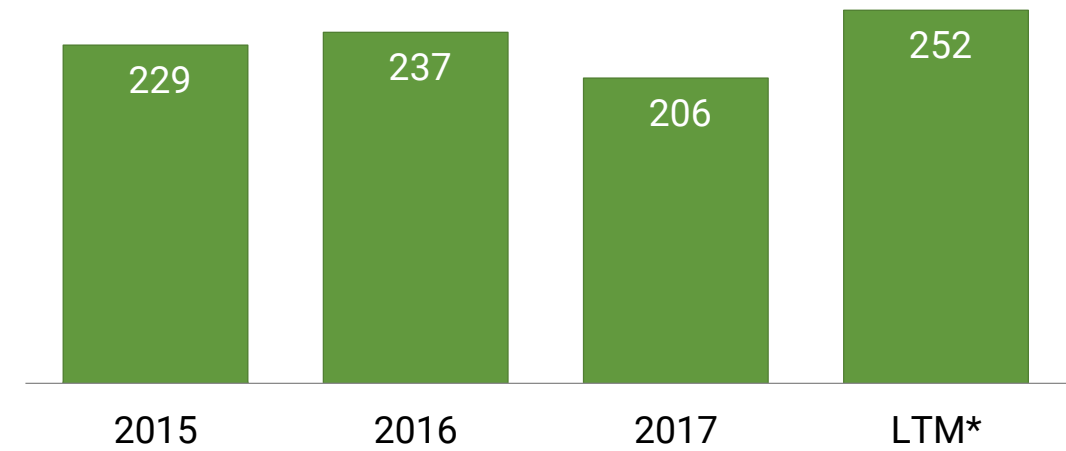
# Operating highlights: Solid Gross profit growth...

... and moderate increase of operating expenses

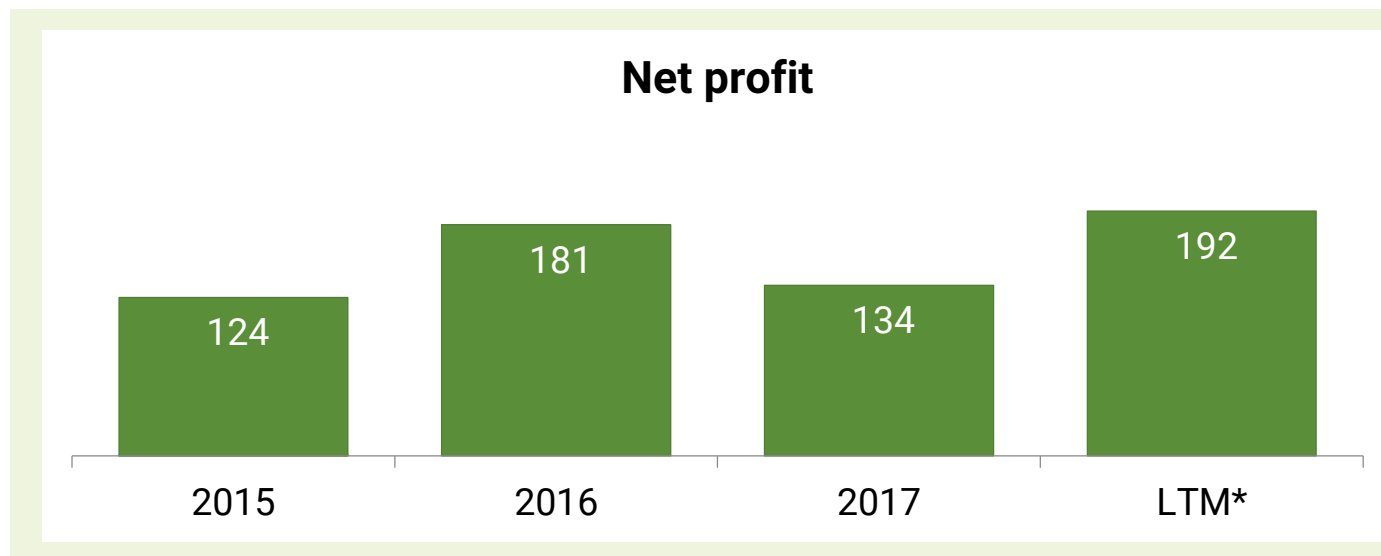
### Gross Profit



### Operating Expenses



### Net profit



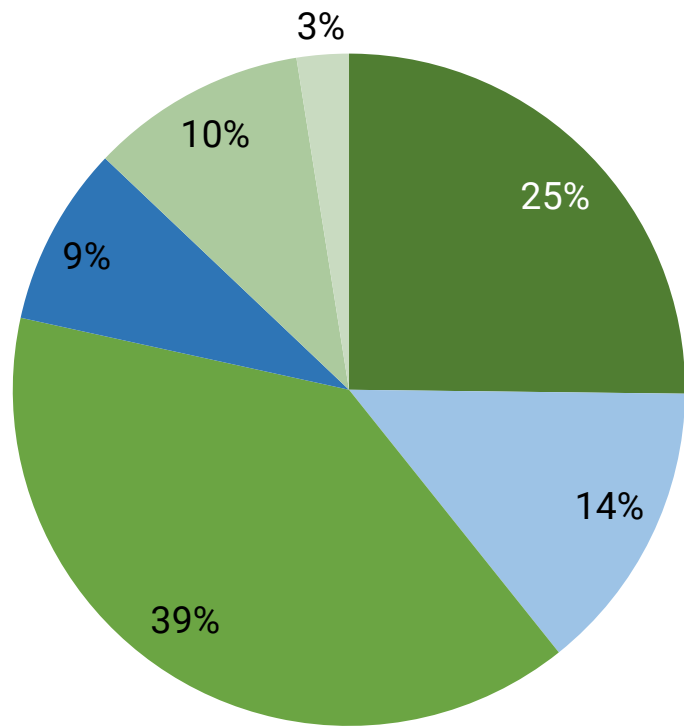
... and as a result, positive bottom line results

