

The background features a dark grey gradient with teal geometric shapes, including a large arrow pointing right and a horizontal bar. A teal-tinted image of a city skyline with several skyscrapers is visible on the left side.

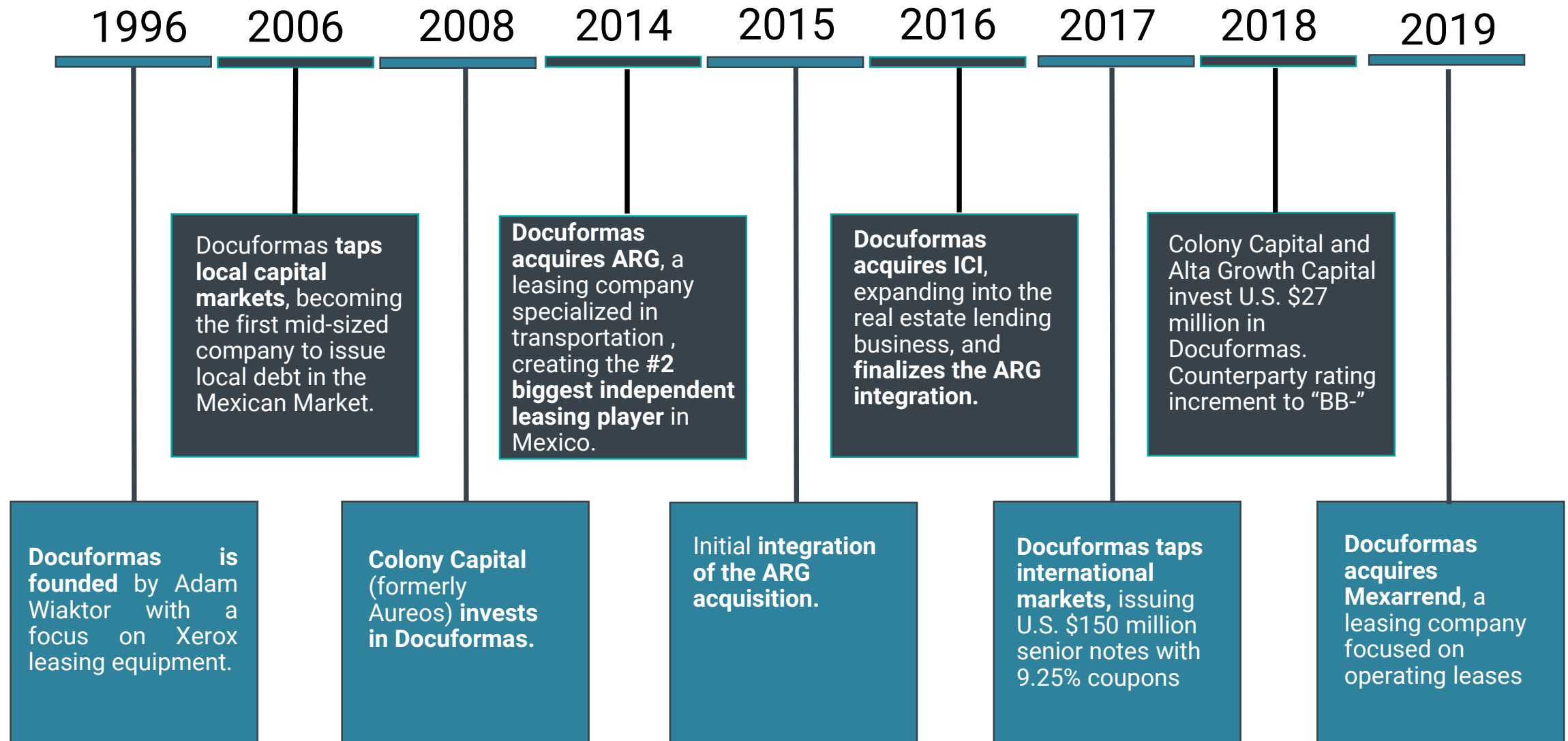
# Docuformas

**Corporate Presentation as of  
March 31<sup>st</sup>, 2019 (“1Q19” or  
“3M19”)**

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).

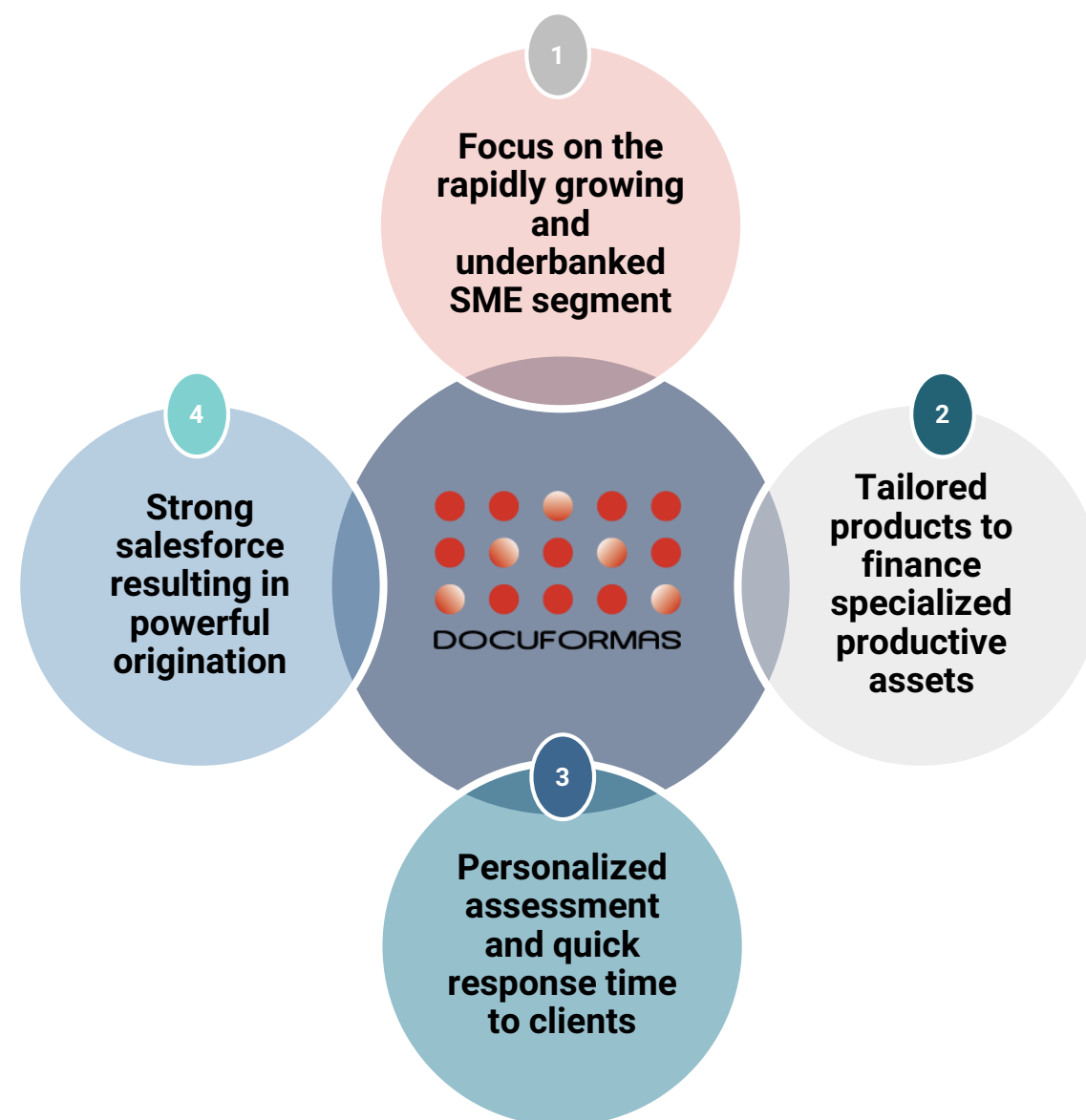
# Docuformas' Key Milestones



- **Leading independent leasing** company in Mexico, providing specialized financing including leases, loans and factoring.
- Experienced management team, focused on profitable growth, robust risk management and compliance with high governance standards

*Ps\$MM*

	2016	2017	2018	3M19
<b>Total Portfolio</b>	3,883	4,413	5,625	6,328
<b>Total Assets</b>	4,383	6,134	7,188	7,822
<b>Stockholders' Equity</b>	663	797	1,435	1,472
<b>Financiad Debt</b>	2,856	4,443	5,028	5,307
<b>Capitalization (SE / Total Portfolio)</b>	17.1%	18.1%	25.5%	23.3%
<b>Capitalization (SE / Total Assets)</b>	15.1%	13.0%	20.0%	18.8%
<b>Net Income</b>	181	134	167	33
<b>ROAA</b>	4.6%	2.5%	2.5%	1.6%
<b>ROAE</b>	29.2%	18.4%	15.0%	8.4%
<b>Credit Rating</b>	B+	B+	BB-	BB-



