



FINANCIERA
INDEPENDENCIA^{MR}

FINANCIERA INDEPENDENCIA

3Q24



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Financiera Independencia reports the highest third quarter net profit in its history

Mexico City, October 17th, 2024.- Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. (BMV: FINDEP; OTC: FNCRY), (“FINDEP” or the “Company”) the leader in bringing financial inclusion to underserved Hispanic communities of North America through responsible lending and insurance products, announced today its results for the three months ended September 30th, 2024.

- Reported **Net Profit** for 3Q24 reached Ps. 198 million, 21% higher YoY.
- **Total Loan Portfolio** closed at Ps. 8.3 billion, a 7% YoY growth. Under a constant FX basis, the portfolio would have increased 2% YoY. Our US operations currently represent 38% of our portfolio.
- **Consolidated NPL ratio**, measured as Stage 3 loan portfolio over total portfolio, stood at 5.8% in 3Q24, increased 10 basis points from the prior quarter, and improved 70 basis points against the 6.5% from twelve months ago.
- **Net Interest Income** closed at Ps. 1.1 billion, 6% higher than 3Q23.
- **Income Before Taxes** in 3Q24 increased Ps. 50 million, or 22%, YoY. This line is composed by an increase of Ps. 95 million in **Revenues**, a Ps. 2 million increase in **Operating expenses**, and an increase in **Interest Expense** (Ps. 11 million).
- **The Provision for Loan Losses** was Ps. 389 million in 3Q24, a 9% YoY increase. Annualized **PLL to average loans** increased from 18% to 19% YoY.
- **Write-offs** reached Ps. 349 million in 3Q24, 9% lower YoY. Compared to the trailing-twelve-month average portfolio, trailing twelve months write-offs decreased from 20% to 18%.
- **Non-interest Expense** increased 0.4% YoY in 3Q24, with costs as a percentage of average portfolio at 31%.
- **Net Debt** declined 11% YoY from Ps. 3.4 billion in 3Q23 to Ps. 3.0 billion in 3Q24. On a neutral FX basis, net debt declined 16% YoY.
- **Cash and Cash Equivalents** closed the quarter at Ps. 821 million, 40% below YoY and 2% QoQ.
- The Company's **Return on Equity** increased 0.7 percentage points from 13.0% in 3Q23 to 13.7% in 3Q24, and the **Return on Assets** reached 7.1% in 3Q24, up from 6.0% in 3Q23. In 3Q24, **Return on Tangible Equity** marginally increased to 17.6% vs 17.0% registered in 3Q23.



MESSAGE FROM THE CEO

The third quarter of 2024 reflects another milestone for our Company reflecting strong and consistent results across our businesses and delivering the most profitable third quarter performance in the Company's history.

Our balance sheet recorded Ps. 11.3 billion in Total Assets and Ps. 821 million in cash and cash equivalents. Net debt of Ps. 3.0 billion, decreased 11% versus the third quarter of last year. The Company's equity-to-asset ratio of 52% was 7.1 percentage points above the same time last year.

Our loan portfolio of Ps. 8.3 billion increased 7% YoY, 2% under a constant FX rate with loan originations in the third quarter of Ps. 1.3 billion, increasing 6% under a constant FX compared to the prior year. Compared to the prior quarter, total loan originations decreased 3% with each of the portfolio's origination activities reflecting our responsiveness to the prevailing market and macroeconomic conditions.

Our strong and consistent operational efficiency continues to be led by our focus on digital transformation priorities across processes and workstreams. This focus continues to drive both the quality of the service we can provide to our customers and of our results.

We maintain our commitment and focus on our core businesses in Mexico and the US, leveraging our expertise in credit analysis and loan origination while prudently managing liquidity and debt through macroeconomic cycles.

Eduardo Messmacher
Chief Executive Officer



3Q24 CONSOLIDATED RESULTS

Table 1: Financial & Operational Highlights

	3Q24	3Q23	%	9M24	9M23	%
Income Statement Data						
Net Interest Income after Provisions*	733.0	699.9	4.7%	2,187.7	2,118.6	3.3%
Net Operating Income (Loss)*	279.3	229.6	21.7%	792.7	704.1	12.6%
Net Income (Loss)*	198.3	163.4	21.3%	570.1	494.9	15.2%
Total Shares Outstanding (million)	337.5	337.5	0.0%	337.5	337.5	0.0%
Earnings (Loss) Per Share	0.5875	0.4842	21.3%	1.6892	1.4664	15.2%
Profitability & Efficiency						
NIM before Provisions Excl. Fees	50.1%	48.0%	2.2 pp	48.8%	44.7%	4.1 pp
NIM after Provisions Excl. Fees	32.7%	31.8%	1 pp	33.3%	30.1%	3.2 pp
NIM after Provisions Incl. Fees	40.8%	39.0%	1.7 pp	41.4%	37.2%	4.2 pp
ROA	7.1%	6.0%	1.1 pp	6.9%	5.7%	1.2 pp
ROE	13.7%	13.0%	0.7 pp	13.5%	13.4%	0.2 pp
Efficiency Ratio Incl. Provisions	69.4%	73.3%	-3.9 pp	70.8%	73.1%	-2.3 pp
Efficiency Ratio Excl. Provisions	48.6%	51.8%	-3.2 pp	51.6%	52.5%	-0.9 pp
Operating Efficiency	22.6%	23.0%	-0.4 pp	23.5%	22.2%	1.3 pp
Fee Income	13.9%	15.2%	-1.3 pp	14.1%	14.2%	-0.1 pp
Capitalization						
Equity to Total Assets	52.2%	45.1%	7.1 pp	52.2%	45.1%	7.1 pp
Credit Quality Ratios						
NPL Ratio	5.8%	6.5%	-0.7 pp	5.8%	6.5%	-0.7 pp
Coverage Ratio	229.1%	203.5%	25.5 pp	229.1%	203.5%	25.5 pp
Operational Data						
Number of Clients	282,288	295,537	-4.5%	282,288	295,537	-4.5%
Number of Offices	344	345	-0.3%	344	345	-0.3%
Total Loan Portfolio*	8,301.8	7,773.4	6.8%	8,301.8	7,773.4	6.8%
Average Balance (Ps.)**	29,408.9	26,302.5	11.8%	29,408.9	26,302.5	11.8%

* Figures in millions of Mexican Pesos

INTEREST INCOME

In 3Q24 **Interest Income** was Ps.1.3 billion, that is Ps. 76 million above 3Q23, or a 6% YoY increase, primarily driven by the increase in our portfolio versus the prior year.

During 3Q24 **Net interest income** was Ps. 1.1 billion, that is Ps. 65 million above 3Q23, or 6% YoY increase primarily driven by the growth in our portfolio.