\* As of September 2018

## Diversified portfolio by client

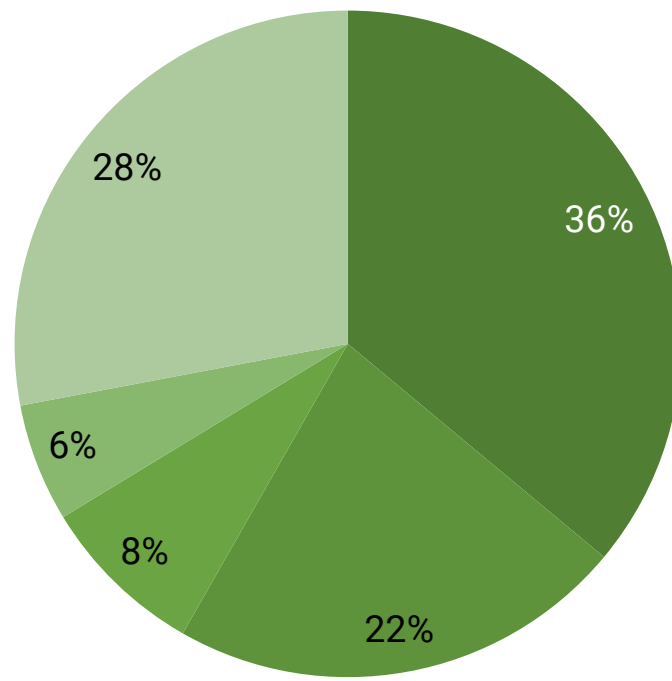
Portfolio distribution by ticket size

- > 100
- 50 - 100
- 10 - 50
- 5 - 10
- 1 - 5
- < 1



## ...and by industry...

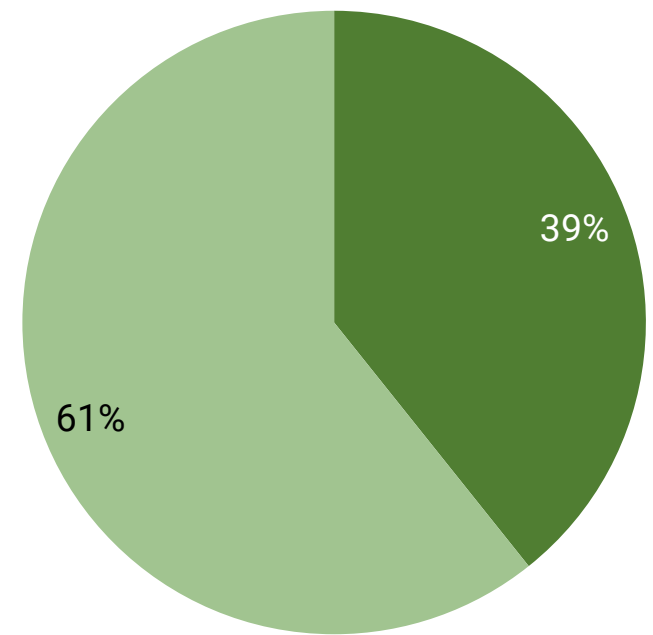
- Mexico City
- Mexico State
- Nuevo Leon
- Queretaro
- Other



## ...minimizes exposure to single names

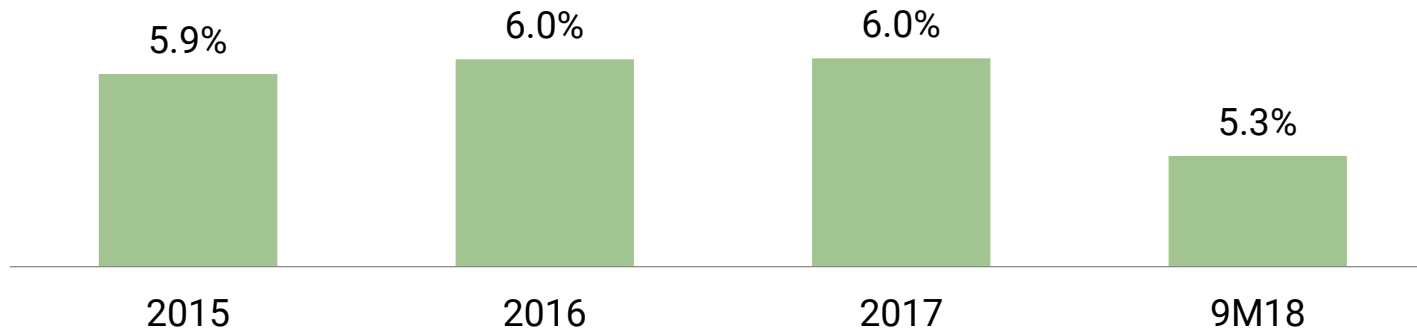
% of portfolio

- >MXN \$50mm
- <MXN \$50mm



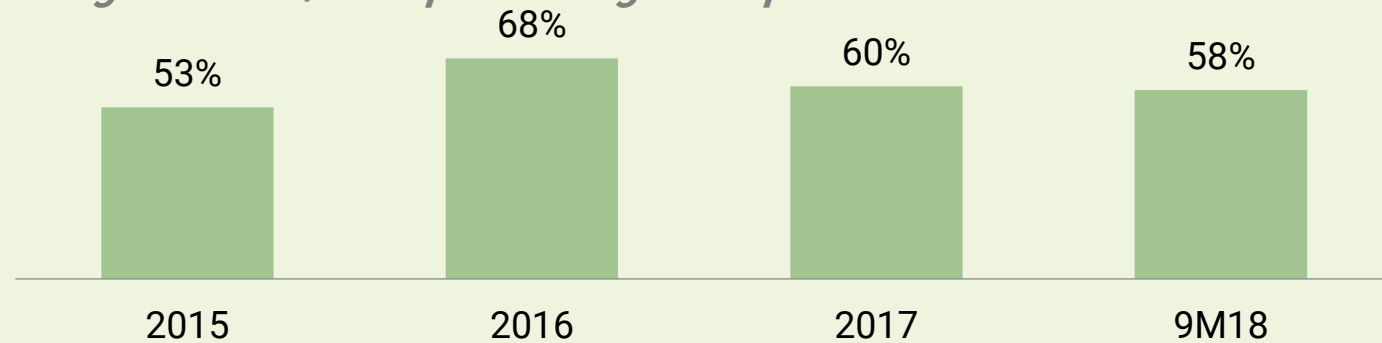
### Ratio of non-performing leases (%)