# Leading and Established Leasing Specialist

1. Diverse **product strategy**



2. Rapid **origination**



3. **Diversified** portfolio



4. **Efficient** operating platform



5. **Prudent leverage** policy



6. Consistent **revenue growth** & **profitability**



7. **Highly experienced** team



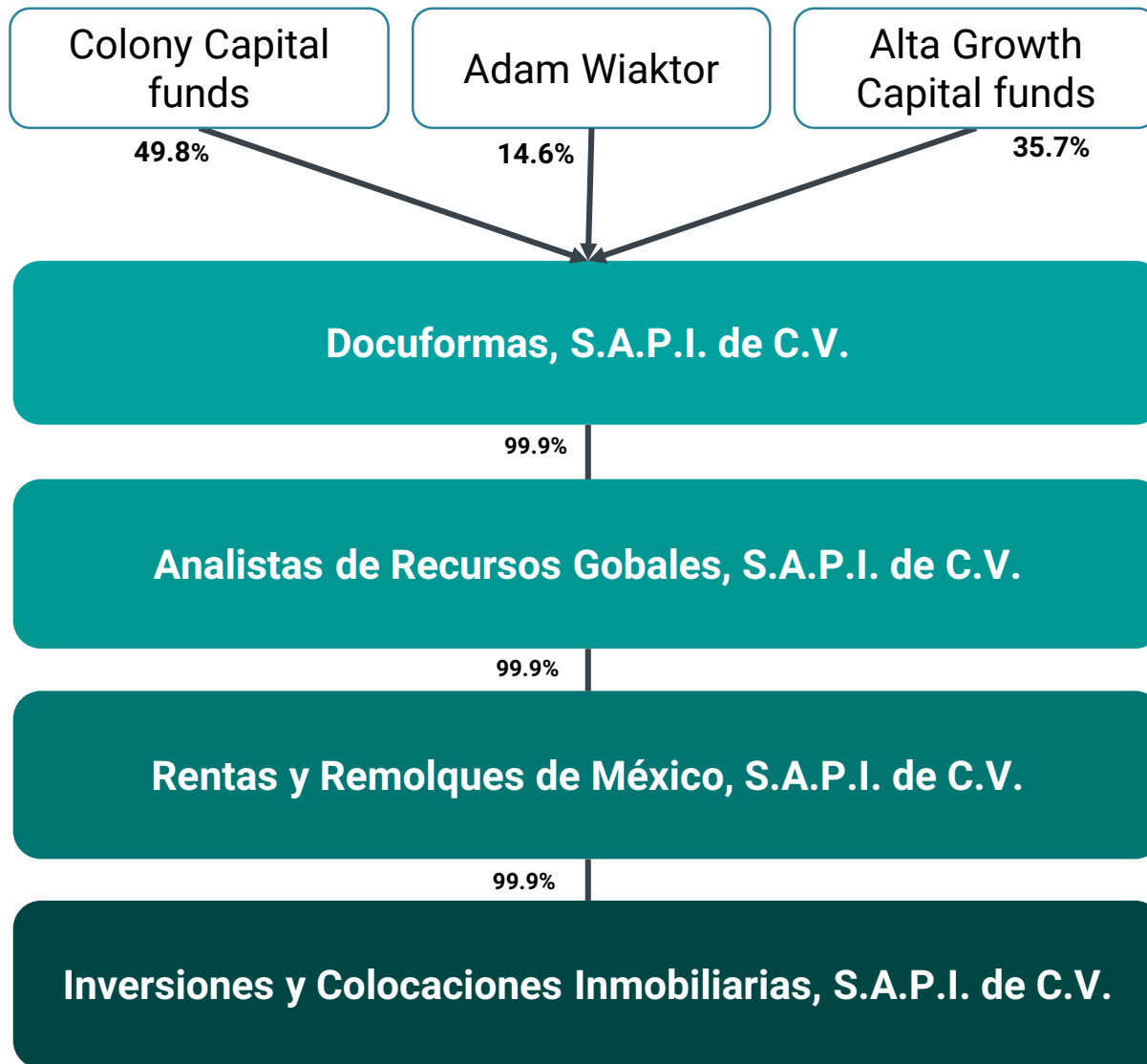
## A differentiated and established platform

- 23 years of experience meeting the needs of SMEs in Mexico.
- **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.
- Focus on employee **development** through constant training systems.

- The industry is characterized by "barriers to scaling" rather than "barriers to entry", where players' **lack of access to financing** stands out.

# Corporate Structure and recent Capital Injection





## Corporate Structure



- ✓ New investment previously reported of US \$27 million was completed during the 3th and 4th quarter 2018.
- ✓ Institutionalization and Strengthen Corporate Governance:
  - ✓ New CEO, Alejandro Monzó, replacing Company's founder
  - ✓ Full time Investor Relations Officer and Funding Director
  - ✓ Regular Dialog with Investors
  - ✓ IR advisors and website

Shareholder	Prior	New
Adam Wiaktor	67.9%	14.5%
Aureos Latin America Fund I and Fondo Aureos Colombia	32.1%	
Alta Growth Capital Fund		35.7%
CKD (Colony Capital)		24.9%
Abraaj Thames B.V. (Colony Capital)		24.9%
<b>Total</b>	<b>100%</b>	<b>100%</b>

# Well-Designed and Flexible Product Offering

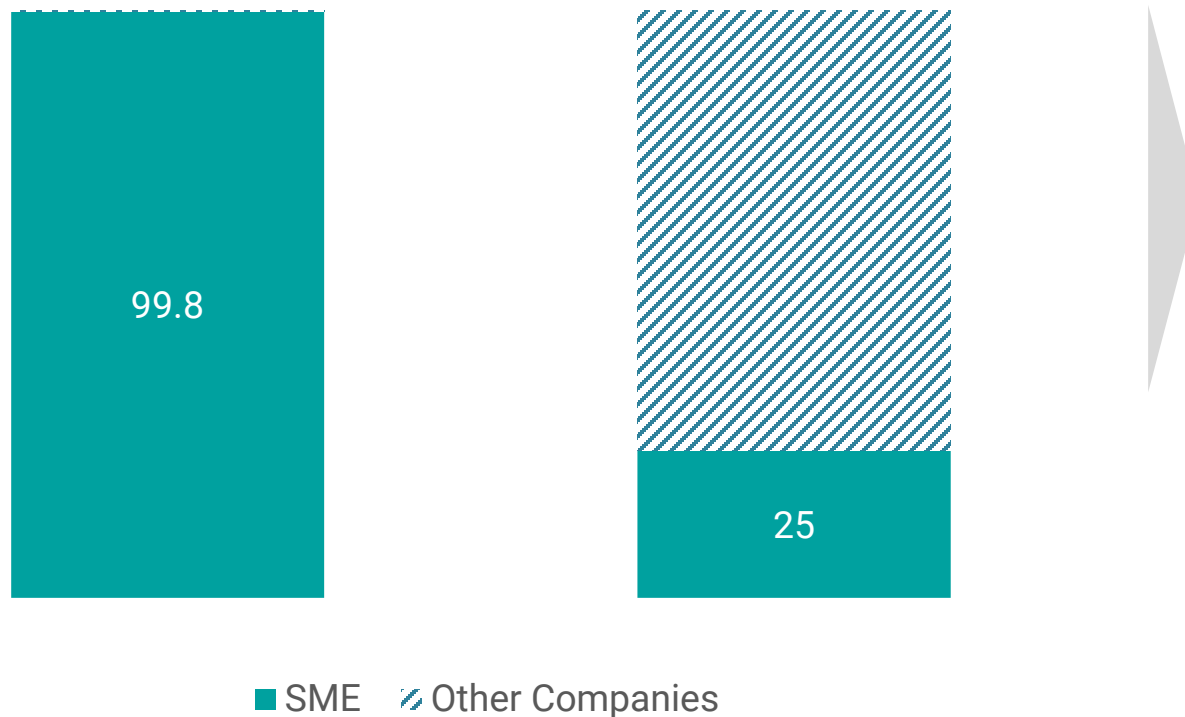
	<b>Leasing</b>	<b>Capital</b>	<ul style="list-style-type: none"> <li>Product lease with option to purchase at the end of the term.</li> </ul>	12-48 months
		<b>Equipment</b>	<ul style="list-style-type: none"> <li>Product lease without option to purchase at end of the term.</li> </ul>	MXN \$1-40mm
		<b>Real Estate</b>	<ul style="list-style-type: none"> <li>Sale and lease back of real estate assets.</li> </ul>	5-7 years MXN \$15-60mm
	<b>Renting</b>		<ul style="list-style-type: none"> <li>Equipment leasing with supplies, service and maintenance.</li> </ul>	12-36 months MXN \$1-10mm
	<b>Factoring</b>		<ul style="list-style-type: none"> <li>Discounting A/R and provision of vendor-financing and revolving credit lines.</li> </ul>	30-60 days MXN \$1-20mm
	<b>Financing</b>	<b>Cash</b>	<ul style="list-style-type: none"> <li>Secured and unsecured cash loans as non-asset-based lending.</li> </ul>	24-36 months
		<b>Equipment</b>	<ul style="list-style-type: none"> <li>Purchase and resale or lease of equipment with financing. Equipment serves as collateral.</li> </ul>	MXN \$1-40mm

# Underserved Mexican SME Market

Financing the Mexican SMEs is an attractive opportunity with significant growth potential.

## • Underserved Mexican SMEs

% as of 2017



## Characteristics of our clients

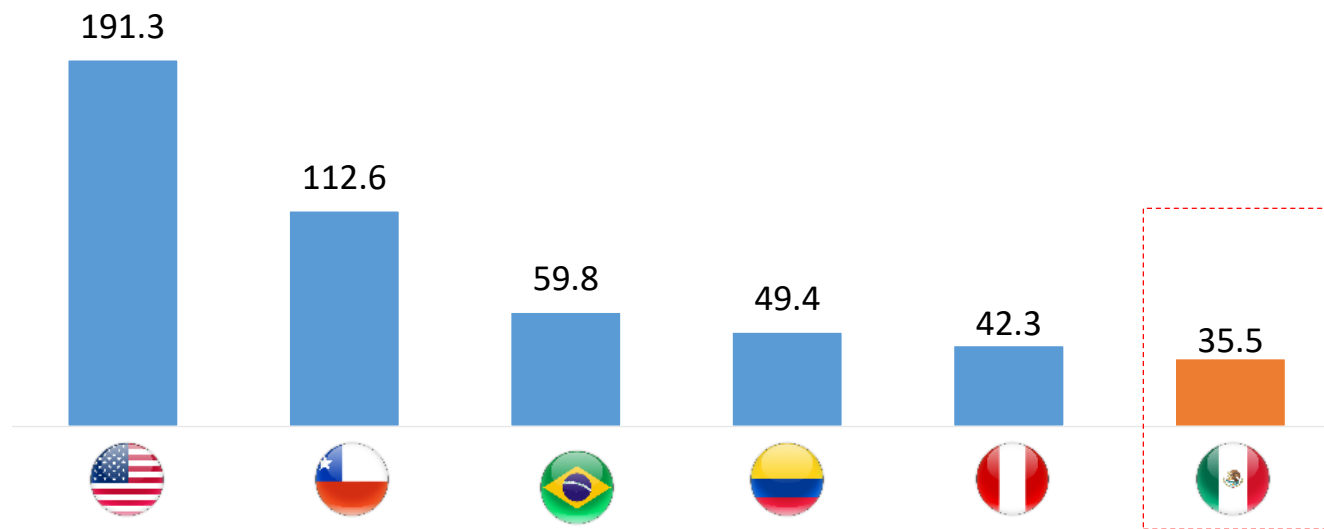
- Underbanked.
- Not price sensitive.
- Receptive to good service, including:
  - Approval speed.
  - Flexibility around customized solutions.
- Drawn to:
  - Simpler documentation.
  - No covenants.
  - Tax shield provided by lease payments.