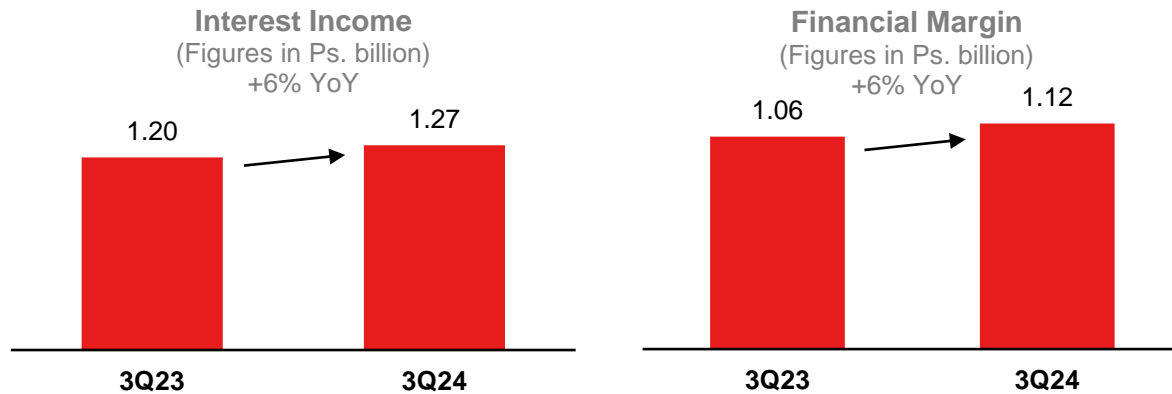


Table 2: Financial Margin

	3Q24	2Q24	3Q23	QoQ %	YoY %	9M24	9M23	%
Interest Income	1,273.9	1,199.9	1,197.9	6.2%	6.4%	3,649.9	3,600.7	1.4%
Interest on Loans	1,262.9	1,189.2	1,183.9	6.2%	6.7%	3,619.4	3,552.0	1.9%
Interest from Investment in Securities	11.1	10.7	14.0	3.6%	-20.7%	30.5	48.7	-37.3%
Interest Expense	151.6	149.3	141.0	1.5%	7.5%	449.3	456.1	-1.5%
Net Interest Income	1,122.3	1,050.5	1,056.9	6.8%	6.2%	3,200.6	3,144.6	1.8%
Provision for Loan Losses	389.4	335.1	357.0	16.2%	9.1%	1,012.9	1,026.0	-1.3%
Net Interest Income After Provision for Loan Losses	733.0	715.4	699.9	2.5%	4.7%	2,187.7	2,118.6	3.3%

* Figures in millions of Mexican Pesos

INTEREST EXPENSE

Interest Expense in 3Q24 was Ps. 152 million, an 8% YoY growth.

PROVISION FOR LOAN LOSSES

PLL was Ps. 389 million in 3Q24, a 9% growth when compared to Ps. 357 million of 3Q23. Annualized PLL to average loans increased one percentage point from 18% to 19% YoY.

NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES

Net Interest Income after Provisions posted a 5% YoY increase, reaching Ps. 733 million during the quarter.

NET OPERATING REVENUE

Net Operating Revenue was Ps. 913 million in 3Q24, a 6% increase when compared to Ps. 861 million in 3Q23. *Independencia* and *AFI*'s Net Operating Revenues observed a 6% and 30% YoY increase, respectively. On the other hand, *AEF* decreased 3% in the same period.

During 3Q24, **Commissions and Fees Collected** were Ps. 145 million, a 2% decrease compared to Ps. 149 million registered in 3Q23. **Commissions and Fees Paid** were Ps. 18.2 million in 3Q24, a 2% increase when compared to the Ps. 17.8 million paid in 3Q23. **Other Operating Income** reached Ps. 27.8 million in 3Q24 in comparison with Ps. 28.4 million in the prior year.



NON-INTEREST EXPENSES

Non-Interest Expenses in 3Q24 were Ps. 633 million, 0.4 % higher YoY, with costs as a percentage of our average portfolio at 31% managed tightly in the context of an increasing portfolio balance. This is the result of the disciplined strategy executed by the Company to improve operating efficiency indicators and maintain spending discipline across expenditure categories while continuing to drive positive top line performance.

TOTAL INCOME BEFORE TAXES

Total Income Before Taxes posted a 22% YoY expansion during the quarter, standing at Ps. 279 million.

NET INCOME (LOSS)

In 3Q24, the Company posted a **Net Profit** of Ps. 198 million, a 21% increase compared to 3Q23. This resulted in earnings per share (EPS) for the quarter of Ps. 0.5875 compared with Ps. 0.4842 for the same period of last year.

Table 3: Net Operating Income

	3Q24	2Q24	3Q23	QoQ %	YoY %	9M24	9M23	% Change
Financial Margin	1,122.3	1,050.5	1,056.9	6.8%	6.2%	3,200.6	3,144.6	1.8%
Provision for Loan Losses	389.4	335.1	357.0	16.2%	9.1%	1,012.9	1,026.0	-1.3%
Financial Margin After Provision for Loan Losses	733.0	715.4	699.9	2.5%	4.7%	2,187.7	2,118.6	3.3%
Non-Interest Income, net	127.3	133.3	130.8	-4.5%	-2.7%	382.8	372.5	2.8%
- Commissions and Fees Collected	145.5	151.1	148.6	-3.7%	-2.1%	436.3	429.6	1.6%
- Commissions and Fees Paid	18.2	17.8	17.8	2.4%	2.2%	53.4	57.1	-6.3%
Market Related Income	24.5	30.3	1.5	-19.0%	1587.3%	54.8	59.0	-7.1%
Other Operating Income (expense)	27.8	32.9	28.4	-15.5%	-2.2%	92.7	68.9	34.6%
Net Operating Revenue	912.6	911.9	860.6	0.1%	6.0%	2,718.1	2,619.0	3.8%
Non-Interest Expense	633.3	648.1	631.0	-2.3%	0.4%	1,925.4	1,914.8	0.5%
- Other Administrative & Operational Expenses	242.8	260.8	245.7	-6.9%	-1.2%	749.6	764.1	-1.9%
- Salaries & Employee Benefits	390.5	387.3	385.3	0.8%	1.3%	1,175.8	1,150.8	2.2%
Net Operating Income (Loss)	279.3	263.8	229.6	5.9%	21.7%	792.7	704.1	12.6%

* Figures in millions of Mexican Pesos.

FINANCIAL POSITION

CURRENT ASSETS

Cash and Cash Equivalents closed at Ps. 821 million, 40% below 3Q23. This represents roughly 7% of Total Assets. On a sequential basis, Cash and Cash Equivalents decreased Ps. 20 million.

TOTAL LOAN PORTFOLIO

In 3Q24 the Company's **Total Loan Portfolio** was Ps. 8.3 billion, a 4% QoQ and a 7% YoY expansion (increasing 2% YoY under constant FX rate). This performance comes on the back of a more careful approach on origination, favoring cash flow generation with a focus on asset quality and profitability.

Portfolio Composition

(Figures in Ps. million)

