



Tangerine Pomelo Group Takes Action to Manage its Liquidity and Financial Position

- *In light of the challenging conditions affecting the Mexican NBFIs sector and as part of its year-end review of its financial results, the Company is increasing reserves and writing-off assets.*
- *The Company recently discovered errors in its recording of financial assets and anticipates further write-offs of approximately MXN655 million will be required.*
- *The Company does not expect to make upcoming payments on its CEBURES or Senior Notes.*
- *In line with its December 16, 2022 announcement, the Company is working with financial and legal advisors.*

Mexico City, Mexico, January 17, 2023. Tangerine Pomelo Group, S.A.P.I. de C.V. (the “Company”) (f/k/a Mexarrend, S.A.P.I. de C.V.) (BIVA: MEXAMX), a leading financial technology company in Latin America specializing in alternative credit, announced today that it is taking a series of steps to manage its financial position and preserve its liquidity.

First, in light of worsening economic conditions affecting the Mexican Non-Bank Financial Institution (“NBFIs”) sector, the Company is increasing reserves for non-performing loans during the fourth quarter of 2022 by approximately MXN100 million and writing-off approximately MXN300 million of assets.

In addition, as a result of an ongoing review of the Company’s loan portfolio and other assets conducted in coordination with its advisors, management recently discovered certain errors in recorded portfolio assets. To correct these errors, the Company expects to write off approximately MXN655 million in portfolio assets. The Company’s review of its loan portfolio and balance sheet is ongoing. To date, these are the only errors the Company has identified. The Company is prepared to take further actions as appropriate based on the results of its ongoing review.

The Company also announced today that, in line with its December 16, 2022 announcement, it is maximizing its financial flexibility in the near term to better manage its liquidity. The Company stated it does not expect to make the approximately (i) MXN85 million aggregate principal payments, plus interests, due January 19, 2023 on its short term publicly-traded certificates (*certificados bursátiles*) (“CEBURES”) with ticker symbols MEXAMX 00122, 00222, 00322, 00422, 00522, 00822 and 00922 and does not expect to make such payments during the subsequent 10-business day cure periods, and (ii) US\$14.5 million interest payment due January 24, 2023 on its 10.250% Senior Notes due 2024 and does not expect to make such payment during the subsequent 30-day cure period. The decision prioritizes the use of cash resources for the Company’s operating activities given its liquidity constraints and the challenging capital markets environment.

The Company will initiate what it hopes will be a productive dialogue with representatives of CEBURES holders and senior noteholders to reach a comprehensive solution to its liquidity constraints. The Company is looking at all available options to ensure that it puts itself in a strong

position to continue providing credit solutions for underserved consumers and the small and medium-sized enterprises (“SMEs”) sector in the region.

The Company has hired Houlihan Lokey, Inc., Blink Capital Solutions, Cleary Gottlieb Steen & Hamilton LLP and Kuri Breña, Sánchez Ugarte y Aznar S.C. as its advisors.

About Tangerine Pomelo Group

Tangerine Pomelo Group, S.A.P.I. de C.V. has grown to become one of the largest independent leasing (asset-based lender) companies in Mexico in the last 25 years. The Company specializes in offering financing solutions to rapidly growing and underserved SMEs for the acquisition of productive assets and equipment to support growth. The Company provides reliable and competitive funding sources through its four main products: capital leases, financing, operating leases and renting.

Forward-Looking Statements

This press release may contain forward-looking statements that are not based on historical facts and are not assurances of future results. You should not place reliance on any forward-looking statement contained in this press release. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason, except as required under applicable law.

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