# Underserved Mexican SMEs

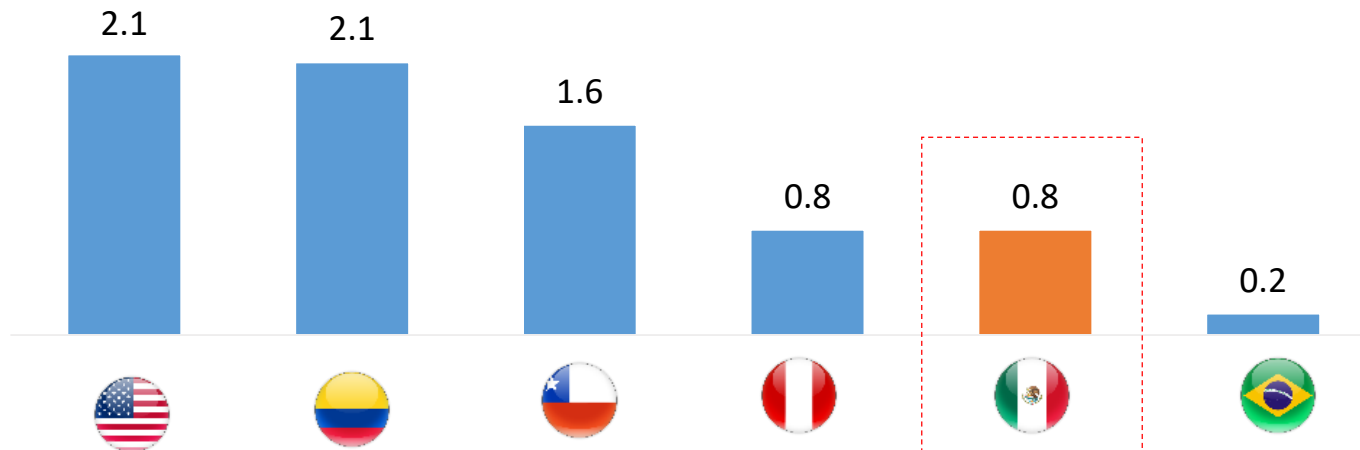
- **Underpenetrated financial system**

Domestic credit to the private sector (% of 2017 GDP)



- **Opportunity for financing, particularly in the leasing space**

% leasing volume (as of 2017 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.

Note:  
KYC: "know your customer"  
Sourced from INEGI & CNBV  
Sourced from worldbank.org

# Powerful and Effective Go-to-Market Model

## Client knowledge drives credit quality and recurring business

- Salesperson responsibilities:



- Clients per Business Unit is limited to 30, and potential credit risks are spotted early on through communication with clients at least once a month.
- Incentive-based compensation.
- ~60% of lease approval cases correspond to recurring clients.
- Adversity to government risk through geographic diversification.

## Geographic reach extends beyond physical presence

*Portfolio Presence*



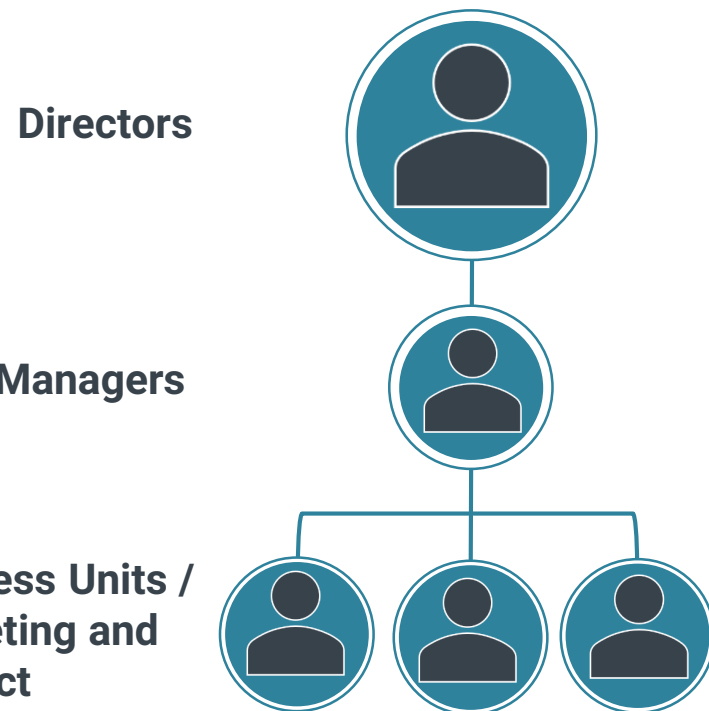
**Presence in 30 states, over 93% of the country.**

# Effective Direct and Indirect Sales Forces

## Strong team on the ground

### Direct sales force

87 employees



Sample team structure

### Indirect sales force

Vendors



Others (+20)

Brokers



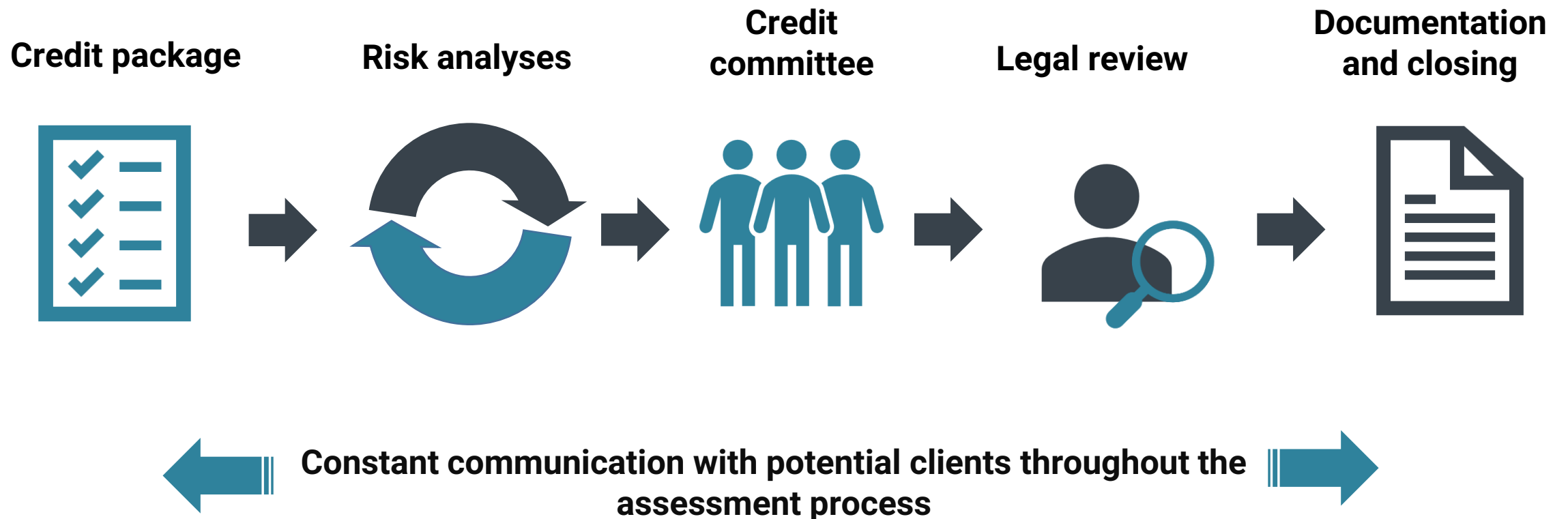
+37 external brokers

Salesforce platform engaged in the whole process from origination to collection

Sales force made up of 120+ professionals.

