SME Finance Forum

November 2017
While advances have been made to promote financial inclusion, Mexico’s population is largely unbanked.

Breakdown of 43MM adults in Mexico by level of financial inclusion, %

- **Unbanked/Underbanked**: 56%
  - 35MM have no type of credit

- **Banked**: 44%
  - Only 5MM obtain business loans
  - Fewer than 16MM have credit cards
In this environment, ePesos is becoming the payment rails for the base of the pyramid...

- **Build critical mass** on PayPal
- **Reduces payments friction** on eBay
- **Scales** the ePesos platform
- **Developed digital payments engine** for partners
- **Don’t need a bank account**
- **Largest MFI in Latin America**
...Offering users a digital platform and custom-made financial services

<table>
<thead>
<tr>
<th>Partners</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Cashless Distribution</strong></td>
<td>▪ Companies with supply-chains that serve the informal sector</td>
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<td><strong>Catalogue Sales</strong></td>
<td>▪ Catalogue sales with <strong>controlled use of funds</strong></td>
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<td><strong>Secure Payments</strong></td>
<td>▪ <strong>e-Commerce platforms</strong> where users typically transact in cash</td>
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To scale the ePesos platform we have identified specific use cases

Microfinance Institutions

Structure

- ePesos licenses the platform to MFI
- Powers the distribution and repayment of loans for SMEs

Partnerships

- Gentera
- Montepio Luz Saviñon
- Pro Mujer

Scale

- Client Base
  - Gentera: 3mm
  - Montepio Luz Saviñon: 1mm
  - ProMujer: 40k
ePesos is telco agnostic and works on any device

- ePesos works on any platform.
- ...and with any telco provider.
- It has a mobile responsive website that works on any type of mobile device.
As a testament to the work we are doing, we just closed a $6MM USD Series A transaction with leading institutional investors and impact funds.
Lending to consumers & SMEs and mobile payments technology are both in our DNA

**Quantum Capital (Lending)**
- Quantum Capital provides financing to consumers
- Acquire non-banking license
- Provide financing via solidarity groups
- QC begins offering mobile payments for its credits
- Provide financing to businesses via FE business line
- Validate revolving line of credit to SMEs via wallet
- Launch of Lending as a Service (LaaS) vertical with QC
- Formalized partnership with Gentera
- Series A round led by SIV
- Launch of Advance Payroll vertical

**ePesos (Payments Technology)**
- ePesos begins operating as a separate entity
- QC begins offering mobile payments for its credits
- ePesos begins operating as a separate entity
Strong and growing management team with relevant expertise and a deep understanding of payments

ePesos has a **well-rounded** and **experienced** team
The platform has a simple user interface that supports multiple smart contracts including credit lines, payroll advances, and others.

- Get Cash
  - or send direct deposit

- Pay Back
  - through nationwide cash-in network

- Free P2P Transfers
  - to any phone in Mexico

- Bill Payments & Mobile Airtime
ePesos integrates with core banking systems and powers the distribution and repayment of loans for MFIs

- ePesos receives client data from CRM
- Distribution of funds powered by ePesos
- MFI originates, lends its own funds

- Users have access to funds and can transact 24/7

- Repayment of loans powered by ePesos
- ePesos shares customer transaction data with MFI
Integration into an existing HR software allows employees to access affordable payroll advances in a simple way.

HR Provider
- Integration with HR software providers
- Profit Share

Company
- Employers sign up for additional benefit
- Employee Retention

Employee
- Employee requests advance payroll
- Safety Net

ePesos
- Funds automatically appear in users mobile wallet
- Users