

# Project Baja CIM

DRAFT 2.0

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# Executive Summary

## Company Overview

- Project Baja** is a leading cross-border logistics and supply chain provider, active since 1974
- Strategically located in **San Diego** and key northwest Mexico hubs (**Tijuana, Ensenada**)
- Baja acts as the **international logistics arm** for its clients, integrating freight, customs and value-added services in a **one-stop-shop solution**
- Supports **diverse and fragmented client base**, with strong exposure to **premium hospitality** sectors in Southern Baja
- Founded over 50 years ago, with a **historical focus on commercial growth**, leaving room to improve operational discipline

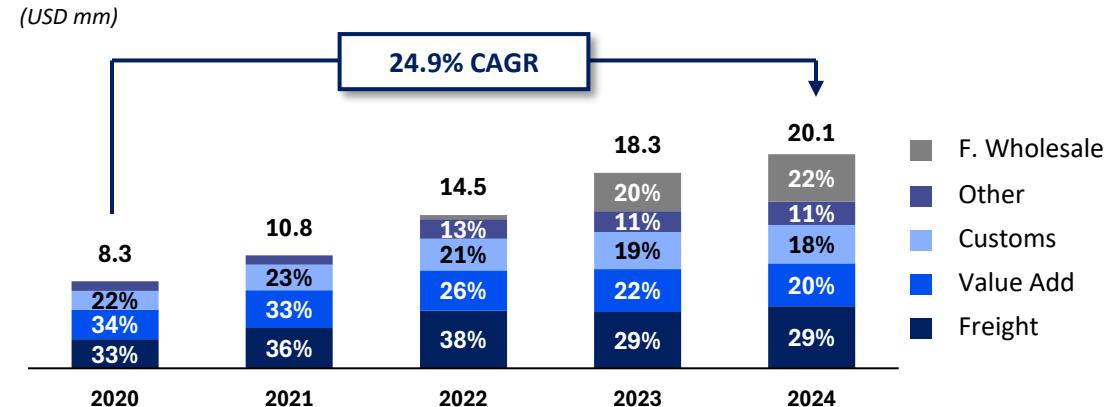
## Investment Thesis

- Growth in the **luxury hospitality and tourism** sector in the **Baja region** is driving sustained demand for **premium, differentiated, service-oriented** logistics providers
- A **commercially driven business** lacking operational discipline presents an opportunity to **improve margin profile** through a shift toward **higher-value services and improved efficiency**
- An **increasingly complex international trade environment** and diversified supply chains fuel the need for **expert trade partners** to ensure **procurement continuity and regulatory compliance**

Note:

(1) Profit, Loss, and Cash Flow figures converted to USD at the average exchange rate for each corresponding year throughout the document. (2) Revenue and EBITDA figures as per Entrevo's internal due diligence, first draft of external QoE findings can be found in slide 51. (3) Base case assumes a 2031 exit. (4) Figures in USD '000s. Earnout required EBITDA converted to USD at an illustrative MXN 19.5 / USD exchange rate, comparable entry multiple at the 2024 Average exchange rate would be 4.5x.

## Revenue Evolution<sup>(1)</sup>



## Transaction Overview

Key Metrics <sup>(2)(3)</sup>		Transaction Terms <sup>(4)</sup>	
24A Revenue (USD '000s)	20,104	Enterprise Value	9,000
24A EBITDA Margin (%)	10.1%	2024 EBITDA	2,029
Entry Multiple	4.4x	Implied Multiple	4.4x
Rev. CAGR ('20-'24, USD)	24.9%	Earnout	
Power Ratio ('20-'24)	5.6x	Full Earnout	2,000
ROTC (L3Y Avg.)	79.0%	Max Potential EV	11,000
Base Case IRR	34.6%	Required EBITDA	2,308
Base Case MoIC	5.6x	Implied Multiple	4.8x

# Investment Highlights



## Asset Light Business Model:

- Average ROTC<sup>(1)</sup> of 79% for the past 3 years
- Rapid Cash Conversion Cycle of ~15-25 days with minimal inventory on hand

## Strategic Location and Coverage:

- One of the few operators with end-to-end regional coverage (San Diego to La Paz/Los Cabos)
- Strategic facilities in both ends of the route

## Full-Service Offering:

- One-stop-shop (full-service offering: merch sourcing, freight, value-added services and delivery)
- Daily routes to Cabo / La Paz, ensuring high service level for its customers