# Fast and Disciplined Credit Approval

## Credit approval process



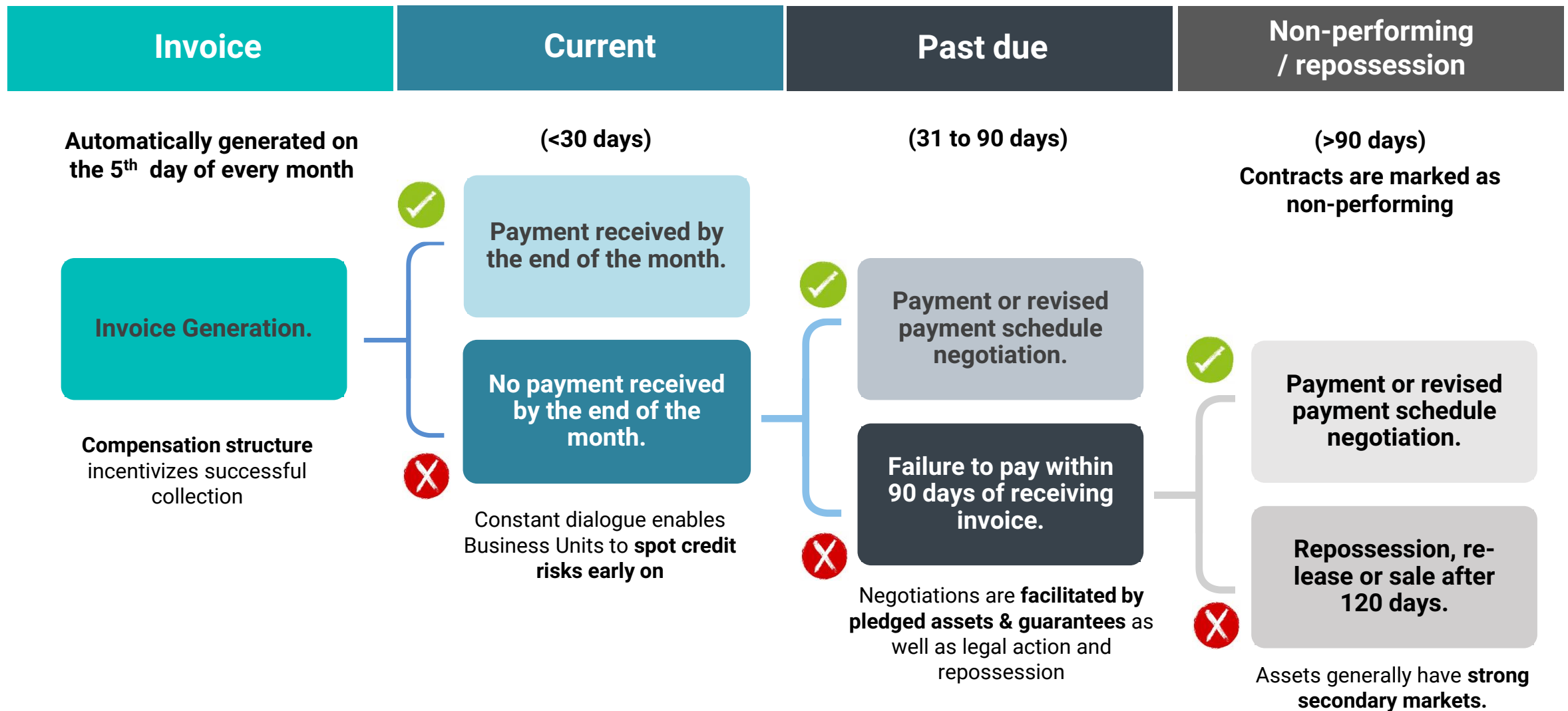
- Credit process enables turnaround times of 5 to 15 business days<sup>1</sup>, significantly faster than a traditional bank.
- Independent members strengthen the Credit Committee.
- The Company follows strict risk assessment processes incorporating quantitative and qualitative parameters.

Note:

<sup>1</sup> Turnaround time measures days of processes for which Docuformas' is responsible.

# Efficient Collection Process

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

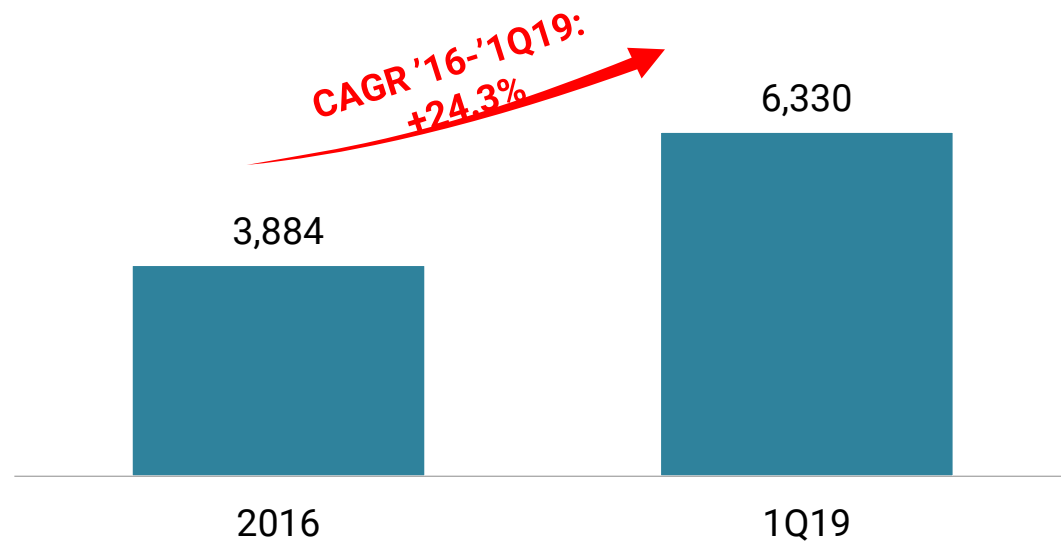


Business units are responsible for the collection process and are in constant communication with clients.

# Origination and Top-Line Growth

## Total Portfolio

Ps\$ MM

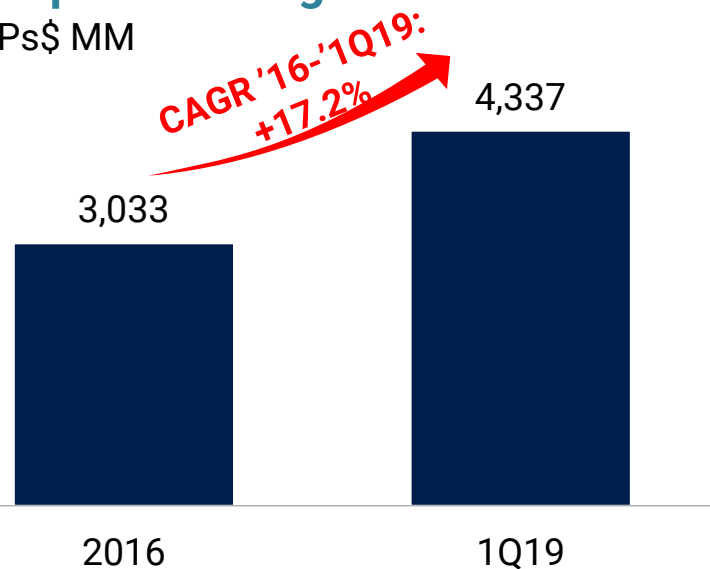


*Consistent top line growth year over year since its inception, due to:*

- ✓ *Specific target market*
  - ✓ *Competitive go to market strategy*
  - ✓ *Strong corporate practices*
  - ✓ *Experienced management*