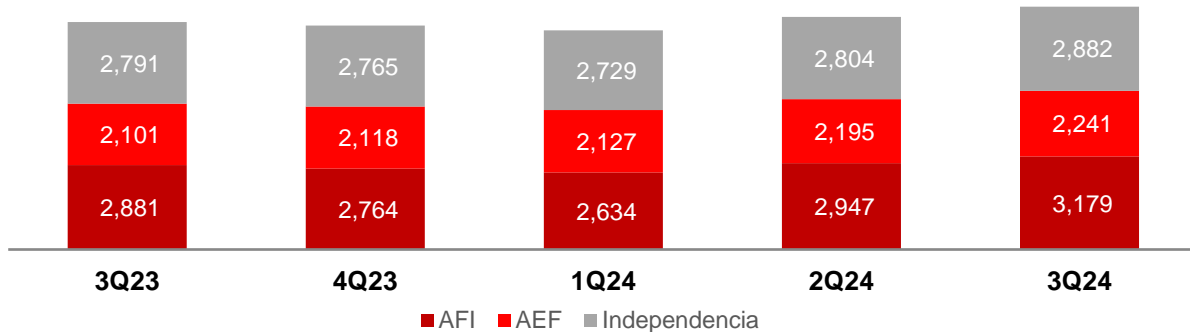


Table 4: Loan Portfolio

	3Q24	% of Total	2Q24	% of Total	3Q23	% of Total	QoQ % Change	YoY % Change
By Business Line								
<i>Apoyo Financiero Inc</i>	3,179.1	38.3%	2,947.0	37.1%	2,881.3	37.1%	7.9%	10.3%
<i>Independencia</i>	2,882.1	34.7%	2,803.9	35.3%	2,790.6	35.9%	2.8%	3.3%
<i>Apoyo Economico Familiar</i>	2,240.5	27.0%	2,195.4	27.6%	2,101.5	27.0%	2.1%	6.6%
By Segment								
<i>Formal Sector</i>	6,141.6	74.0%	6,144.3	77.3%	5,880.5	75.6%	0.0%	4.4%
<i>Informal Sector</i>	2,160.1	26.0%	1,802.0	22.7%	1,892.9	24.4%	19.9%	14.1%
Total Loan Portfolio	8,301.8	100.0%	7,946.3	100.0%	7,773.4	100.0%	4.5%	6.8%

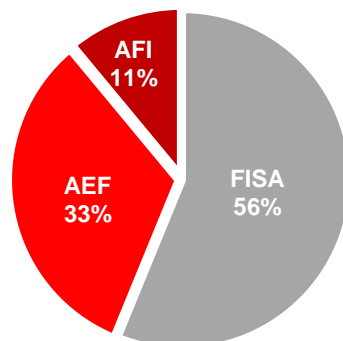
* Figures in millions of Mexican Pesos.

Apoyo Financiero's Loan Portfolio (AFI) closed 3Q24 with a balance of Ps. 3.2 billion (161 million USD), with an 8% quarterly growth in Mexican pesos and a 10% increase versus 3Q23. On a constant Fx basis, AFI's loan portfolio increased a marginal 0.2% QoQ and declined 2% in the twelve-month period. AFI's portfolio represents 38% of the Company's loan portfolio.

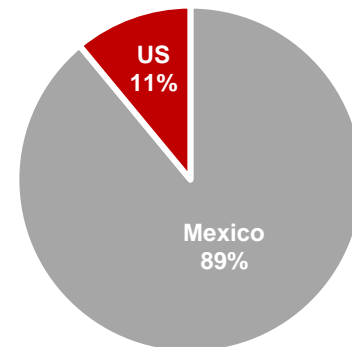
Independencia's Loan Portfolio (FISA) closed 3Q24 with a balance of Ps. 2.9 billion, with a 3% QoQ and YoY. FISA's portfolio represents 35% of the Company's loan portfolio.

Apoyo Economico Familiar Loan Portfolio (AEF) closed 3Q24 with a balance of Ps. 2.2 billion, posting a 2% QoQ expansion, and a 7% YoY increase. AEF's portfolio represents 27% of the Company's loan portfolio.

Client Distribution by Business Line



Client Distribution by Region





In 3Q24 the **Number of Clients** served was 282,288, a decrease of 577 compared to the 282,865 clients served in 2Q24.

The client base distribution was as follows:

- **Independencia:** 158,622 clients
- **AEF:** 92,561 clients
- **AFI:** 31,105 clients

Table 5: Loan Portfolio, Number of Clients & Average Balance

	3Q24	2Q24	3Q23	QoQ %	YoY %
Loan Portfolio (million Ps.)	8,301.8	7,946.3	7,773.4	4.5%	6.8%
Number of Clients	282,288	282,865	295,537	-0.2%	-4.5%
Average Balance (Ps.)	29,408.9	28,092.3	26,302.5	4.7%	11.8%

Table 6: Number of Clients by Product Type

	3Q24	% of Total	2Q24	% of Total	3Q23	% of Total	QoQ % Change	YoY % Change
Independencia	158,622	56.2%	158,721	56.1%	165,937	56.1%	-0.1%	-4.4%
Apoyo Económico Familiar	92,561	32.8%	93,192	32.9%	96,704	32.7%	-0.7%	-4.3%
Apoyo Financiero Inc	31,105	11.0%	30,952	10.9%	32,896	11.1%	0.5%	-5.4%
Total number of loans	282,288	100.0%	282,865	100.0%	295,537	100.0%	-0.2%	-4.5%

Table 7: Portfolio by Credit Type*

	3Q24	% of Total	2Q24	% of Total	3Q23	% of Total	QoQ % Change	YoY % Change
Independencia	2,882.1	34.7%	2,803.9	35.3%	2,790.6	35.9%	2.8%	3.3%
Apoyo Económico Familiar	2,240.5	27.0%	2,195.4	27.6%	2,101.5	27.0%	2.1%	6.6%
Apoyo Financiero Inc	3,179.1	38.3%	2,947.0	37.1%	2,881.3	37.1%	7.9%	10.3%
Total Loan Portfolio	8,301.8	100.0%	7,946.3	100.0%	7,773.4	100.0%	4.5%	6.8%

* Figures in millions of Mexican Pesos.

LOAN PORTFOLIO BY STAGES & NON-PERFORMING LOANS PORTFOLIO (NPLs)

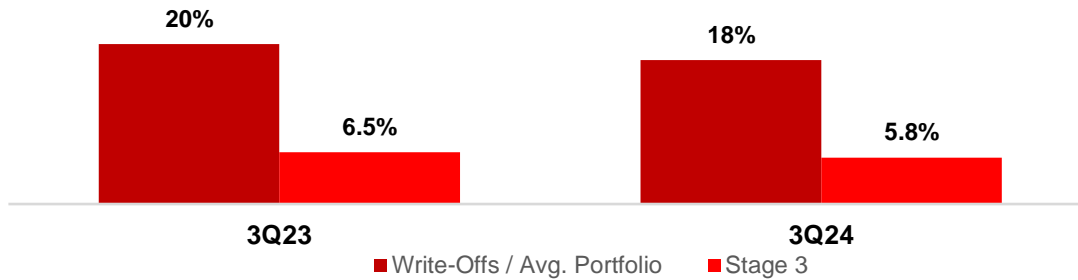
Our **Stage 1 Loan Portfolio** amounted to 86.9% of the total, whereas **Stages 2 and 3** represented 7.3% and 5.8%, respectively.

The **Stage 3 to total loan portfolio Ratio** in 3Q24 was 5.8%, increasing 10 basis points from the prior quarter, and improving 70 basis points against the 6.5% from twelve months ago.

The **Stage 3 ratio in Independencia** was 6.3%, showing a 50-bps increase compared to 5.8% in 2Q24. The **Stage 3 ratio in AEF** was 6.5%, 40 bp lower than the 6.9% NPL ratio observed last quarter. The **Stage 3 ratio in AFI** was 4.9% in 3Q24, 20 bp above the 4.7% reported in 2Q24.

Write-Offs during 3Q24 amounted to Ps. 349 million, 10% higher than 2Q24 and 9% below 3Q23's figure, with a portfolio 7% higher year on year. Compared to the average portfolio, trailing twelve months' write-offs decreased from 20 to 18% YoY.