## Growth Tailwinds:

- Projected ~10%-12% Annual Tourism Growth in Baja California
- +USD 1.0bn tourism FDI in 2024, led by luxury resort expansion and new flight routes

## Sticky and Pulverized Client Base:

- Highly pulverized client base with 800+ active clients and no client representing over 5% of sales
- ~105%+ Average Net Revenue Retention

## Dollarized Top-Line:

- 75% USD linked revenue
- 40% of MXN denominated costs

## Asset Base Provides Downside Protection:

- 25 long-haul fleet provides access to asset-based leverage
- Residual value in real asset base provide downside protection to the investment

Note:

(1) ROTC computed as EBIT ÷ (Net Working Capital + Net PP&E).



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# Project Baja At-a-Glance

## Overview

Founded in 1974, Project Baja is a cross-border logistics platform that acts as an outsourced international logistics arm for its clients - integrating freight, customs brokerage, warehousing, and distribution to support mission-critical supply chains across Southern Baja's fast-growing economy

## Key Operating Attributes

<b>Years Active</b>	50+ years of uninterrupted operation
<b>Headcount</b>	~220 employees across Mexico and the US
<b>Locations</b>	San Diego, Tijuana, Ensenada, La Paz, Los Cabos
<b>2024 Revenue</b>	USD 20.1mm
<b>EBITDA Margin</b>	~10% (2020–2024 avg.)
<b>Client Base</b>	800+ clients, none over 5% of revenue
<b>Currency Mix</b>	75% USD-linked revenue

## Strategic Positioning

- Integrated One-Stop-Shop**

Provides end-to-end services - freight, customs, warehousing, distribution, and value-added offerings - under a unified platform

- Full Peninsula Reach**

One of few operators with daily service across the entire Baja peninsula, ensuring delivery timelines

- Premium Sector Penetration**

Deep exposure to hospitality, restaurant, food supply, and high-end retail - sectors where service quality and reliability matter more than price

- Cross-Border Specialization**

Licensed on both sides of the border and certified under OP-1, CTPAT, and FAST - ensuring compliant, frictionless trade

- Asset-Light with Redundancy Built-In**

Owes a 25-truck fleet and outsources incremental demand - enabling scale without capex rigidity

- Embedded Client Relationships**

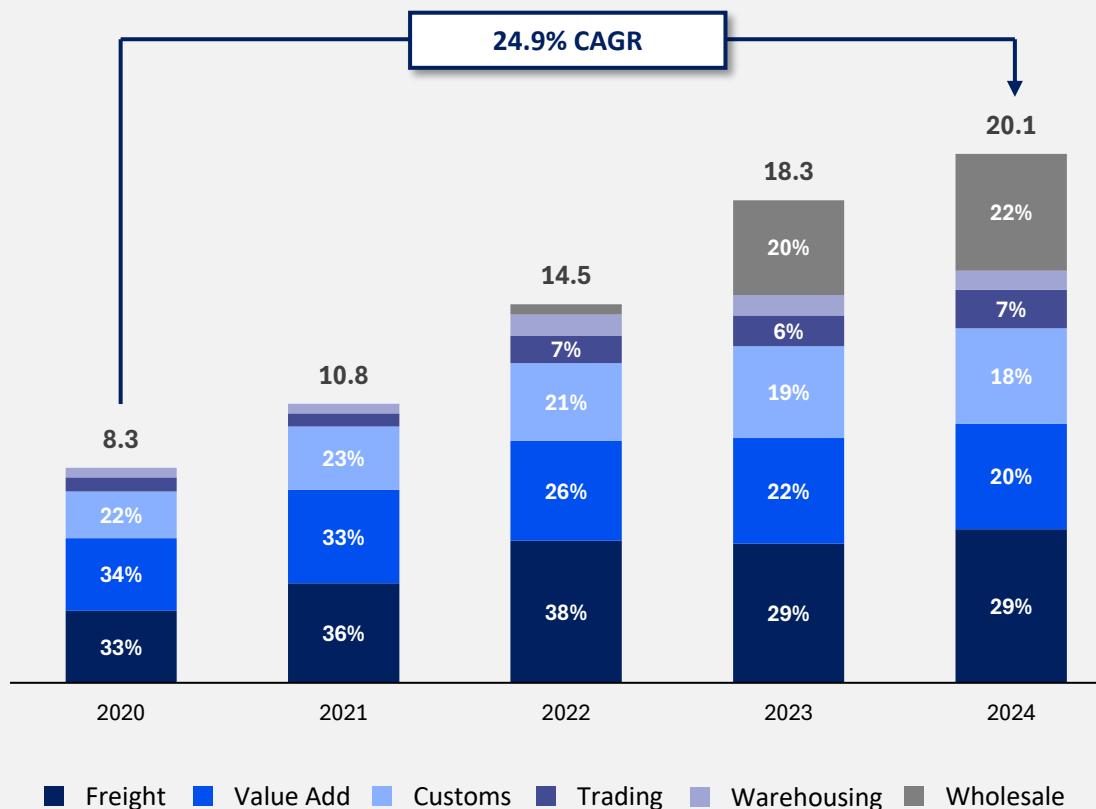
Retention is anchored by large clients (~85% of revenue), with low sales churn (5%) and strong Net Revenue Retention (over 100%), reflecting consistent re-engagement and expansion