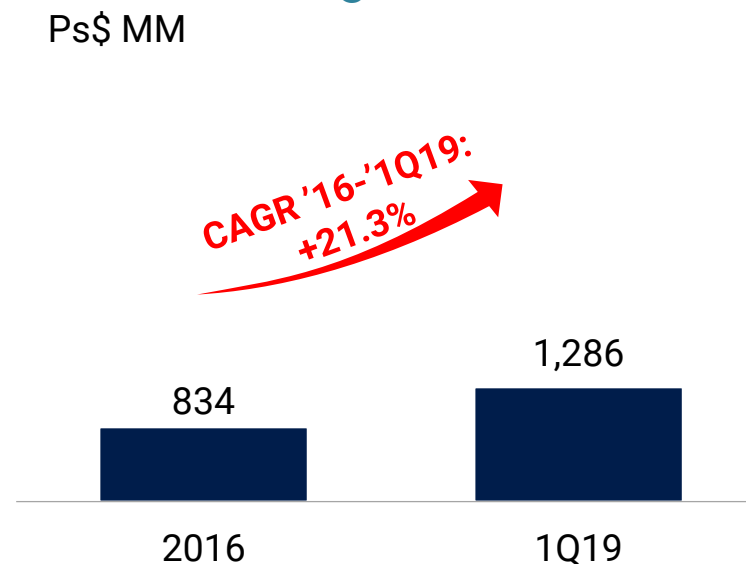
## Capital Leasing

Ps\$ MM



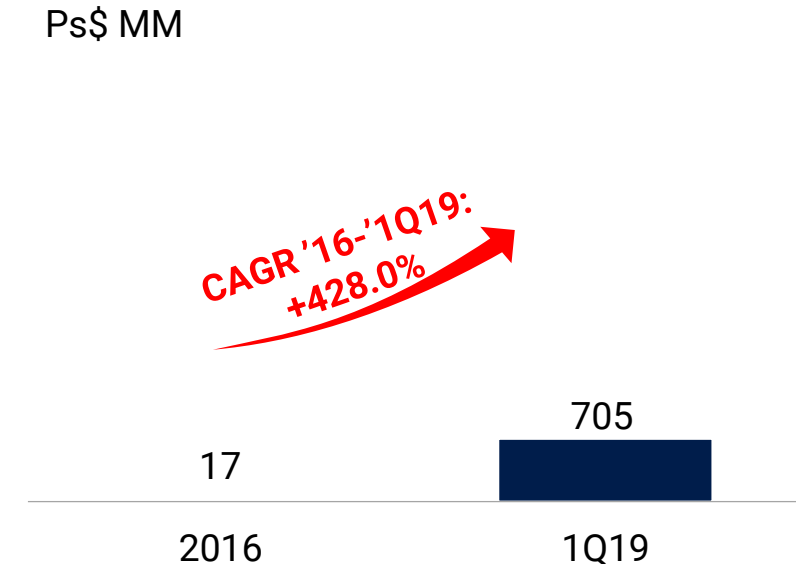
## Cash Financing

Ps\$ MM



## Equipment Financing

Ps\$ MM

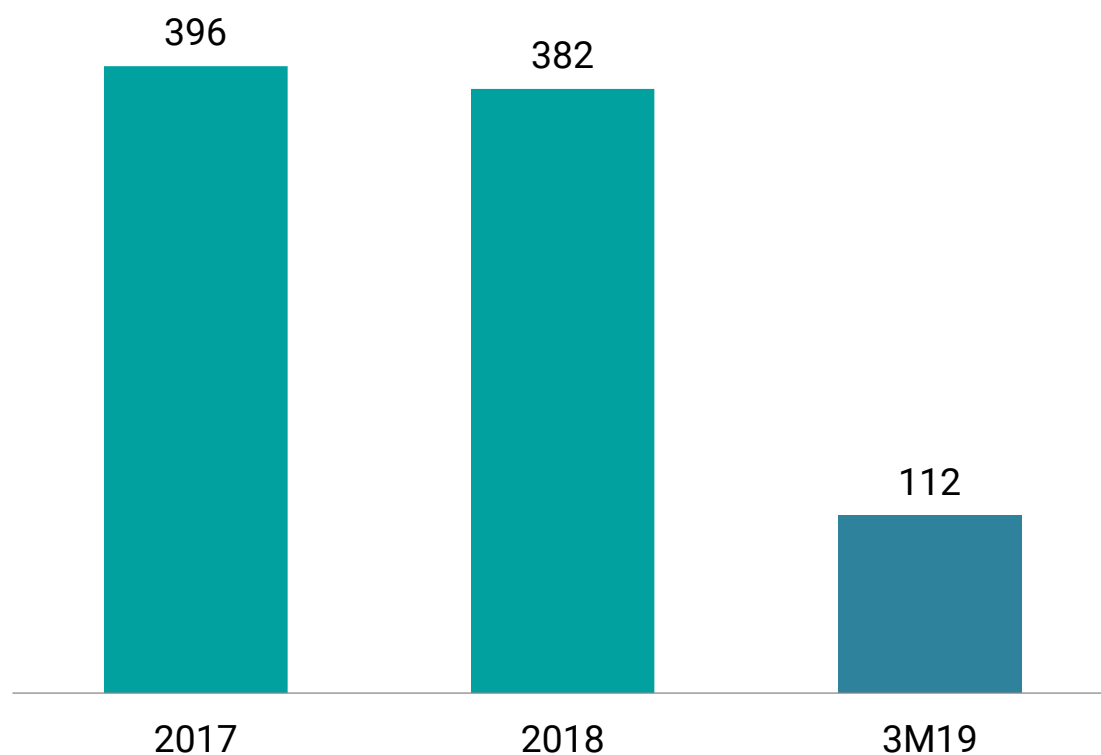


# Solid Gross Profit Growth with Positive Bottom-Line

## Improving Efficiency

MXN\$mm

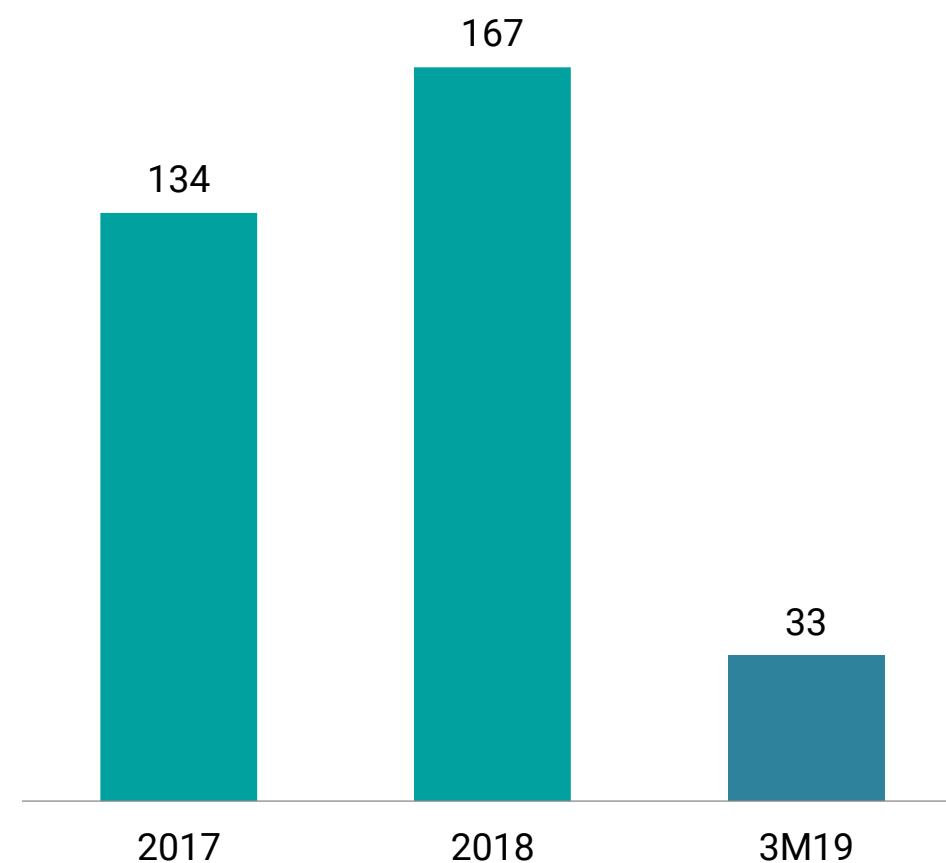
### Gross Income



## Profitability

MXN\$mm

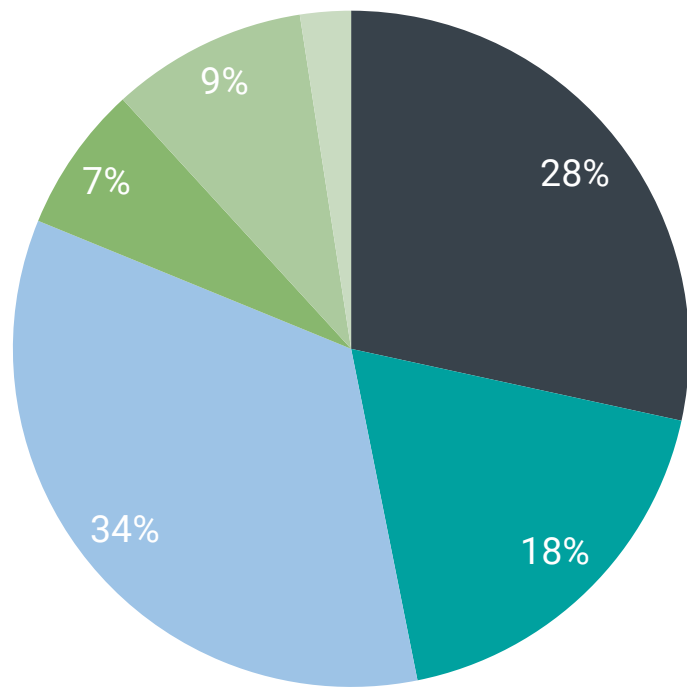
### Net Income



# Diversified Portfolio Across Clients and Industries

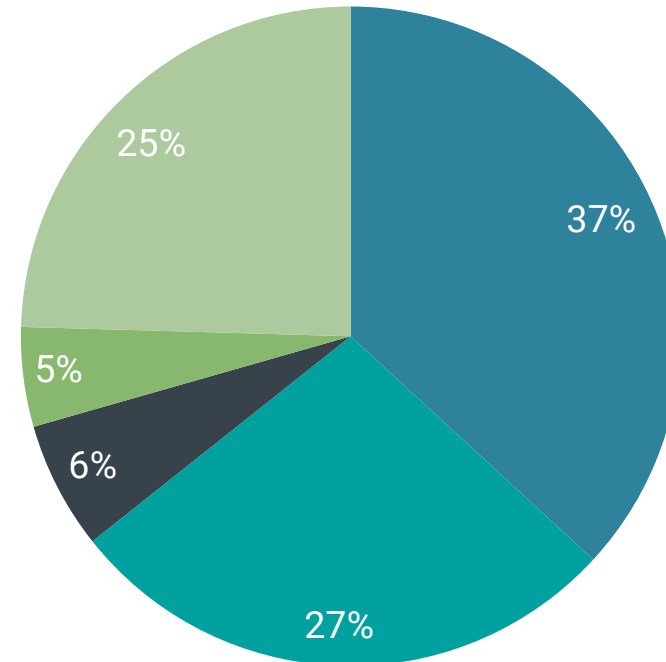
Our diversified portfolio minimizes exposure to single names.

### Portfolio Distribution by Ticket Size

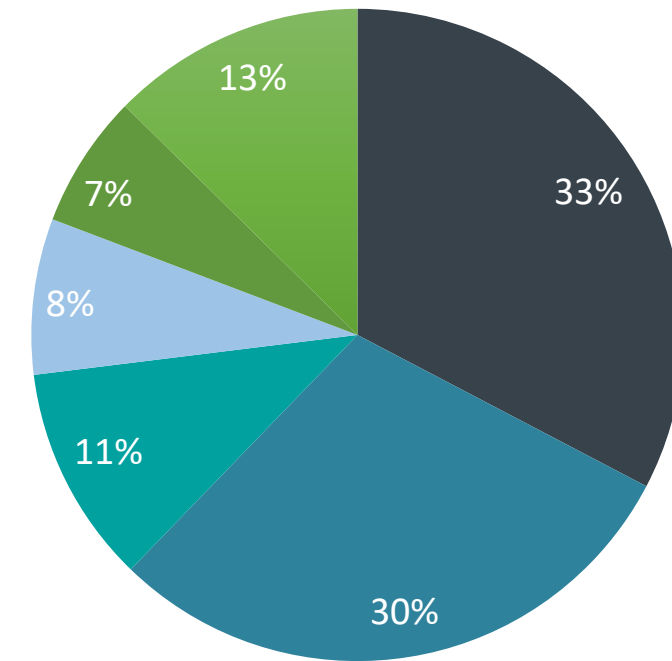


### Portfolio Distribution by Zone

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



### Portfolio Distribution by Sector



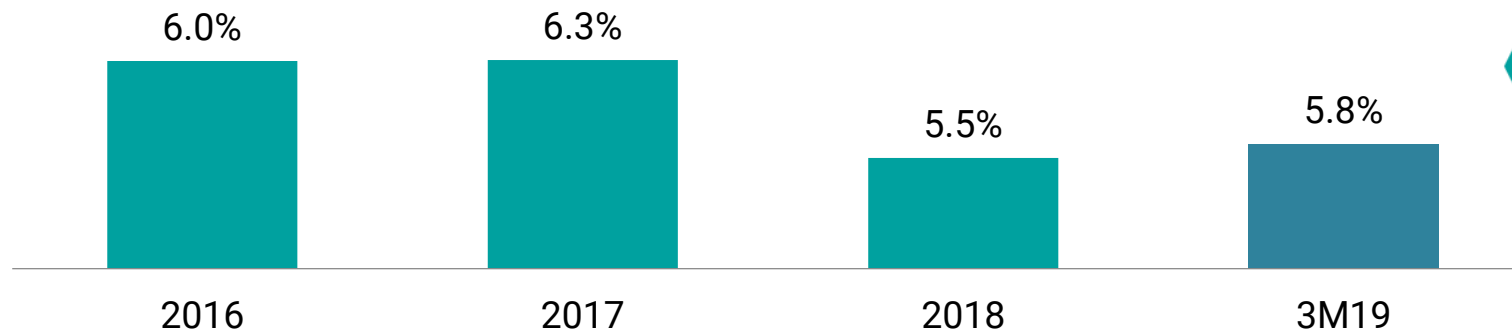
- Industrials
- Consumer Discretionary
- Health Care
- Materials
- Information Technology
- Others