*Non-performing lease portfolio<sup>1</sup> / total portfolio*



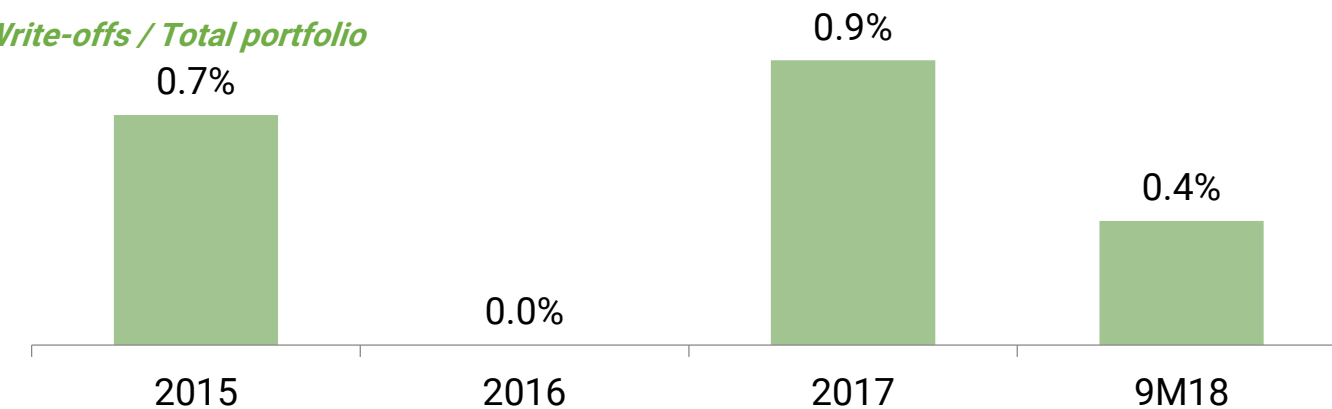
### Coverage ratio (%)

*Ending reserves / Non-performing lease portfolio<sup>1</sup>*



### Write-offs (% of portfolio)

*Write-offs / Total portfolio*



### Mitigants

- Focus on productive assets minimizes the risk of non-payment
  - Strong secondary market for productive assets
  - Collateral is executable and disposable
- Leased assets are strong creators of incremental value for clients
- The Company maintains insurance policies covering 100% of its underlying assets
- Conservative approach to NPLs
- Guarantees on assets minimize “real loss” associated with NPLs (i.e. write-offs) given potential loss of revenue producing assets and/or personal guarantees

Note:

<sup>1</sup> Non-performing lease portfolio is defined as past-due capital leases, operating leases, equipment financings, factoring or cash financing loans, calculated as of the first day such capital leases, operating leases, equipment financings, factoring or cash financing loans are more than 90 days in arrears



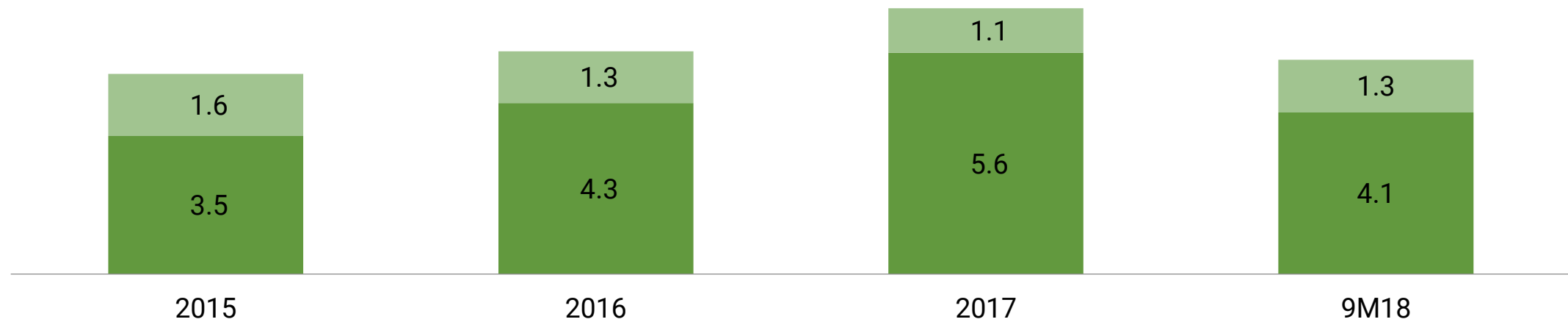
# 5 Strong balance sheet...