**Project Baja is a Fully Integrated Logistics Partner Embedded in the Backbone of its Clients' Operations**

# Integrated Cross-Border Logistics Platform



Historical Sales Evolution (USD mm)

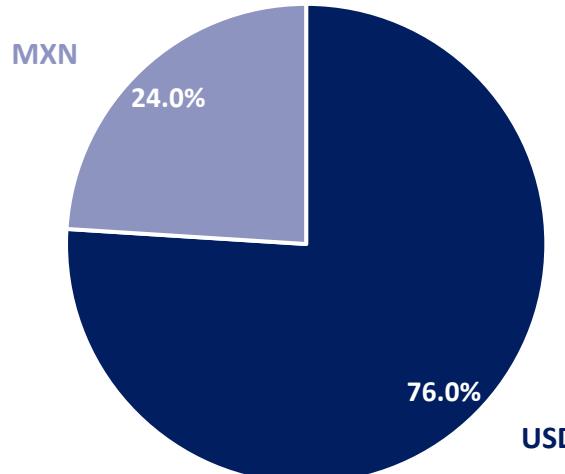


- Freight** (29% of Sales)
  - Dedicated and LTL services focused on cross border trade
  - Owns a 25 trucks fleet and outsources freight for incremental demand
- Value-Add Services** (20% of Sales)
  - Certifications (e.g. USDA)
  - Labeling, inspection, regulatory compliance
- Customs Brokerage** (18% of Sales)
  - Customs documentation and procedures preparation and support
  - Waybill, Import Declaration, electronic filing, etc.
- Trading Companies** (7% of Sales)
  - Facilitates international purchases on behalf of clients
  - Client invoicing and supplier payment with no inventory risk
- Warehousing** (4% of Sales)
  - Merchandise storage and inventory control
  - Reception, transshipment and consolidation
- Food Wholesale** (22% of Sales)
  - Imported food service distribution
  - Specialty and perishable products from int'l suppliers

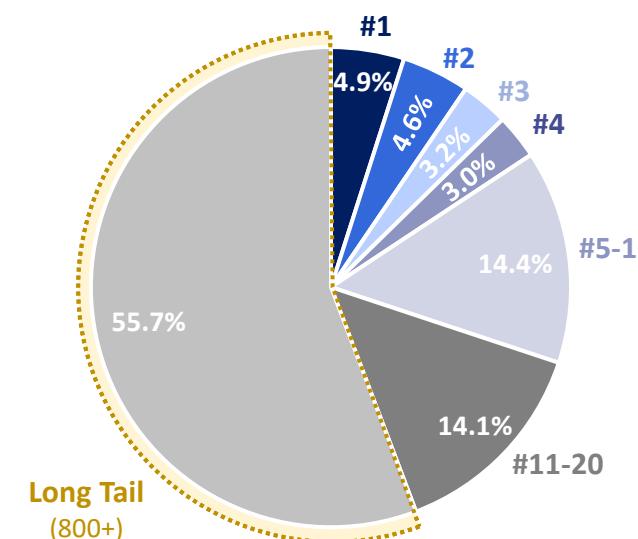
# Diversified Revenue Base Across Currencies, Clients, and End Markets