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



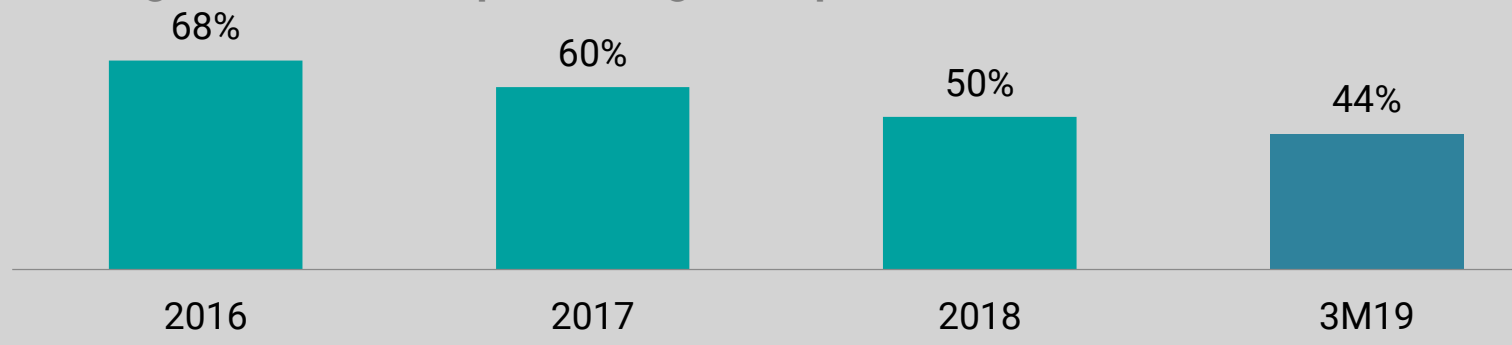
## Ratio of non-performing leases (%)

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



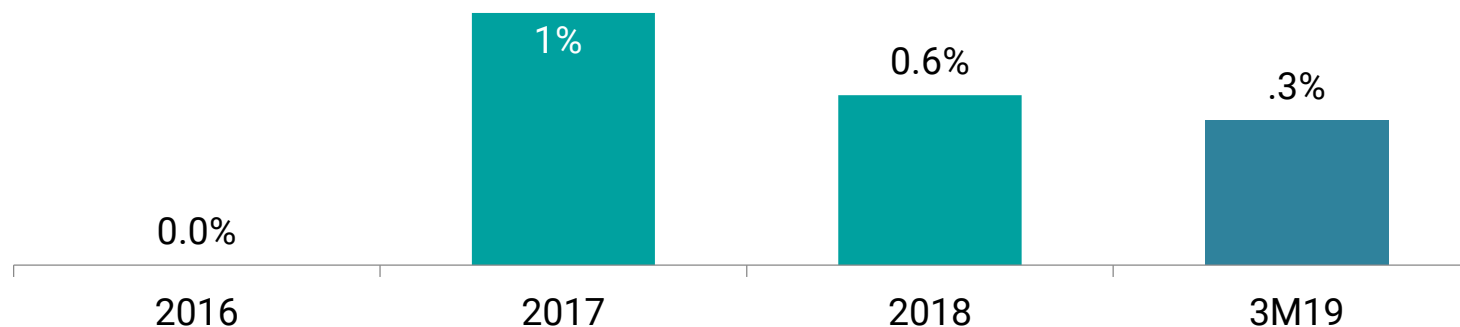
## Coverage ratio (%)

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.
- The Company maintains insurance policies covering 100% of its underlying assets.
- Guarantees on assets minimize “real loss”, reinforced by a conservative approach to NPLs.

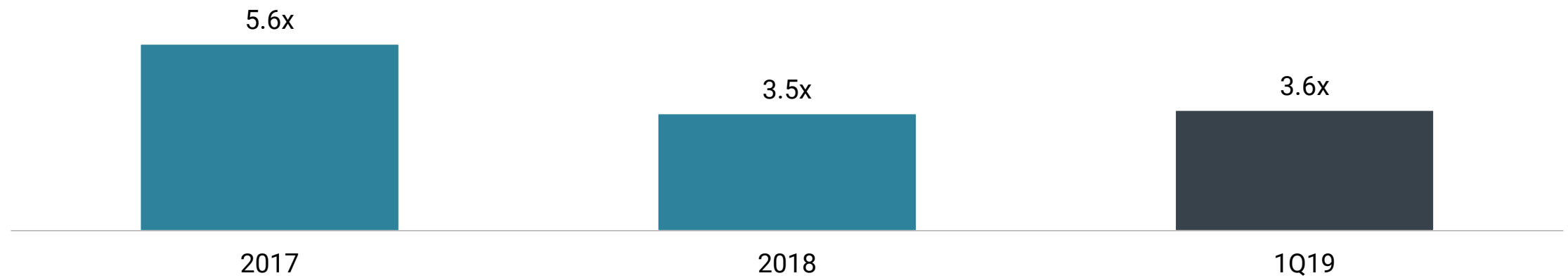
Note:

<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

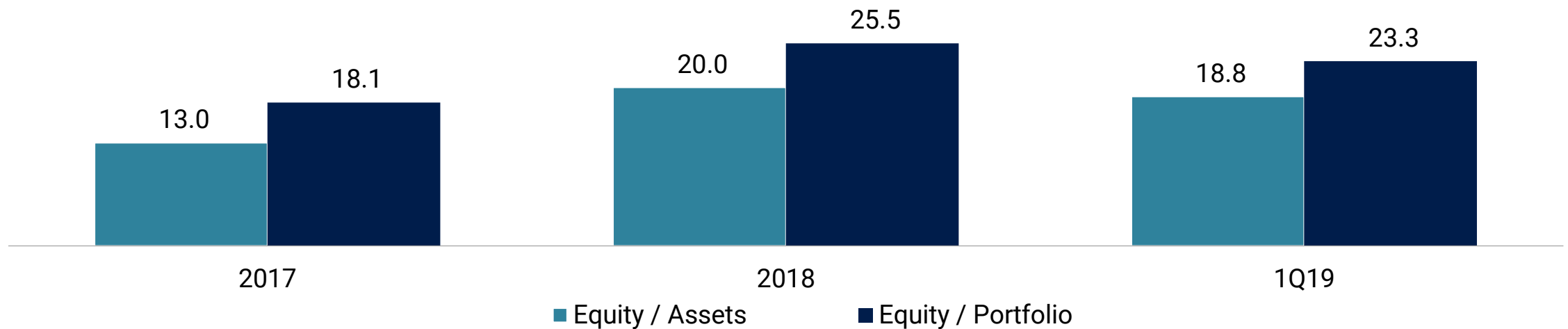
# Strong Balance Sheet

## Disciplined Leverage

(Total financial debt / total shareholders equity)