## Sensible leverage...

*Total financial debt / total shareholders equity (x)*

### Leverage Ratio

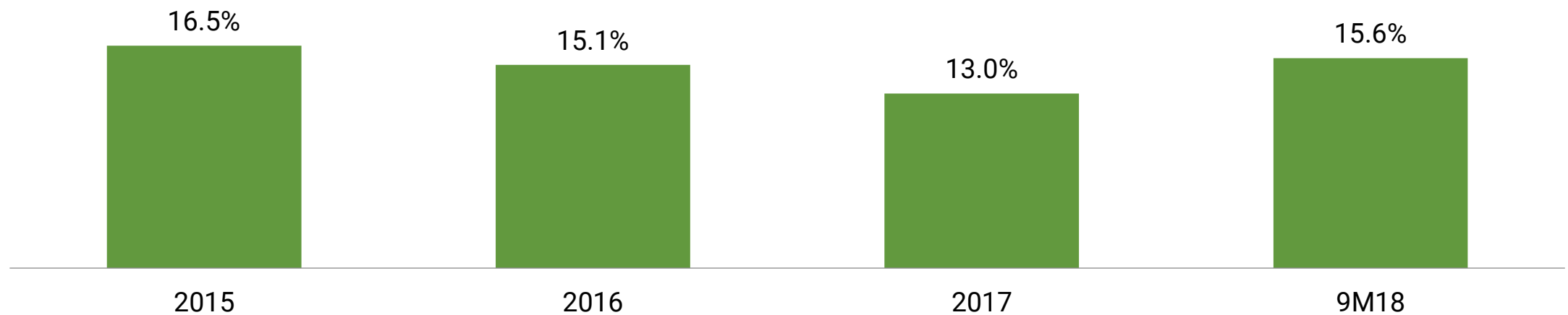
■ Financial Debt      ■ Non-financial Debt



## ...and ample capitalization

*Total stockholders equity / assets (x)*

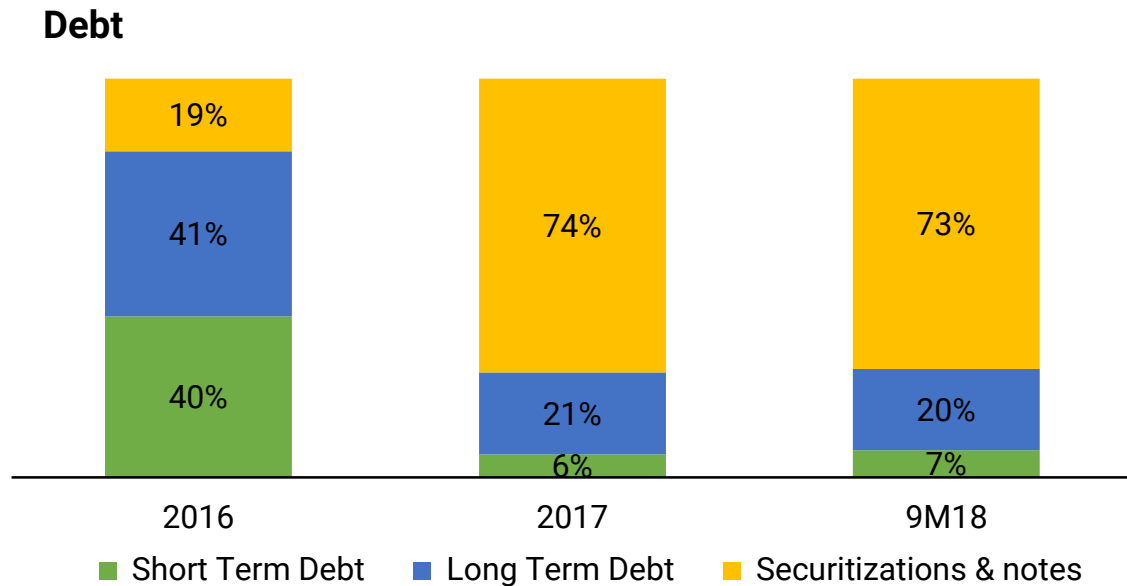
### Capitalization Ratio



# ...with a prudent funding strategy

## Well-diversified sources of funding

Financial debt (MX\$mm)