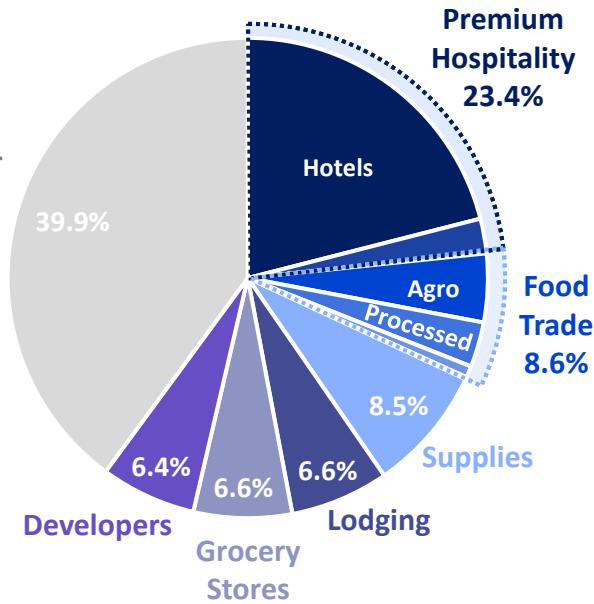
Currency Exposure<sup>(1)</sup>



Client Concentration



End-Market Exposure



**Strong USD Exposure and Low Client Concentration Across Sectors Provide a Stable and De-Risked Revenue Base**

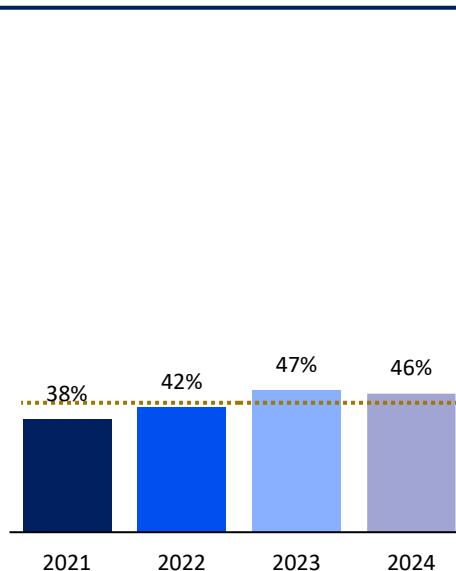
Note:

(1) Based on transacted underlying merchandise value since revenues are often determined as a percentage of merchandise value.

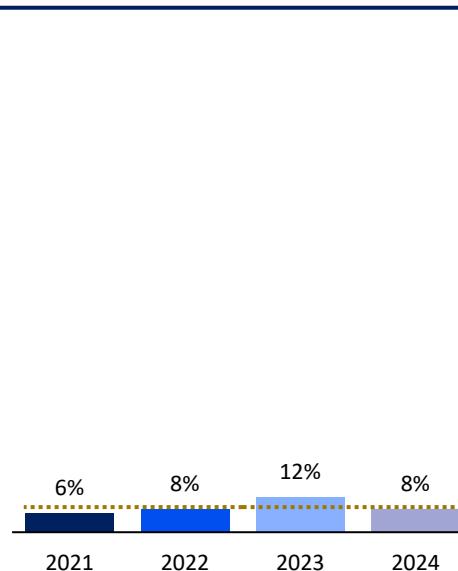
# Highly Recurring Revenue Base Anchored by Long-Term Clients



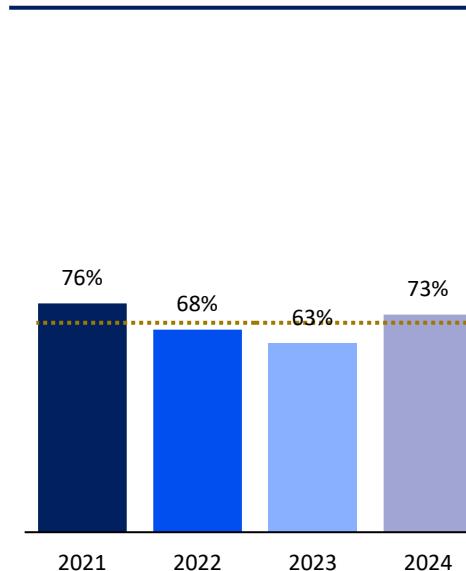
Logo Churn



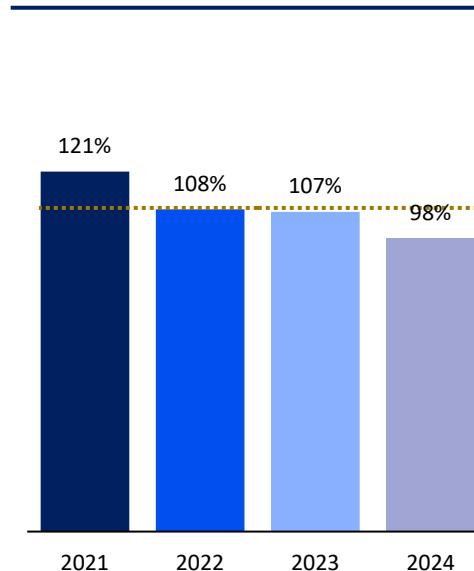
Sales Churn



Gross Rev. Ret.