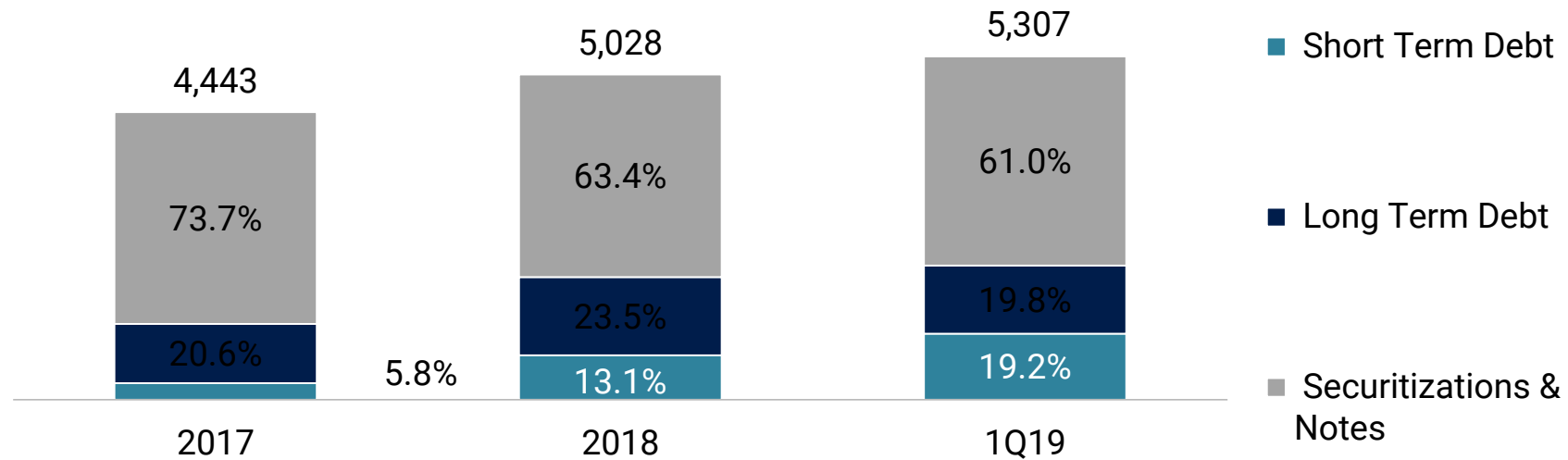
## Ample Capitalization



# Well-Diversified Sources of Funding and Adequate Run-off

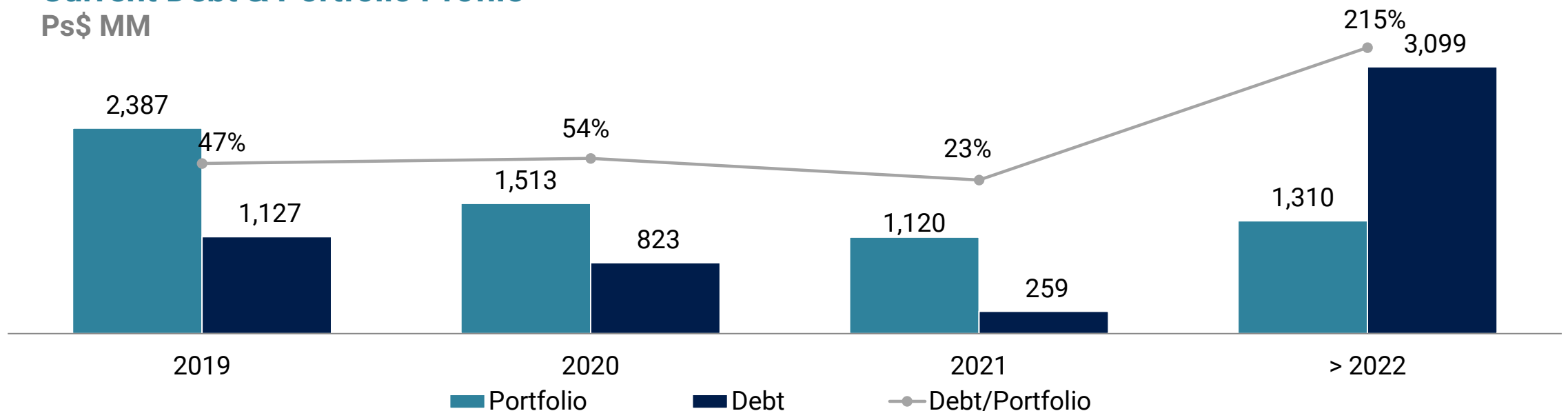
## Well-diversified Sources of Funding

Financial debt (MX\$m)



## Current Debt & Portfolio Profile

Ps\$ MM



Portfolio run-off > debt amortization in next 5 years

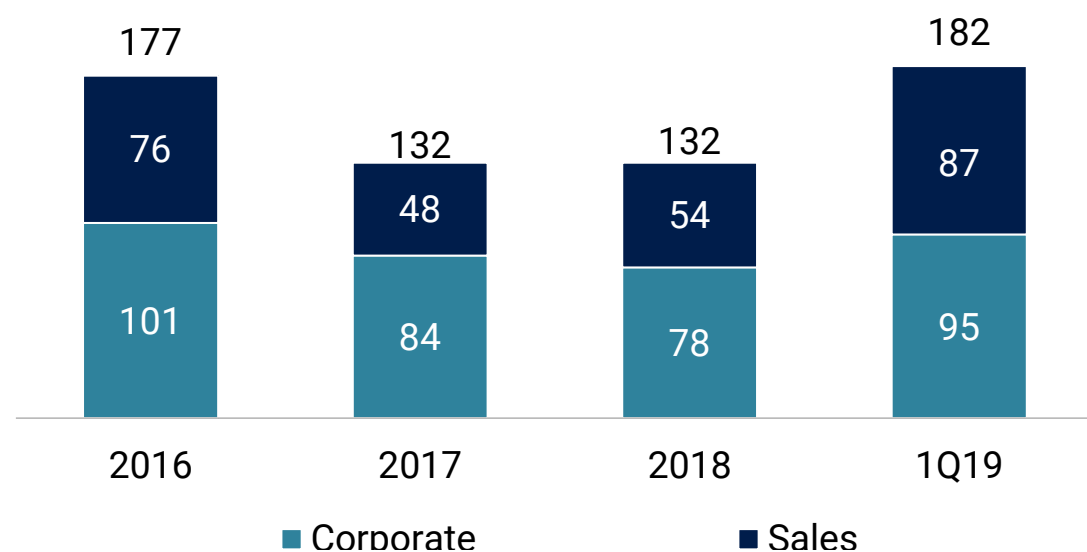
FX risk has been fully hedged

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

# High Levels of Operational Efficiency

## Workforce has been optimized following the ARG acquisition

Headcount evolution (# of employees)



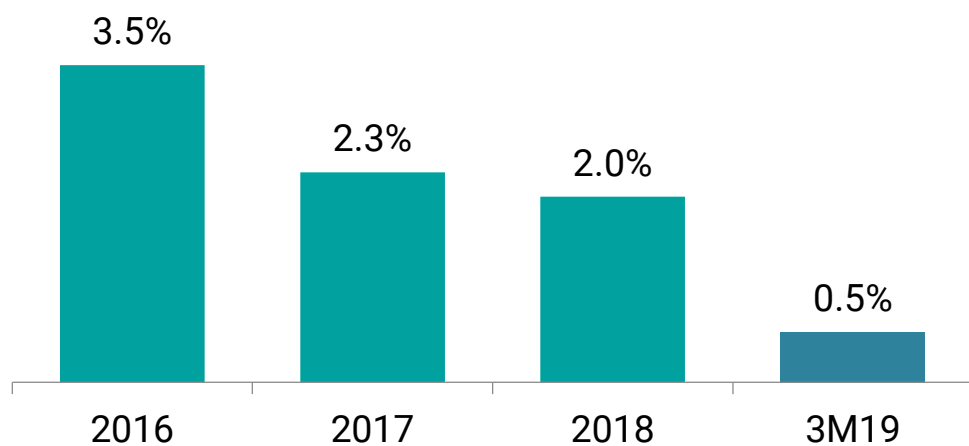
## The sales force operates under a variable compensation structure

Sales Force Incentives Aligned with Origination Quality

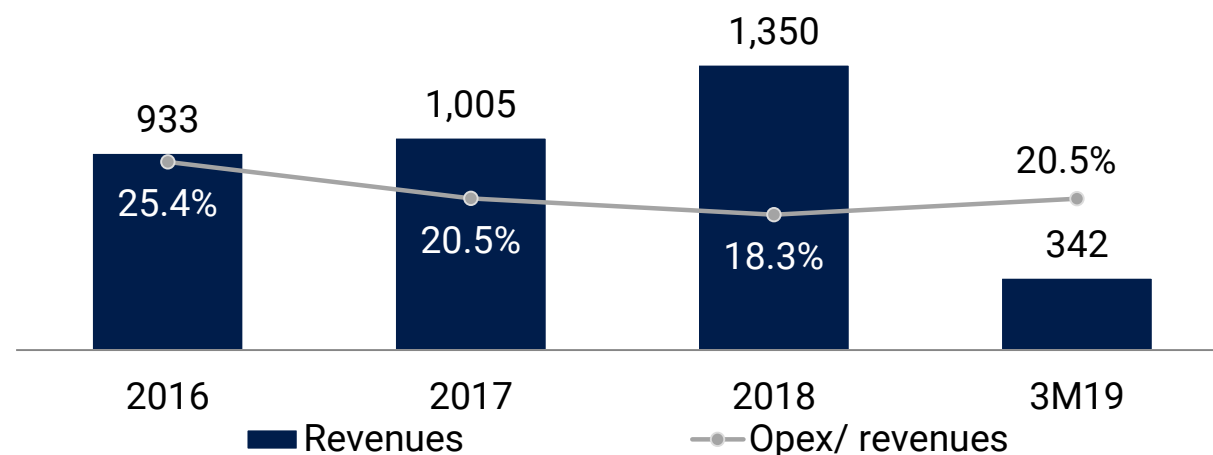
- Business units are in charge of the collection process as well as origination
  - Compensation structure aligns incentives
- Incentive-based compensation structure:
  - Sales person receives full commission at the moment the sale is closed
  - Clawback mechanism if the loan / lease non-perform within the next 12 months