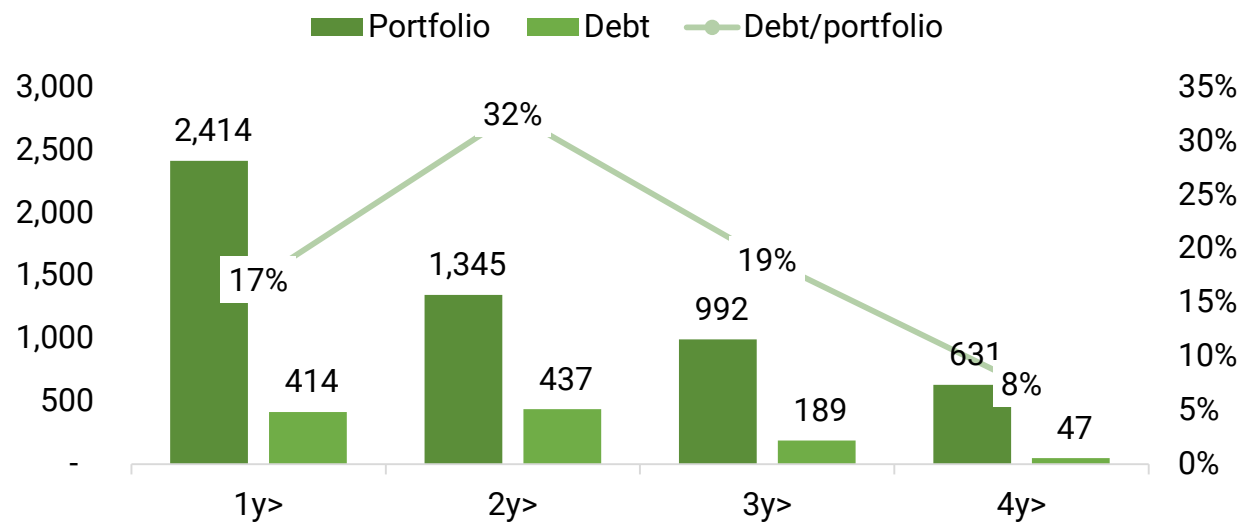


## Summary of financial debt outstanding

(MX\$mm) As of September 30, 2018

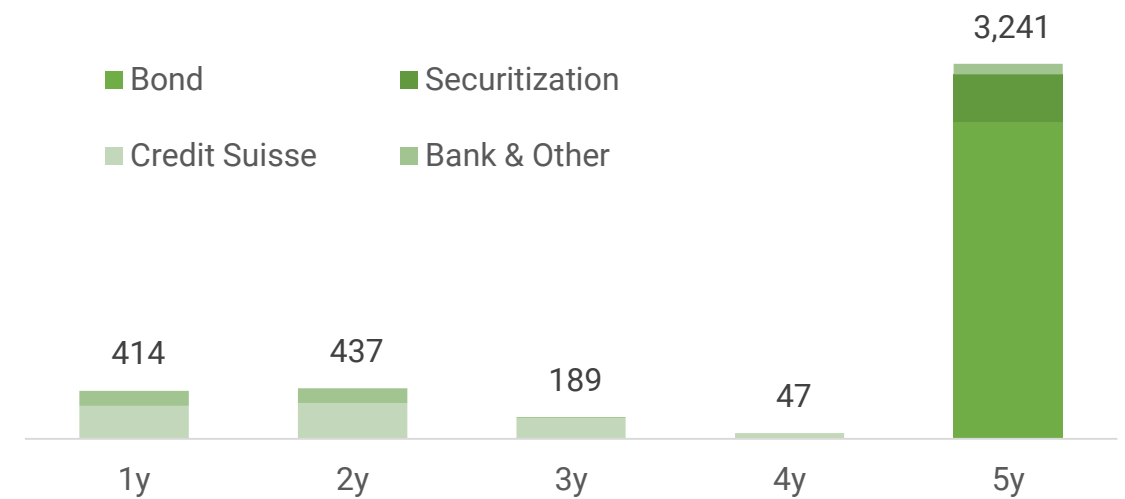
Type	Outstanding
Securitization	410
Credit Suisse	804
Bank & Other	375
Senior notes	2,740
<b>Total</b>	<b>4,328</b>

## Receivables<sup>1</sup> and financial debt schedule next 4 years



Portfolio run-off > debt amortization in next 4 years

## Current debt maturity schedule (MX\$mm)



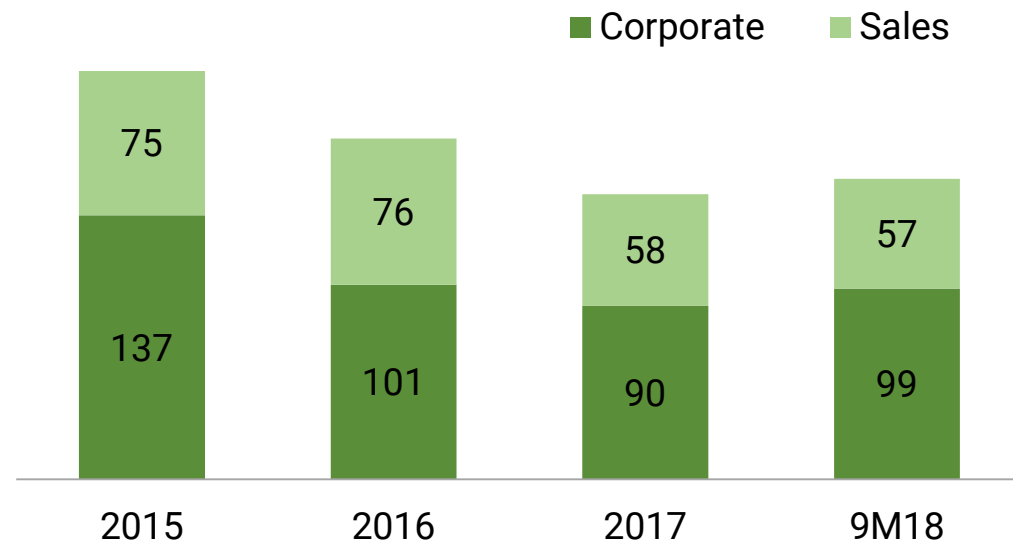
FX risk has been fully hedged

Notes:  
1 Receivables represents the total minimum future contractual payments due from our customers

# 6 Highly efficient operation...

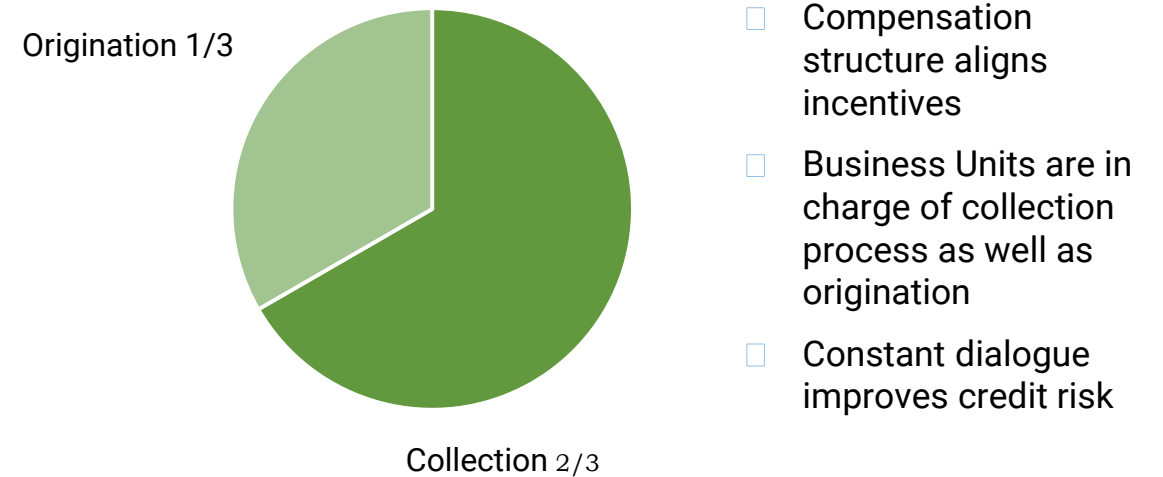
**Workforce has been optimized following the ARG acquisition...**