TTM Write-Offs / Avg. Portfolio & Stage 3 Ratio

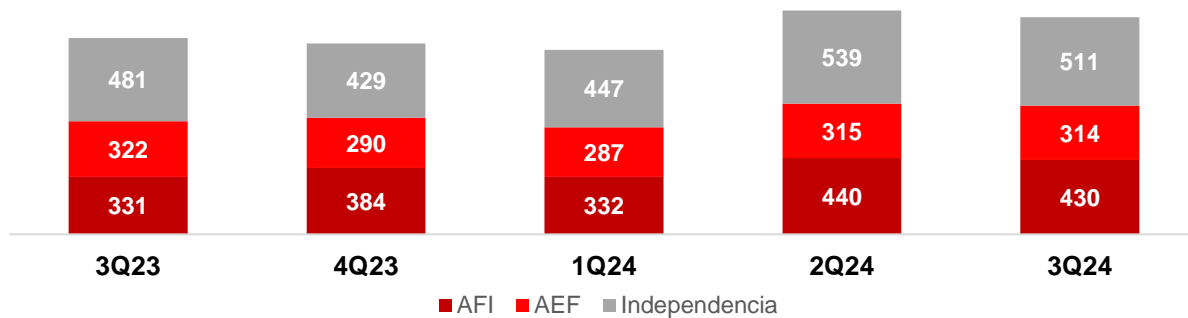


Recoveries during the quarter reached Ps. 31 million, 4% higher when compared to 2Q24, and 35% higher YoY.

The **Coverage Ratio**, measured as Allowances for Loan Losses over Performing Loans Stage 3, reached 229.1%, standing 0.3 percentage points above the 228.1% observed in the last quarter, and 25 percentage points increase from 204% of twelve months ago.

ORIGINATIONS

Originations by Business Line (Figures in Ps. million)



Originations for the quarter reached Ps.1.3 billion, increasing 11% YoY. On a sequential basis, originations decreased 3%.

COLLECTIONS

Below you can see the **Cash Collected** for our main portfolios. This considers cash collected from clients including interest, amortization, and commissions.

The **Cash Collected from the Portfolio** increased 1% YoY. On a quarterly basis, it posted a 3% increase. On a constant FX basis, consolidated collections decreased 2% YoY. Overall, collections are approximately 1.8 times origination for the quarter, boosting cash generation.



Collected Cash
(Figures in Ps. million)

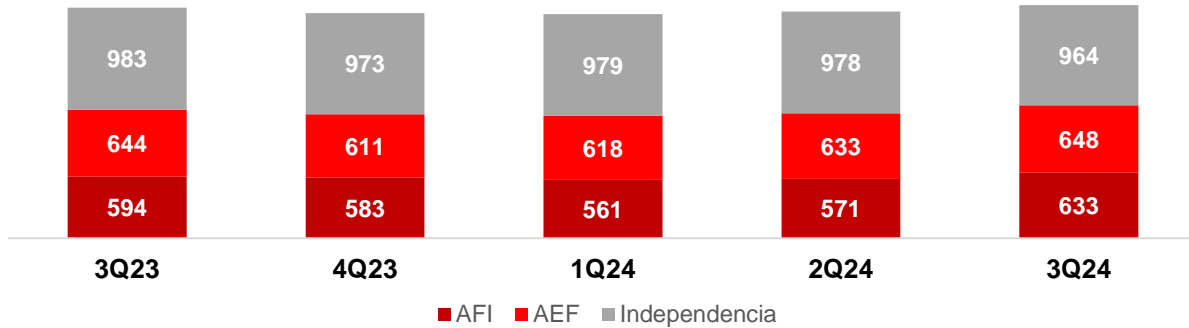


Table 8: Origination and Collected Cash*

	3Q24	2Q24	3Q23	QoQ %	YoY %
Independencia	511.4	538.8	481.4	-5.1%	6.2%
Apoyo Económico Familiar	313.6	315.1	322.1	-0.5%	-2.6%
Apoyo Financiero Inc	430.2	440.3	331.4	-2.3%	29.8%
Total Originations	1,255.2	1,294.1	1,134.9	-3.0%	10.6%
Independencia	963.5	978.0	982.7	-1.5%	-1.9%
Apoyo Económico Familiar	648.1	633.0	643.7	2.4%	0.7%
Apoyo Financiero Inc	632.7	570.9	594.1	10.8%	6.5%
Total Collections	2,244.4	2,181.9	2,220.4	2.9%	1.1%

* Figures in millions of Mexican Pesos.

LIABILITIES

In 3Q24, **Interest Bearing Liabilities** were Ps. 3.8 billion, a 20% decrease vs. Ps. 4.8 billion in 3Q23. On a constant FX basis, the decline was Ps. 1.1 billion, or 23% YoY.

In 3Q24, FINDEP's **Debt** consisted of Ps. 1.5 billion of US dollar-denominated Long-Term Debt due in March 2028 as well as Ps. 2.3 billion in Bank and other entities loans.

Our **Net Debt**, measured as interest bearing liabilities minus cash and cash equivalents, reached Ps. 3.0 billion at the end of the quarter, a Ps. 383 million or 11% YoY reduction. When adjusting for FX impacts, the Net Debt declined 16% YoY. Compared to the prior quarter, net debt decreased Ps. 211 million or 7% on a constant FX basis as we work to structure the balance sheet to meet short term maturities.

STOCKHOLDERS' EQUITY

In 3Q24 **Stockholder's Equity** was Ps. 5.9 billion, a 16% increase from Ps. 5.1 billion at the end of 3Q23. Stockholders' equity reflects Ps. 593 million in Net Income and Retained Earnings for the Year, Ps. 129 million YoY variation in foreign exchange effect and a -Ps. 2 million YoY variation in derivatives for hedging purposes due to the Company didn't have any hedges in 3Q24.



FREE CASH FLOW GENERATION

During the quarter, our **Operating Cash Flow** was Ps. 711 million. Our interest-bearing liabilities declined Ps. 936 million while our cash position decreased from Ps. 1,374 million to Ps. 821 million YoY while supporting 3Q24 loan originations of Ps. 1.3 billion.

Table 9: Free Cash Flow Reconciliation

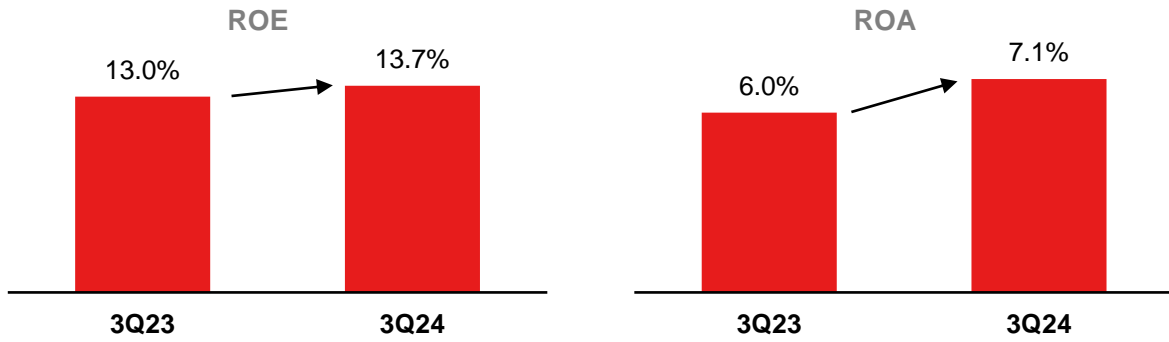
	3Q23	4Q23	1Q24	2Q24	3Q24
A) OPERATING CASH FLOW					
Net Income (Loss)	163.4	215.1	178.6	193.2	198.3
Provision for Loan Losses	379.9	409.4	315.7	364.7	420.2
Depreciation and Amortization	11.7	11.6	13.9	11.8	11.8
Income Tax	66.1	88.4	71.0	70.5	81.0
Impairment in investing activities	0.0	0.0	0.0	0.0	0.0
Operating Cash Flow	621.1	724.5	579.3	640.3	711.3
B) USE OF CASH FLOW					
1) Loan Portfolio					
Principal Collection / Amortization*	747.7	806.4	854.0	518.8	548.5
Origination	(1,134.9)	(1,103.1)	(1,066.2)	(1,294.1)	(1,255.2)
Cash used in Loan Portfolio	(387.2)	(296.7)	(212.1)	(775.3)	(706.8)
2) Changes in Interest Bearing Liabilities					
Long Term debt Issuance	(23.2)	(1,005.3)	(61.7)	162.9	67.3
Bank and Other Entities Loans	517.6	130.8	(28.0)	(3.5)	(198.7)
Changes in Interest Bearing Liabilities	494.5	(874.5)	(89.7)	159.4	(131.4)
3) Changes in other lines					
	(71.0)	(192.5)	(230.1)	34.7	106.5
C) FREE CASH FLOW					
(+) Cash and Cash Equivalents beginning of period	716.5	1,374.0	734.7	782.1	841.2
Total Cash and Cash Equivalents end of period	1,374.0	734.7	782.1	841.2	820.8