## 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

# Experienced Management Backed by High Profile and Committed Shareholders

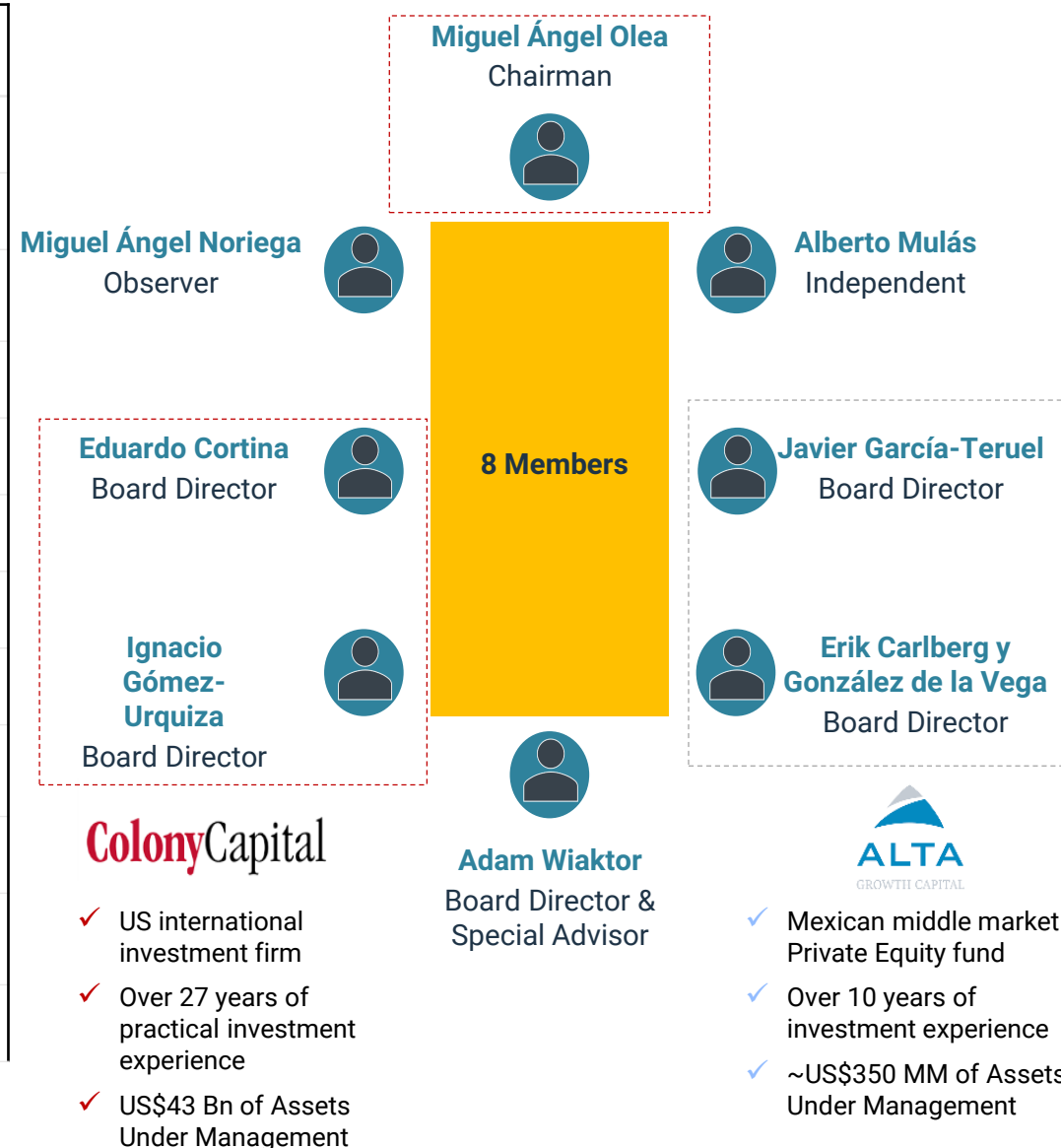
## Complemented by a Robust Corporate Governance Policy

### Experienced Management Team

	Name	Position	Years of Experience	Years at Docuformas
Senior Management	Alejandro Monzó	Chief Executive Officer	21	4 <sup>(1)</sup>
	Héctor Esquivel	Chief Financial Officer	33	4
	Eduardo Limón	Investor Relations Officer and Funding Director	29	14
	Ricardo Saavedra	Marketing & Product Director	20	1
	César Valdivia	Human Resources Director	14	1
	Juan Mendoza	Chief Technology Officer	26	1
	Antonio Bañuelos	Director of Credit	23	14
	Patricia Barrera	General Counsel	20	6
	Alejandro Pacheco	Structuring Director	27	7
	Erika Nuñez	Processes Director	18	7
Sales	Danilo Sarrelangue	Sales Director	23	20
	Carlos Durán	Sales Director	24	8

Management team with an average of more than 23 years of experience

### Highly Qualified and Renowned Board of Directors with Strong Investors



Notes:  
1. CEO of Mexarrend prior its acquisition by Docuformas in 2019

## Contact Information

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# Financial Summary

# Financial and Operating Summary

*\*In millions of pesos*



## Key metrics and financial highlights

Financials Metrics (in millions of pesos)	2016	2017	2018	3M19
Total Revenues	933	1,005	1,350	342
Cost of Revenues	402	609	968	230
Gross Profit	531	396	382	112
%	57%	39%	28%	33%
Operating Expenses	237	206	247	70
Net Income	181	134	167	33
%				

Operating Metrics (in millions of pesos)	2016	2017	2018	3M19
Total Portfolio	3,883	4,413	5,625	6,328
<i>Capital Lease</i>	3,033	3,460	3,460	4,337
<i>Cash Financing and Factoring</i>	834	704	1,411	1,286
<i>Equipment Financing</i>	17	250	754	705
NPL	<b>6.0%</b>	<b>6.3%</b>	<b>5.5%</b>	<b>5.8%</b>

Operating Lease	572	738	911	1,074
Net Earning Assets (NEA)	4,455	5,152	6,536	7,402

Financial Indicators	2016	2017	2018	3M19
ROAA (annualized)	4.6%	2.5%	2.5%	1.6%
ROAE (annualized)	29.2%	18.4%	15.0%	8.4%
Financial Debt / Stockholders' Equity	4.3	5.6	3.5	3.6
Net Financial Debt / Stockholders' Equity	3.7	3.9	2.8	3.0
Capitalization (Stockholders' Equity/ Total Assets)	15.1%	13.0%	20.0%	18.8%
Stockholder' Equity/ Total Portfolio	17.1%	18.1%	25.5%	23.3%
Capital Leasing Portfolio / Total Portfolio	78.1%	78.4%	61.5%	68.5%
Total Portfolio / Financial Debt	1.4	1.0	1.1	1.2
Total Portfolio / Net Financial Debt	1.6	1.4	1.4	1.4
Current Assets/ Current Liabilities	1.1	2.9	2.5	1.4
Financial Debt (MXN\$mm)	2,856	4,443	5,028	5,307
Net Financial Debt (MXN\$mm)	2,427	3,135	3,958	4,376



# Income Statement

*\*In millions of pesos*

<b>REVENUES</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>3M19</b>
Interest on capital leases	558	563	702	201
Equipment financing	170	296	432	71
Operating leases	196	145	216	70
Factoring	9	1	0	0
<b>Total income</b>	<b>933</b>	<b>1,005</b>	<b>1,350</b>	<b>342</b>
<b>COSTS</b>				
Interest expense	214	351	554	151
Equipment financing	88	151	317	52
Depreciation of assets under operating leases	100	107	98	27
<b>Total costs</b>	<b>402</b>	<b>609</b>	<b>968</b>	<b>230</b>
<b>GROSS INCOME</b>	<b>531</b>	<b>396</b>	<b>382</b>	<b>112</b>
Selling expenses	22	17	56	12
Administrative expenses	153	142	147	43
Allowance for loan losses	63	48	44	15
<b>Operating expenses</b>	<b>237</b>	<b>206</b>	<b>247</b>	<b>70</b>
<b>OPERATING INCOME</b>	<b>293</b>	<b>190</b>	<b>135</b>	<b>42</b>
Other (income) expenses, net	(0)	(2)	9	(14)
Interest income	(2)	(88)	(10)	(8)
Interest expenses	50	58	49	9
Net exchange loss (profit)	9	135	(8)	(48)
Valuation of derivative financial instruments	(5)	10	(44)	69
<b>Comprehensive financing result</b>	<b>52</b>	<b>114</b>	<b>(13)</b>	<b>22</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>242</b>	<b>77</b>	<b>138</b>	<b>34</b>
Income taxes	61	(56)	(28)	1
<b>NET INCOME</b>	<b>181</b>	<b>134</b>	<b>167</b>	<b>33</b>

# Balance sheet (Assets)

*\*In millions of pesos*

ASSETS	2016	2017	2018	3M19
<b>Current Assets</b>				
Cash and cash equivalents	429	1,308	1,070	931
Accounts receivable	1,545	1,115	1,690	1,598
Allowance for loan losses	-	164	153	163
Taxes due from	116	107	186	212
Sundry debtors	22	27	3	8
Related parties due from	19	3	35	36
Other assets	37	65	34	32
Inventory	-	-	-	-
<b>Total current assets</b>	<b>2,168</b>	<b>2,789</b>	<b>3,171</b>	<b>2,980</b>
<b>Non-current assets</b>				
Property-furniture and equipment - net	651	870	1,067	1,288
Long-term receivable	1,300	2,131	2,507	3,108
Other assets	81	169	199	202
Derivative financial instruments	19	10	75	3
Goodwill	164	165	169	241
<b>Total non-current assets</b>	<b>2,215</b>	<b>3,345</b>	<b>4,017</b>	<b>4,842</b>
<b>Total assets</b>	<b>4,383</b>	<b>6,134</b>	<b>7,188</b>	<b>7,822</b>

# Balance sheet (Liabilities and Stockholders' Equity)

*\*In millions of pesos*

LIABILITIES	2016	2017	2018	3M19
Current liabilities				
Current portion of long-term debt	1,254	256	688	1,127
Accounts payable	94	163	26	75
Sundry creditors	283	381	517	798
Due to related parties	273	75	9	6
Income taxes and other taxes payable	49	94	49	51
<b>Total current liabilities</b>	<b>1,953</b>	<b>969</b>	<b>1,289</b>	<b>2,057</b>
Non-current liabilities				
Long-term debt	1,602	4,187	4,340	4,180
Deferred income tax	165	181	124	113
Derivative financial instruments	-	-	-	-
<b>Total non-current liabilities</b>	<b>1,767</b>	<b>4,368</b>	<b>4,464</b>	<b>4,293</b>
<b>Total liabilities</b>	<b>3,720</b>	<b>5,337</b>	<b>5,753</b>	<b>6,350</b>
<b>STOCKHOLDERS' EQUITY &amp; RESERVES</b>				
Capital stock	281	281	1,323	1,323
Retained earnings	201	382	13	178
Valuation of derivative financial instruments	-	-	68	62
Current year net income	181	134	167	33
<b>Total Stockholders' equity and reserves</b>	<b>663</b>	<b>797</b>	<b>1,435</b>	<b>1,472</b>
<b>Total liabilities and stockholders' equity and reserves</b>	<b>4,383</b>	<b>6,134</b>	<b>7,188</b>	<b>7,822</b>