*Headcount evolution (# of employees)*



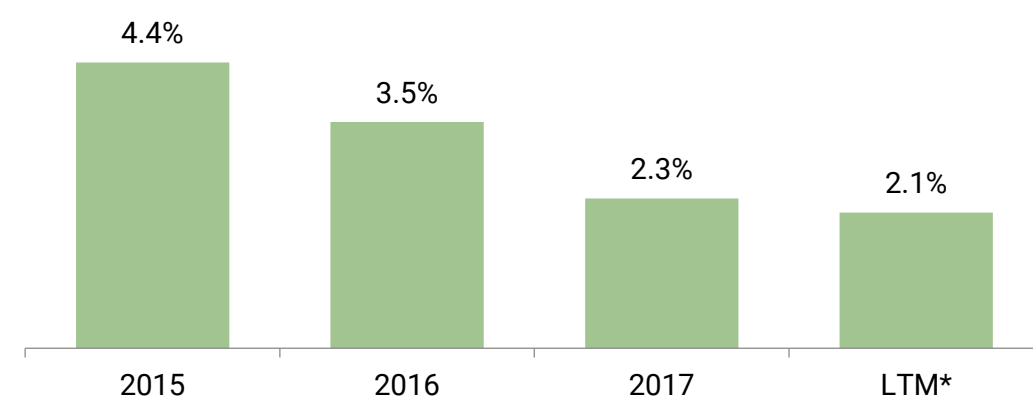
**...the sales force operates under a variable compensation structure...**

*Incentive-based compensation breakdown (%)*

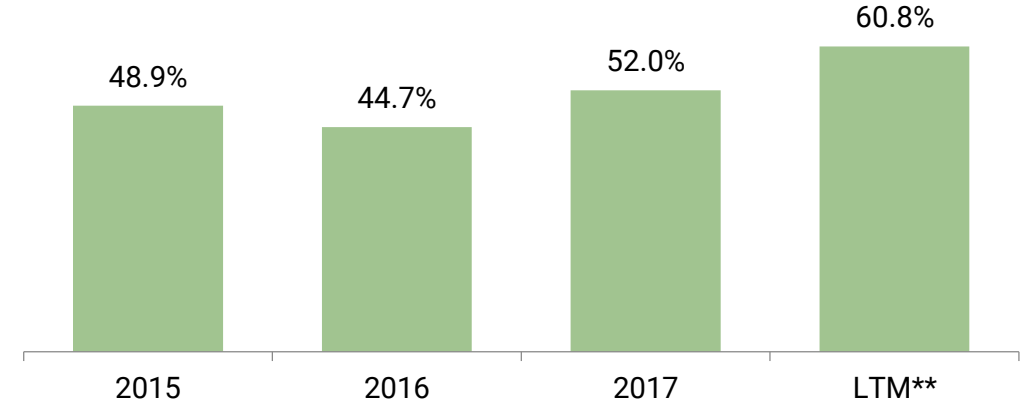


**...and strong levels of operational efficiency have historically been achieved**

*Administrative expenses / total assets (%)*



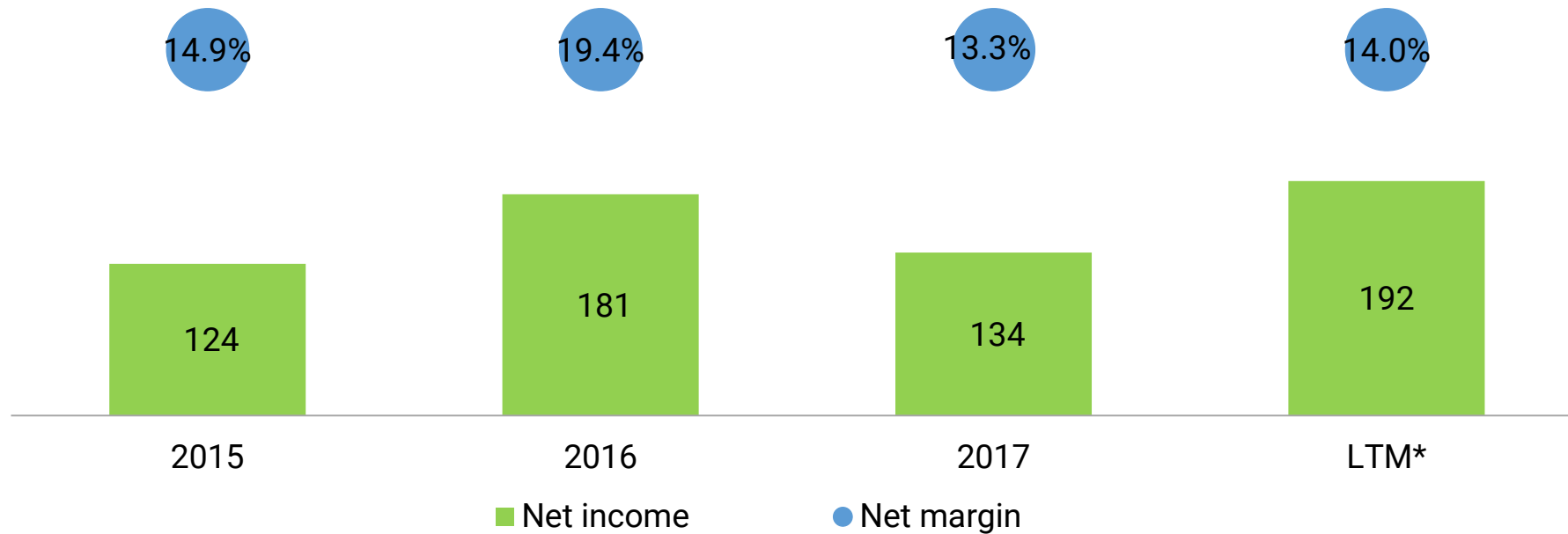
*Efficiency ratio (%)<sup>1</sup>*



Note:  
 1. Efficiency Ratio is defined as operating expenses divided by Gross Income  
 \* As of September 2018