** Figures in millions of Mexican Pesos

PROFITABILITY, EFFICIENCY AND CAPITALIZATION RATIOS

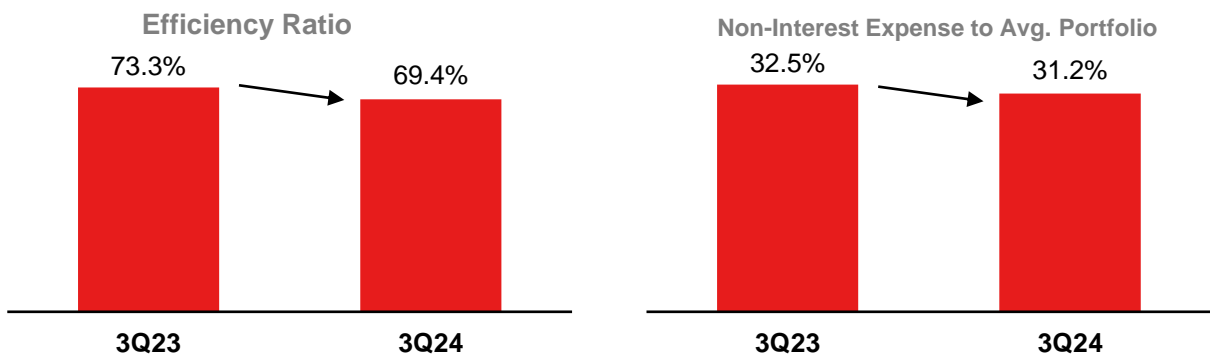
ROE/ ROA

The Company's **Return on Equity** increased to 13.7% in 3Q24 from 13.0% in 3Q23, and the **Return on Assets** reached 7.1% in 3Q24, up from 6.0% YoY. In the quarter, Return on Tangible Equity was 17.6%, marginally increasing 0.6% YoY.



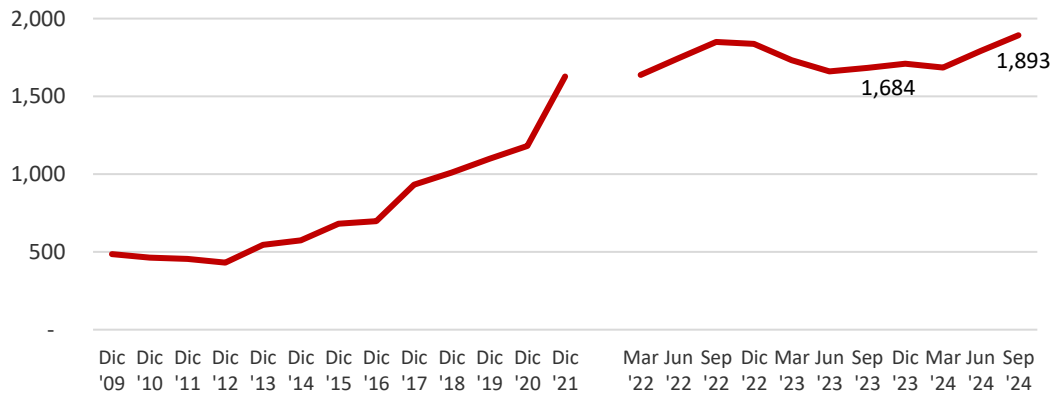
EFFICIENCY RATIO

During the quarter, the Company's labor force reached 4,386 people, reducing by 48 collaborators QoQ. The **Efficiency Ratio** during 3Q24 stood at 69.4%, compared with 73.3% in 3Q23. Our non-interest expense as a percentage of our average portfolio decreased to 31.2% from 32.5% observed during 3Q23.



Loan Portfolio per Employee

(Figures in Ps. thousands)



CAPITALIZATION

As of 3Q24, **Equity to Total Assets Ratio** was 52.2%, a 710 bps increase vs. 45.1% reported in 3Q23.

DISTRIBUTION NETWORK

In 3Q24 the Company had a network of 344 branches, 1 more net office than in 2Q24, unchanged from the previous quarter.

The distribution of the 344 offices is as follows:

- 318 in Mexico
 - 165 *Independencia*.
 - 153 *AEF*.
- 26 in California, U.S. (*AFI*).

The Company's loan portfolio in Mexico is well diversified and no Mexican federal entity represents more than 20.6% of the total. The three federal entities in Mexico with the largest share are Estado de Mexico (20.6%), Mexico City (10.1%), and Tamaulipas (6.0%).

Table 10: Operational Information

	3Q24	2Q24	3Q23	QoQ %	YoY %	9M24	9M23	% Change
Number of Offices	344	344	345	0.0%	-0.3%	344	345	-0.3%
- Independencia	165	165	164	0.0%	0.6%	165	164	0.6%
- Apoyo Económico Familiar	153	153	155	0.0%	-1.3%	153	155	-1.3%
- Apoyo Financiero Inc	26	26	26	0.0%	0.0%	26	26	0.0%
Total Labor Force	4,386	4,434	4,616	-1.1%	-5.0%	4,386	4,616	-5.0%
- Independencia	2,756	2,777	2,870	-0.8%	-4.0%	2,756	2,870	-4.0%
- Apoyo Económico Familiar	1,450	1,483	1,565	-2.2%	-7.3%	1,450	1,565	-7.3%
- Apoyo Financiero Inc	180	174	181	3.4%	-0.6%	180	181	-0.6%

* Figures in millions of Mexican Pesos.