Net Rev. Ret.



**Strong Anchor Client Base Delivers Low Churn and Durable NRR >100%**



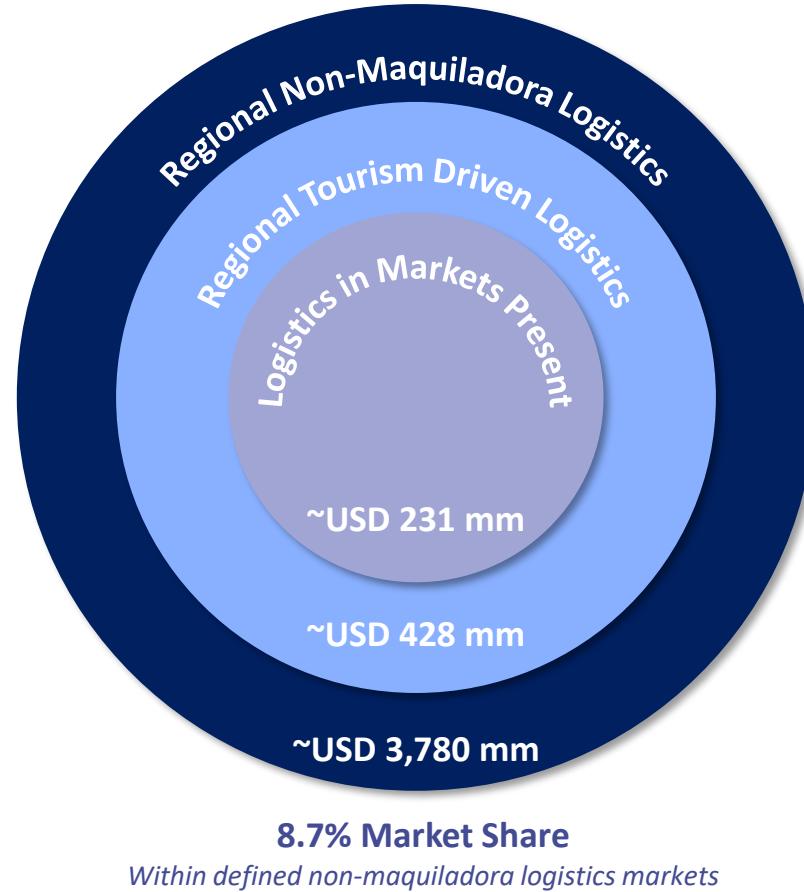
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# Focused Logistics Platform Within High-Value Regional Gateways



## P. Baja Targets Niche Logistics, not Maquiladoras



## Relevant Gateways Driving Trade Flows

Port of Entry	Type	Int'l Trade <sup>(2)</sup> (USD mm)	Non-Maquiladora Trade (USD mm)	P. Baja Presence
Otay Mesa	Land	63,000	15,750	Core Operation
Calexico East Border Crossing	Land	19,000	4,750	-
Ensenada Port	Sea	12,600	8,820	Present
Tecate Port of Entry	Land	1,260	756	-
Tijuana Airport	Air	255	140	Present
La Paz Port	Sea	38	32	-
Santa Rosalía Port	Sea	< 1	< 0.5	-
<b>Total</b>		<b>96,153</b>	<b>30,248</b>	
<b>USD 3.8bn TAM</b>				
(Based on 12.5% capture of total non-maquiladora trade value) <sup>(1)</sup>				

Notes:

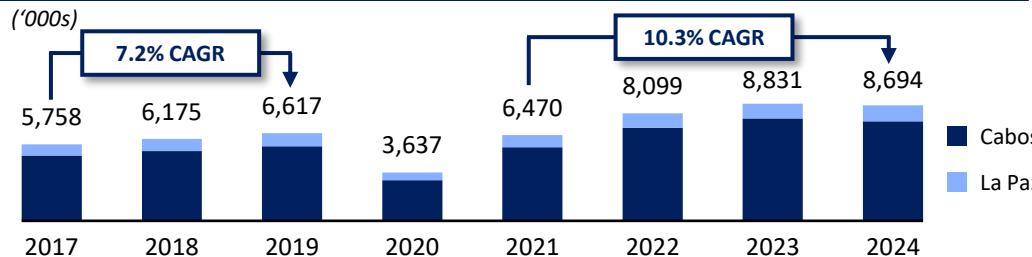
<sup>1</sup> Computed as follow: TAM= (Total Regional Non Maquiladora Trade x 12.5%), based on market pricing and logistics incremental cost on imported merchandise.