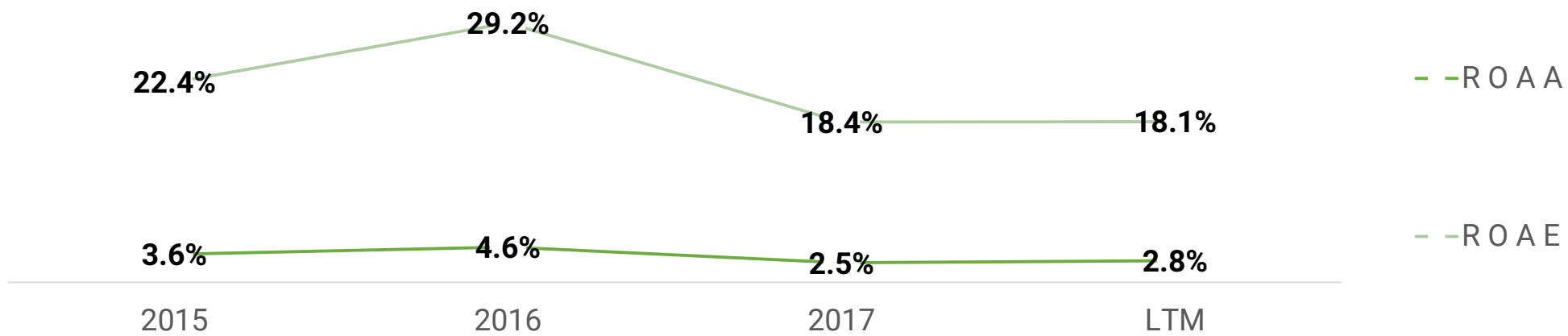
## Consistent profitability and robust margins...

Consolidated net income (MX\$mm) and Net margin (%)<sup>1</sup>



## ...yielding attractive returns

Return on average equity (%) and Return on average assets (%)



Note:

1) Net Margin is calculated by dividing consolidated net income by total revenues

\*Annualized ROAA and ROAE include benefits from FX gain

## Experienced Management Team...

	Name	Position	Years of Experience	Years at Docuformas
Senior Management	<b>Adam Wiaktor</b>	Chief Executive Officer	33	22
	<b>Hector Esquivel</b>	Chief Financial Officer	30	2
	<b>Eduardo Limón</b>	Investor Relation Officer	27	12
	<b>Ricardo Vazquez</b>	Human Resources Director	19	4
	<b>Gerardo Gutierrez</b>	Chief Technology Officer	38	5
	<b>Alejandro Pacheco</b>	Director of Credit	25	4
	<b>Patricia Barrera</b>	General Counsel	18	4
	<b>Antonio Bañuelos</b>	Structuring and Collections Director	21	12
	<b>Gumersindo Chavez</b>	Procurement Officer	36	13
	<b>Erika Nuñez</b>	Process Director	16	5
Sales	<b>Danilo Sarrelangue</b>	Sales Director	22	19
	<b>Carlos Durán</b>	Sales Director	22	6

## ...reinforced by a highly qualified Board of Directors...

Name	Position
Miguel Ángel Olea Sisniega	President
Eduardo Cortina Murrieta	Advisor Abraaj
Ignacio Gómez-Urquiza	Advisor Abraaj
Erik Carlberg y González de la Vega	Advisor Alta
Javier García-Teruel Ávila	Advisor Alta
Alejandro Renteria Villagomez	Advisor Alta
Adam Peter Jan Wiaktor Rynkiewicz	Advisor
Miguel Ángel Noriega Cándano	Independent Advisor

## ...and strong Corporate Governance practices

- Management team with more than 12 years of experience on average
- The board of directors is comprised of 8 members
- Robust corporate governance gives Docuformas an edge versus its peers

- Docuformas S.A.P.I. de C.V., also known as Docuformas, has grown to be the second largest independent leasing company in Mexico in the last 21 years. The company specializes in offering financing solutions to rapidly-growing and underserved small and medium-sized enterprises (SMEs) for the acquisition of productive assets and equipment to support growth. Docuformas provides reliable and competitive funding sources through its six main business lines: capital leasing, operating leases, transportation services, factoring, cash financing and equipment financing.

## Disclaimer:

- This document may contain certain forward-looking statements. These statements are non-historical facts, and they are based on the current vision of the Management of Docuformas S.A.P.I. De C.V. for future economic circumstances, the conditions of the industry, the performance of the Company and its financial results. The terms "anticipated", "believe", "estimate", "expect", "plan" and other similar terms related to the Company, are solely intended to identify estimates or predictions. The statements relating to the implementation of the main operational and financial strategies and plans of investment of equity, the direction of future operations and the factors or trends that affect the financial condition, the liquidity or the operating results of the Company are examples of such statements. Such statements reflect the current expectations of the management and are subject to various risks and uncertainties. There is no guarantee that the expected events, trends or results will occur. The statements are based on several suppositions and factors, including economic general conditions and market conditions, industry conditions and various factors of operation. Any change in such suppositions or factors may cause the actual results to differ from expectations.
- All figures are expressed in Mexican Pesos unless otherwise stated, and were prepared in accordance with the requirements from the National Banking and Securities Commission (CNBV). Figures for year ended 2015, 2016 and 2017 were assessed by independent auditors Galaz, Yamazaki, Ruiz Urquiza, S.C. (Members of Deloitte Touche Tohmatsu Limited).