3Q24 EARNINGS CONFERENCE CALL



Date:
Friday, October 18th, 2024

Time:
12:00 pm ET | 10:00 am CT

Register Link:

[Click here](#)



MATERIAL EVENTS

- **July 16th, 2024** – [HR Ratings upgrades FINDEP's credit rating from HR A to HR A+ maintaining Stable Outlook; affirms HR2 rating](#)

ANALYST COVERAGE

As of September 30th, 2024, debt analysis coverage was provided by:

Name	Institution	e-mail
Arturo Galindo	BCP Securities, Inc.	agalindo@bcpsecurities.com
Nicolas Riva	BofA	nicolas.riva@bofa.com
Natalia Corfield	J.P. Morgan	natalia.corfield@jpmorgan.com
Jonathan Szwarc	DebtWire	jonathan.szwarc@acuris.com
Nick Dimitrov	Morgan Stanley	nikolai.dimitrov@morganstanley.com



ABOUT FINANCIERA INDEPENDENCIA

Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. (FINDEP), the leader in bringing financial inclusion to underserved Hispanic communities of North America through responsible lending and insurance products. As of September 30th, 2024, FINDEP had a total outstanding loan balance of Ps.8.3 billion, operated 344 offices in Mexico and the US and had a total labor force of 4,386 people. The Company listed on the Mexican Stock Exchange on November 1st, 2007, where it trades under the symbol “FINDEP”. More information can be found at www.findep.mx

Some of the statements contained in this press release discuss future expectations or state other forward-looking information. Those statements are subject to risks identified in this press release and in FINDEP’s filings with the Mexican Stock Exchange. Actual developments could differ significantly from those contemplated in these forward-looking statements. The forward-looking information is based on various factors and was derived using numerous assumptions. Our forward-looking statements speak only as of the date they are made and, except as may be required by applicable law, we do not have an obligation to update or revise them, whether as a result of new information, future or otherwise.

GLOSSARY

- **PLLs:** Provision for Loan Losses
- **NII:** Net Interest Income
- **AFI:** Apoyo Financiero Inc.
- **AEF:** Apoyo Economico Familiar
- **FISA:** Financiera Independencia
- **ROE:** Net Income for the quarter annualized / Average Stockholders’ Equity of the current and previous quarters
- **ROA:** Net Income for the quarter annualized / Average Total Assets of the current and previous quarters
- **Net Interest Margin after Provisions (excluding Fees):** Net Interest Margin after Provision for Loan Losses / Average Interest-Earning Assets
- **Net Interest Margin after Provisions (including Fees):** Net Interest Margin after Provision for Loan Losses + Fees Collected - Fees Paid / Average Interest-Earning Assets
- **Return on Asset Ratio:** Net Income / Average Assets
- **Return on Equity Ratio:** Net Income / Average Shareholders’ Equity
- **Efficiency Ratio:** Non-Interest Expense / Net Operating Revenues
- **Efficiency Ratio Excluding Provisions:** Non-Interest Expense / Net Operating Revenues + Provision for Loan Losses
- **Operating Efficiency:** Non-interest Expense / Average Assets
- **Fee Income:** Commissions and Fees (Net) / Net Operating Revenue
- **NPL Ratio (Legacy):** Stage 3 Non-Performing Loans / Total Loan Portfolio
- **Coverage Ratio (Legacy) :** Allowances for Loan Losses / Stage 3 Non-Performing Loans

FINANCIAL STATEMENTS

FINANCIERA INDEPENDENCIA S.A.B. DE C.V., SOFOM, E.N.R.

Consolidated Income Statement

For the Nine Months Periods Ended September 30, 2024 and 2023

(Millions of Mexican Pesos)

				3Q24 vs 3Q23				9M24 vs 9M23	
	3Q24	2Q24	3Q23	\$	%	9M24	9M23	\$	%
Interest Income	1,273.9	1,199.9	1,197.9	76.1	6.4%	3,649.9	3,600.7	49.3	1.4%
Interest Expense	151.6	149.3	141.0	10.6	7.5%	449.3	456.1	(6.8)	(1.5%)
Monetary Loss - Net	-	-	-	-	n/a	-	-	-	n/a
Net Interest Income	1,122.3	1,050.5	1,056.9	65.5	6.2%	3,200.6	3,144.6	56.1	1.8%
Provision for Loan Losses	389.4	335.1	357.0	32.4	9.1%	1,012.9	1,026.0	(13.0)	(1.3%)
Net Interest Income After Provision for Loan Losses	733.0	715.4	699.9	33.1	4.7%	2,187.7	2,118.6	69.1	3.3%
Commissions and Fees Collected	145.5	151.1	148.6	(3.2)	(2.1%)	436.3	429.6	6.7	1.6%
Commissions and Fees Paid	18.2	17.8	17.8	0.4	2.2%	53.4	57.1	(3.6)	(6.3%)
Market Related Income	24.5	30.3	1.5	23.1	1587.3%	54.8	59.0	(4.2)	(7.1%)
Other Operating Income (expense)	27.8	32.9	28.4	(0.6)	(2.2%)	92.7	68.9	23.8	34.6%
Net Operating Revenue	912.6	911.9	860.6	52.0	6.0%	2,718.1	2,619.0	99.1	3.8%
Non-Interest Expense	633.3	648.1	631.0	2.2	0.4%	1,925.4	1,914.8	10.5	0.5%
Total Income (Loss) Before in the Results of Associates	279.3	263.8	229.6	49.7	21.7%	792.7	704.1	88.5	12.6%
Participation in the Results of Associates	-	-	-	-	n/a	-	-	-	n/a
Total Income (Loss) Before Taxes	279.3	263.8	229.6	49.7	21.7%	792.7	704.1	88.5	12.6%
Income Tax									
Current	88.2	70.7	82.7	5.5	6.7%	209.6	213.6	(4.1)	(1.9%)
Deferred	(7.2)	(0.2)	(16.6)	9.3	(56.4%)	13.0	(4.4)	17.4	(398.2%)
Income (Loss) Before Discontinued Operations	198.3	193.2	163.4	34.9	21.3%	570.1	494.9	75.2	15.2%
Discontinued Operations	-	-	-	-	n/a	-	-	-	n/a
Net Income (Loss)	198.3	193.2	163.4	34.9	21.3%	570.1	494.9	75.2	15.2%
Minority Interest	-	-	-	-	n/a	-	-	-	n/a
Weighted Average Number of Shares	337.5	337.5	337.5	-	0.0%	337.5	337.5	-	0.0%
EPS	0.5875	0.5726	0.4842	0.1033	21.3%	1.6892	1.4664	0.2229	15.2%

n/a: Not applicable



FINANCIERA INDEPENDENCIA S.A.B. DE C.V., SOFOM, E.N.R.

