



Mexarrend and Zinobe Announce Business Combination to Create Tangelo, a Technology Company Delivering Innovative Credit Solutions Across Latin America

- *Tangelo specializes in helping companies build and scale tech-enabled credit solutions targeting Latin America's SMEs and consumer segments through its proprietary technology platform and risk management tools.*
- *Combined business creates one of the largest alternative credit players in LatAm, which leverages the agility and versatility of a leading regional fintech with the strong institutional relationships and operational experience of an established financial entity.*
- *New company's financial and operating track record places it in a market leading position in the region, with +USD 1 billion in funding, +3 million loans granted, +USD 500 million AUM (Assets Under Management), and a positive bottom line.*

Mexico City, Mexico, January 27, 2022 - Mexarrend, Mexico's second-largest independent asset-based lender that offers financing solutions for small and medium businesses, and Zinobe, Colombia's leading digital lender that offers alternative credit products for individuals and small businesses, announced today an agreement to combine and form Tangelo (www.tangelolatam.com), a new technology company delivering innovative credit solutions in Latin America.

Tangelo brings together Mexarrend's more than twenty five years' credit risk and operational experience, strengthened by deep institutional relationships, with Zinobe's advanced technological and analytics capabilities to provide integrated credit solutions targeting SMEs and consumers across Latin America. The business combination puts Tangelo in a leading competitive position with a combined track record of more than USD 1 billion in funding, 3 million loans granted, and USD 500 million in assets-under-management with a positive net income.

The company will continue to grow its existing business lines with a focus on developing embedded solutions through its corporate and institutional partnerships. Tangelo has several important differentiating factors, given its diverse product and risk management capabilities spanning both consumer and business, which will enable more complete offerings. This strategy will open a substantial addressable market across LatAm, which includes not only nearly USD 2 trillion consumer and USD 350 billion SME credit markets per 2019 data, but also the significant underserved sectors in both markets, which Tangelo is able to access through proven experience in alternative risk assessment. The IDB estimates a USD 1.2 trillion gap in LatAm's market; a meaningful opportunity.



Tangelo will also strengthen its distribution and risk management capabilities through its newly formed Capital Markets division which will expand financial institution and fund relationships to promote an efficient balance sheet strategy. The company has already applied a variety of funding and de-risking structures working with local and international investors. The new group will focus on optimizing leverage and funding costs through financial structuring and the flexibility brought from the technologically advanced infrastructure.

Alejandro Monzó, co-CEO of Tangelo, commented: “This combination has been progressing for almost two years, since our companies began working together on our Mexico joint venture. We realized very quickly that we shared a vision, as well as the capabilities that meaningfully complemented each other. We identified a clear market need for this solution, which we are clearly best positioned to address.”

Tarek El Sherif, co-CEO of Tangelo, added: “I’m very proud to be working with this talented team that has already begun executing on our business plan. Importantly, we have validated our vision almost immediately, closing several significant partnerships across Latin America spanning multiple products in the consumer and SME space.”

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About Tangelo

Tangelo is a Latin American financial technology company specializing in alternative credit and with over 25 years of experience developing bespoke credit solutions for consumers and SMEs in the region. Through a proprietary technology platform and data driven models, Tangelo manages a diverse set of tailor-made products ranging from point-of-sale financing, supply chain financing, asset-based lending, credit scoring as a service, and end-to-end white label digital credit solutions for numerous industries.

About Zinobe

Zinobe is a leading Fintech company, focused on building alternative lending products for the underserved populations of Colombia and Mexico. The company offers products to clients in the consumer, SME, and Fintech-as-a-service markets. Through its proprietary platform and scoring methodologies, Zinobe has successfully operated its business models across the region with more than 3 million transactions and consistent triple-digit growth throughout its history.

About Mexarrend

Mexarrend has grown to become one of the largest asset-based lending companies in Mexico over the last 25 years. The company specializes in financing solutions for fast-growing and underserved small and medium enterprises (SMEs), for the acquisition of productive assets and



equipment to support their growth. Mexarrend provides competitive and reliable sources of financing through its four main products: capital leases, financing, operating leases, and renting.

Forward Looking Statements

This document includes “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “forecast,” “intend,” “seek,” “target,” “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward looking statements include estimated financial information. Such forward looking statements with respect to revenues, earnings, performance, strategies, prospects, and other aspects of the businesses of Mexarrend, Zinobe or the combined company after completion of the Business Combination are based on current expectations that are subject to risks and uncertainties.

Investor Relations

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