## Contact Information

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# Financial Summary



# Financial and Operating Summary

## Key metrics and financial highlights

*Figures expressed in MX \$mm*

<b>Financials Metrics (in millions of pesos)</b>	<b>2016</b>	<b>2017</b>	<b>LTM*</b>	<b>9M17</b>	<b>9M18</b>
Total Revenues	933	1,005	1,374	660	1,028
Cost of Revenues	402	609	959	348	698
Gross Profit	531	396	415	312	330
%	57%	39%	30%	47%	32%
Operating Expenses	237	206	252	145	191
Net Income	181	134	192	113	171
%	19%	13%	14%	17%	17%

<b>Financial Indicators</b>	<b>2016</b>	<b>2017</b>	<b>LTM*</b>	<b>9M17</b>	<b>9M18</b>
R O A A (annualized)	4.1%	2.2%	2.8%	3.6%	4.1%
R O A E (annualized)	27.3%	16.8%	18.1%	20.7%	25.0%
Financial Debt / Stockholders' Equity	4.3	5.6	4.1	3.7	4.1
Capitalization (Stockholders' Equity/ Total Assets)	15.1%	13.0%	15.6%	17.5%	15.6%
Current Assets/ Current Liabilities	1.1	2.9	2.5	1.0	2.5
Total Financial Debt (in millions of pesos)	2,856	4,443	4,328	2,844	4,328

\*As of September 2018

# Income Statement



	2016	2017	LTM*	9M17	9M18
<b>REVENUES</b>					
<i>*In millions of pesos</i>					
Interest on capital leases	558	563	599	395	431
Equipment financing	170	296	608	91	403
Operating leases	196	145	166	173	194
Factoring	9	1	0	1	0
<b>Total income</b>	<b>933</b>	<b>1,005</b>	<b>1,374</b>	<b>660</b>	<b>1,028</b>
<b>COSTS</b>					
Interest expense	214	351	523	215	387
Equipment financing	88	151	358	48	255
Depreciation of assets under operating leases	100	107	78	85	56
<b>Total costs</b>	<b>402</b>	<b>609</b>	<b>959</b>	<b>348</b>	<b>698</b>
<b>GROSS INCOME</b>	<b>531</b>	<b>396</b>	<b>415</b>	<b>312</b>	<b>330</b>
Selling expenses	22	17	55	24	62
Administrative expenses	153	142	142	86	87
Allowance for loan losses	63	48	56	35	42
<b>Operating expenses</b>	<b>237</b>	<b>206</b>	<b>252</b>	<b>145</b>	<b>191</b>
<b>OPERATING INCOME</b>	<b>293</b>	<b>190</b>	<b>163</b>	<b>167</b>	<b>139</b>
<b>Other (income) expenses, net</b>	<b>(0)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>0</b>
Interest income	(2)	(88)	(107)	(2)	(20)
Interest expenses	50	58	56	41	38
Net exchange loss (profit)	9	135	15	(7)	(127)
Valuation of derivative financial instruments	(5)	10	33	10	34
<b>Comprehensive financing result</b>	<b>52</b>	<b>114</b>	<b>(2)</b>	<b>42</b>	<b>(75)</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>242</b>	<b>77</b>	<b>166</b>	<b>126</b>	<b>214</b>
Income taxes	61	(56)	(26)	13	43
<b>NET INCOME</b>	<b>181</b>	<b>134</b>	<b>192</b>	<b>113</b>	<b>171</b>

\*As of September 2018

# Balance sheet

	2016	2017	LTM*	9M17	9M18
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	429	1,308	578	183	578
Accounts receivable	1,545	1,279	2,423	1,391	2,423
Allowance for loan losses	0	0	183	166	183
Taxes due from	116	107	159	88	159
Sundry debtors	22	27	41	40	41
Related parties due from	19	3	5	22	5
Other assets	37	65	39	56	39
Inventory	0	0	11	0	11
<b>Total current assets</b>	<b>2,168</b>	<b>2,789</b>	<b>3,439</b>	<b>1,946</b>	<b>3,439</b>
<b>Non-current assets</b>					
Property-furniture and equipment - net	651	870	989	837	989
Long-term receivable	1,300	2,131	2,035	1,446	2,035
Other assets	81	169	170	47	170
Derivative financial instruments	19	10	0	9	0
Goodwill	164	165	165	166	165
<b>Total non-current assets</b>	<b>2,215</b>	<b>3,345</b>	<b>3,359</b>	<b>2,505</b>	<b>3,359</b>
<b>Total assets</b>	<b>4,383</b>	<b>6,134</b>	<b>6,798</b>	<b>4,451</b>	<b>6,798</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Current portion of long-term debt	1,254	256	296	1,266	296
Accounts payable	94	163	144	143	144
Sundry creditors	283	381	878	314	878
Due to related parties	273	75	30	195	30
Income taxes and other taxes payable	49	94	42	40	42
<b>Total current liabilities</b>	<b>1,953</b>	<b>969</b>	<b>1,390</b>	<b>1,958</b>	<b>1,390</b>
<b>Non-current liabilities</b>					
Long-term debt	1,602	4,187	4,032	1,578	4,032
Deferred income tax	165	181	133	138	133
Derivative financial instruments	0	0	181	0	181
<b>Total non-current liabilities</b>	<b>1,767</b>	<b>4,368</b>	<b>4,346</b>	<b>1,716</b>	<b>4,346</b>
<b>Total liabilities</b>	<b>3,720</b>	<b>5,337</b>	<b>5,736</b>	<b>3,674</b>	<b>5,736</b>
<b>STOCKHOLDERS' EQUITY &amp; RESERVES</b>					
Capital stock	281	281	855	281	855
Retained earnings	201	382	194	382	194
Valuation of derivative financial instruments	0	0	-159	0	-159
Current year net income	181	134	172	114	172
<b>Total Stockholders' equity and reserves</b>	<b>663</b>	<b>797</b>	<b>1,062</b>	<b>777</b>	<b>1,062</b>
<b>Total liabilities and stockholders' equity and reserves</b>	<b>4,383</b>	<b>6,134</b>	<b>6,798</b>	<b>4,451</b>	<b>6,798</b>

\*As of September 2018