Consolidated Balance Sheet

As of September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23	
				\$	%
ASSETS					
Cash and Cash Equivalents	820.8	841.2	1,374.0	(553.2)	(40.3%)
Performing Loans 1	7,214.1	6,927.9	6,667.5	546.6	8.2%
Performing Loans 2	605.3	566.4	602.7	2.7	0.4%
Performing Loans 3	482.4	452.0	503.3	(20.9)	(4.1%)
Total Loan Portfolio	8,301.8	7,946.3	7,773.4	528.4	6.8%
Deferred items	33.2	31.2	-	33.2	n/a
Allowances for Loan Losses	(1,104.9)	(1,034.0)	(1,024.2)	(80.7)	7.9%
Total Loan Portfolio - Net	7,230.0	6,943.5	6,749.1	480.9	7.1%
Other Accounts Receivable - Net	458.2	503.9	547.9	(89.7)	(16.4%)
Property, Plant & Equipment - Net	153.8	151.0	146.7	7.1	4.9%
Deferred Income Tax	849.2	824.2	826.5	22.6	2.7%
Derivative Financial Instruments	-	-	-	-	n/a
Other Assets	1,825.5	1,805.0	1,714.9	110.7	6.5%
Total Assets	11,337.6	11,068.8	11,359.1	(21.5)	(0.2%)
LIABILITIES					
Long term debt issuance	1,469.2	1,401.9	2,306.0	(836.8)	(36.3%)
Bank and Other Entities Loans	2,346.0	2,544.7	2,445.4	(99.4)	(4.1%)
Derivative Financial Instruments	-	-	3.7	(3.7)	(100.0%)
Other Accounts Payable	1,604.5	1,466.1	1,481.0	123.5	8.3%
Total Liabilities	5,419.7	5,412.7	6,236.1	(816.4)	(13.1%)
STOCKHOLDERS' EQUITY					
Capital Stock	157.2	157.2	157.2	-	0.0%
Additional Paid-In Capital	1,574.7	1,574.7	1,574.7	-	0.0%
Capital Reserves	14.3	14.3	14.3	-	0.0%
Retained Earnings	3,593.5	3,610.3	3,000.8	592.8	19.8%
Net Income (Loss) for the Year	570.1	371.8	494.9	75.2	15.2%
Financial Instruments - Derivatives	-	-	1.6	(1.6)	(100.0%)
Foreign exchange effect	10.8	(69.6)	(117.8)	128.6	(109.2%)
Other comprehensive income movement ent related to NIF D-:	(2.7)	(2.7)	(2.7)	-	0.0%
Minority Interest	-	-	-	-	n/a
Total Stockholders' Equity	5,918.0	5,656.0	5,123.0	794.9	15.5%
Total Liabilities and Stockholders' Equity	11,337.6	11,068.8	11,359.1	(21.5)	(0.2%)

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. For 2023, FINDEP recognized this amortized cost effect in 4Q23.

Independencia Income Statement

For the Nine Months Periods Ended September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23		9M24	9M23	9M24 vs 9M23	
				\$	%			\$	%
Interest Income	584.3	553.4	561.4	22.8	4.1%	1,679.6	1,671.5	8.1	0.5%
Interest Expense	53.0	58.7	46.6	6.4	13.8%	170.1	171.8	(1.6)	(1.0%)
Net Interest Income	531.3	494.7	514.9	16.4	3.2%	1,509.5	1,499.7	9.8	0.7%
Provision for Loan Losses	165.6	144.3	143.3	22.3	15.6%	427.5	383.3	44.2	11.5%
Net Interest Income After Provision for Loan Losses	365.7	350.3	371.6	(5.9)	(1.6%)	1,082.0	1,116.4	(34.4)	(3.1%)
Commissions and Fees Collected	90.7	95.8	93.6	(2.9)	(3.1%)	274.2	269.8	4.4	1.6%
Commissions and Fees Paid	5.5	5.3	4.6	0.9	20.6%	16.1	14.8	1.2	8.4%
Market Related Income	28.7	29.3	0.9	27.8	3118.7%	57.5	57.3	0.2	0.3%
Other Operating Income (expense)	20.1	25.3	8.4	11.7	140.4%	59.6	18.6	40.9	219.5%
Net Operating Revenue	499.7	495.4	469.9	29.7	6.3%	1,457.1	1,447.2	9.9	0.7%
Non-Interest Expense	324.5	378.0	330.5	(5.9)	(1.8%)	1,041.1	1,023.7	17.4	1.7%
Total Income (Loss) Before in the Results of Associates	175.1	117.4	139.5	35.7	25.6%	416.0	423.6	(7.5)	(1.8%)
Participation in the Results of Associates	-	-	-	-	n/a	-	-	-	n/a
Total Income (Loss) Before Taxes	175.1	117.4	139.5	35.7	25.6%	416.0	423.6	(7.5)	(1.8%)
Income Tax									
Current	53.0	45.9	34.9	18.1	52.0%	117.3	112.4	4.9	4.3%
Deferred	(1.3)	(17.1)	3.9	(5.2)	(134.0%)	(2.1)	10.2	(12.4)	(121.0%)
Income (Loss) Before Discontinued Operations	123.4	88.5	100.7	22.7	22.6%	300.9	301.0	(0.0)	(0.0%)
Discontinued operations	-	-	-	-	n/a	-	-	-	n/a
Net Income (Loss)	123.4	88.5	100.7	22.7	22.6%	300.9	301.0	(0.0)	(0.0%)
Minority Interest									

n/a: Not applicable



Independencia

Balance Sheet

As of September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23	
				\$	%
ASSETS					
Cash and Cash Equivalents	456.4	533.8	795.3	(338.9)	(42.6%)
Performing Loans 1	2,414.0	2,376.6	2,338.8	75.2	3.2%
Performing Loans 2	287.4	264.3	287.2	0.2	0.1%
Performing Loans 3	180.7	163.1	164.6	16.1	9.8%
Total Loan Portfolio	2,882.1	2,803.9	2,790.6	91.5	3.3%
Deferred items	19.1	17.8	-	19.1	n/a
Allowances for Loan Losses	(454.2)	(422.7)	(410.1)	(44.1)	10.8%
Total Loan Portfolio - Net	2,447.0	2,399.1	2,380.5	66.5	2.8%
Other Accounts Receivable - Net	3,115.3	3,017.9	3,411.3	(296.0)	(8.7%)
Property, Plant & Equipment - Net	107.6	108.7	110.2	(2.5)	(2.3%)
Deferred Income Tax	474.1	467.3	339.4	134.8	39.7%
Derivative Financial Instruments	-	-	-	-	n/a
Other Assets	3,604.7	3,528.9	3,220.9	383.8	11.9%
Total Assets	10,205.2	10,055.6	10,257.5	(52.3)	(0.5%)
LIABILITIES					
International bonds	1,469.2	1,401.9	2,306.0	(836.8)	(36.3%)
Bank and Other Entities Loans	1,898.4	2,091.2	2,024.1	(125.7)	(6.2%)
Derivative Financial Instruments	-	-	3.7	(3.7)	(100.0%)
Other Accounts Payable	1,188.9	1,100.8	994.6	194.3	19.5%
Total Liabilities	4,556.4	4,593.9	5,328.4	(772.0)	(14.5%)
Capital Stock	157.2	157.2	157.2	-	0.0%
Additional Paid-In Capital	1,574.7	1,574.7	1,574.7	-	0.0%
Capital Reserves	14.3	14.3	14.3	-	0.0%
Retained Earnings	3,593.5	3,610.3	3,000.8	592.8	19.8%
Net Income (Loss) for the Year	300.9	177.5	301.0	(0.0)	(0.0%)
Financial Instruments - Derivatives	-	-	1.6	(1.6)	(100.0%)
Cumulative Conversion Effect	10.8	(69.6)	(117.8)	128.6	(109.2%)
Remediones x benef. definidos a empleados	(2.7)	(2.7)	(2.7)	-	0.0%
Minority Interest	-	-	-	-	n/a
Total Stockholders' Equity	5,648.8	5,461.7	4,929.1	719.7	14.6%
Total Liabilities and Stockholders' Equity	10,205.2	10,055.6	10,257.5	(52.3)	(0.5%)

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. For 2023, FINDEP recognized this amortized cost effect in 4Q23.

Apoyo Economico Familiar Income Statement

For the Nine Months Periods Ended September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23		9M24	9M23	9M24 vs 9M23	
				\$	%			\$	%
Interest Income	425.6	415.7	405.0	20.6	5.1%	1,249.2	1,195.7	53.5	4.5%
Interest Expense	47.6	48.2	46.6	1.0	2.2%	143.3	133.0	10.3	7.8%
Net Interest Income	378.0	367.5	358.4	19.6	5.5%	1,105.9	1,062.7	43.2	4.1%
Provision for Loan Losses	145.9	126.0	130.7	15.1	11.6%	384.5	369.7	14.9	4.0%
Net Interest Income After Provision for Loan Losses	232.1	241.5	227.7	4.4	2.0%	721.4	693.1	28.3	4.1%
Commissions and Fees Collected	45.6	46.2	47.7	(2.1)	(4.5%)	135.9	134.6	1.3	1.0%
Commissions and Fees Paid	1.3	1.1	1.0	0.3	28.5%	3.3	3.1	0.3	9.0%
Market Related Income	0.4	0.7	(0.6)	0.9	(158.7%)	0.7	(1.9)	2.5	(135.5%)
Other Operating Income (expense)	20.6	61.8	34.2	(13.6)	(39.8%)	113.0	98.9	14.0	14.2%
Net Operating Revenue	297.4	349.0	308.0	(10.6)	(3.5%)	967.6	921.6	45.9	5.0%
Non-Interest Expense	222.4	234.1	226.1	(3.7)	(1.6%)	690.7	671.8	18.9	2.8%
Net Operating Income (Loss)	75.0	114.9	82.0	(7.0)	(8.5%)	276.9	249.8	27.0	10.8%
Income Tax									
Current	24.8	17.5	44.3	(19.4)	(43.9%)	63.0	86.1	(23.0)	(26.8%)
Deferred	(4.3)	14.7	(19.4)	15.1	(77.8%)	14.4	(8.7)	23.2	(265.8%)
Total Income (Loss) Before Minority Interest	54.4	82.7	57.1	(2.6)	(4.6%)	199.4	172.5	26.9	15.6%
Participation in the Results of Associates	-	-	-	-	n/a	-	-	-	n/a
Net Income (Loss)	54.4	82.7	57.1	(2.6)	(4.6%)	199.4	172.5	26.9	15.6%

n/a: Not applicable



Apoyo Economico Familiar Balance Sheet

As of September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23	
				\$	%
ASSETS					
Cash and Cash Equivalents	266.4	213.0	357.6	(91.3)	(25.5%)
Performing Loans 1	1,886.1	1,848.4	1,735.1	151.0	8.7%
Performing Loans 2	208.9	195.7	206.9	2.0	1.0%
Performing Loans 3	145.5	151.3	159.5	(13.9)	(8.7%)
Total Loan Portfolio	2,240.5	2,195.4	2,101.5	139.1	6.6%
Deferred items	8.5	8.1	-	8.5	n/a
Allowances for Loan Losses	(343.2)	(332.5)	(318.1)	(25.1)	7.9%
Total Loan Portfolio - Net	1,905.8	1,870.9	1,783.4	122.4	6.9%
Assets, Accounts Receivable & Other Assets	901.9	905.1	1,004.5	(102.7)	(10.2%)
Total Assets	3,074.0	2,989.0	3,145.5	(71.5)	(2.3%)
LIABILITIES					
International bonds	-	-	-	-	n/a
Bank and Other Entities Loans	447.6	453.5	421.3	26.4	6.3%
Other Accounts Payable	1,271.4	1,235.0	1,620.1	(348.8)	(21.5%)
Total Liabilities	1,719.0	1,688.5	2,041.4	(322.4)	(15.8%)
Total Stockholders' Equity	1,355.0	1,300.6	1,104.1	250.9	22.7%
Total Liabilities and Stockholders' Equity	3,074.0	2,989.0	3,145.5	(71.5)	(2.3%)

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. For 2023, FINDEP recognized this amortized cost effect in 4Q23.

Apoyo Financiero Inc Income Statement

For the Nine Months Periods Ended September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23		9M24	9M23	9M24 vs 9M23	
				\$	%			\$	%
Interest Income	264.0	230.8	230.9	33.1	14.4%	721.1	732.0	(10.9)	(1.5%)
Interest Expense	50.9	42.4	47.8	3.2	6.6%	135.8	151.3	(15.5)	(10.2%)
Net Interest Income	213.1	188.4	183.1	30.0	16.4%	585.2	580.6	4.6	0.8%
Provision for Loan Losses	76.7	63.6	82.2	(5.5)	(6.7%)	197.5	270.6	(73.1)	(27.0%)
Net Interest Income After Provision for Loan Losses	136.3	124.7	100.9	35.5	35.2%	387.7	310.0	77.7	25.1%
Commissions and Fees Collected	8.0	8.0	6.5	1.5	22.9%	22.8	22.9	(0.0)	(0.1%)
Commissions and Fees Paid	0.4	0.3	0.2	0.1	47.6%	0.9	0.8	0.0	4.9%
Market Related Income	(4.5)	0.3	1.2	(5.7)	(487.9%)	(3.3)	3.6	(6.9)	(193.5%)
Other Operating Income (expense)	(5.1)	(3.3)	(5.1)	0.0	(0.1%)	(11.5)	(17.1)	5.6	(32.6%)
Net Operating Revenue	134.3	129.5	103.1	31.2	30.2%	394.8	318.6	76.3	23.9%
Non-Interest Expense	105.2	98.0	94.9	10.2	10.8%	295.1	288.6	6.5	2.2%
Net Operating Income (Loss)	29.2	31.5	8.2	21.0	254.7%	99.8	30.0	69.8	232.8%
Income Tax									
Current	10.4	7.4	3.5	6.8	193.4%	29.3	15.2	14.1	93.0%
Deferred	(1.6)	2.1	(1.0)	(0.6)	53.3%	0.7	(6.1)	6.9	(111.7%)
Total Income (Loss) Before Minority Interest	20.4	22.0	5.7	14.7	255.9%	69.8	20.9	48.8	233.1%
Net Income (Loss)	20.4	22.0	5.7	14.7	255.9%	69.8	20.9	48.8	233.1%

n/a: Not applicable



Apoyo Financiero Inc Balance Sheet

As of September 30, 2024 and 2023

(Millions of Mexican Pesos)

	3Q24	2Q24	3Q23	3Q24 vs 3Q23	
				\$	%
ASSETS					
Cash and Cash Equivalents	98.0	94.4	201.3	(103.2)	(51.3%)
Performing Loans 1	2,913.9	2,703.0	2,593.6	320.4	12.4%
Performing Loans 2	109.0	106.5	108.6	0.4	0.4%
Performing Loans 3	156.1	137.6	179.1	(23.0)	(12.8%)
Total Loan Portfolio	3,179.1	2,947.0	2,881.3	297.8	10.3%
Deferred items	5.6	5.3	-	5.6	n/a
Allowances for Loan Losses	(307.5)	(278.8)	(296.0)	(11.5)	3.9%
Total Loan Portfolio - Net	2,877.2	2,673.5	2,585.3	292.0	11.3%
Assets, Accounts Receivable & Other Assets	218.8	199.6	157.0	61.8	39.3%
Total Assets	3,194.1	2,967.5	2,943.5	250.5	8.5%
LIABILITIES					
Bank and Other Entities Loans	-	-	-	-	n/a
Other Accounts Payable	2,089.3	1,963.6	2,097.1	(7.7)	(0.4%)
Total Liabilities	2,089.3	1,963.6	2,097.1	(7.7)	(0.4%)
Total Stockholders' Equity	1,104.7	1,003.9	846.5	258.3	30.5%
Total Liabilities and Stockholders' Equity	3,194.1	2,967.5	2,943.5	250.5	8.5%

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. For 2023, FINDEP recognized this amortized cost effect in 4Q23.