<sup>2</sup> U.S. Bureau Of transportation Statistics, Asociación Federal de Aviación Civil (AFAC, Federal Civil Aviation Association), Freightwaves, USTradeNumbers, Mexican Government

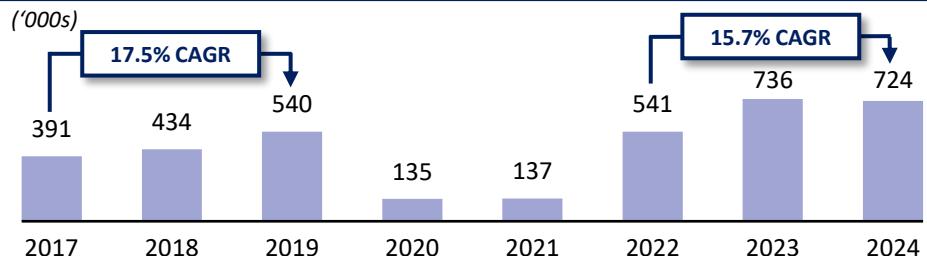
# Strong Tourism Tailwinds Drive Sustained Growth in Baja California Sur



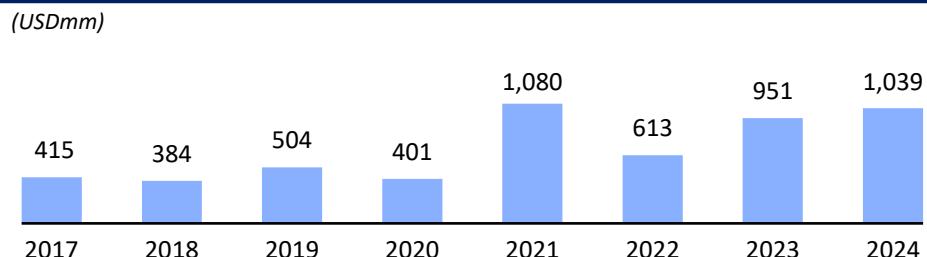
## Air Passenger Traffic (Baja California Sur)



## Cruise Passenger Arrivals (Los Cabos)



## Tourism FDI (Baja California Sur)



## Air Passenger Traffic (Baja California Sur)



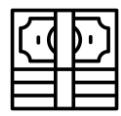
**USD 470mm**

Planned Investment for  
Airports Expansion



**+5,500**

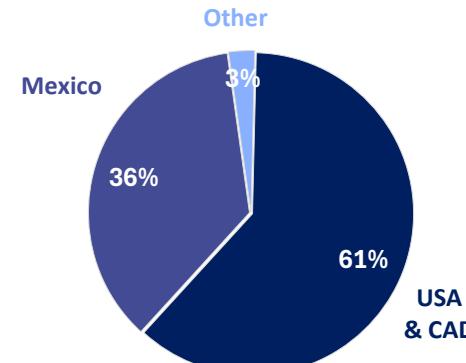
New Rooms Announced  
Through 2028



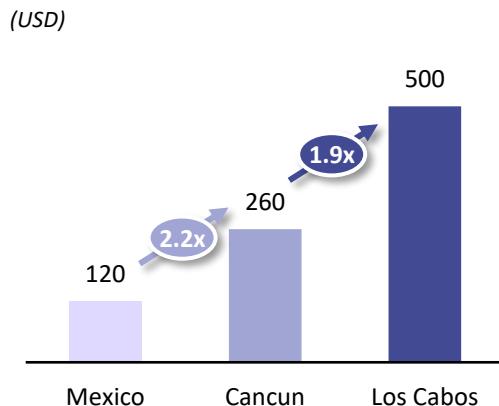
**USD +1.0 bn**

2024 Tourism Foreign  
Direct Investment

## Tourist by Country of Origin



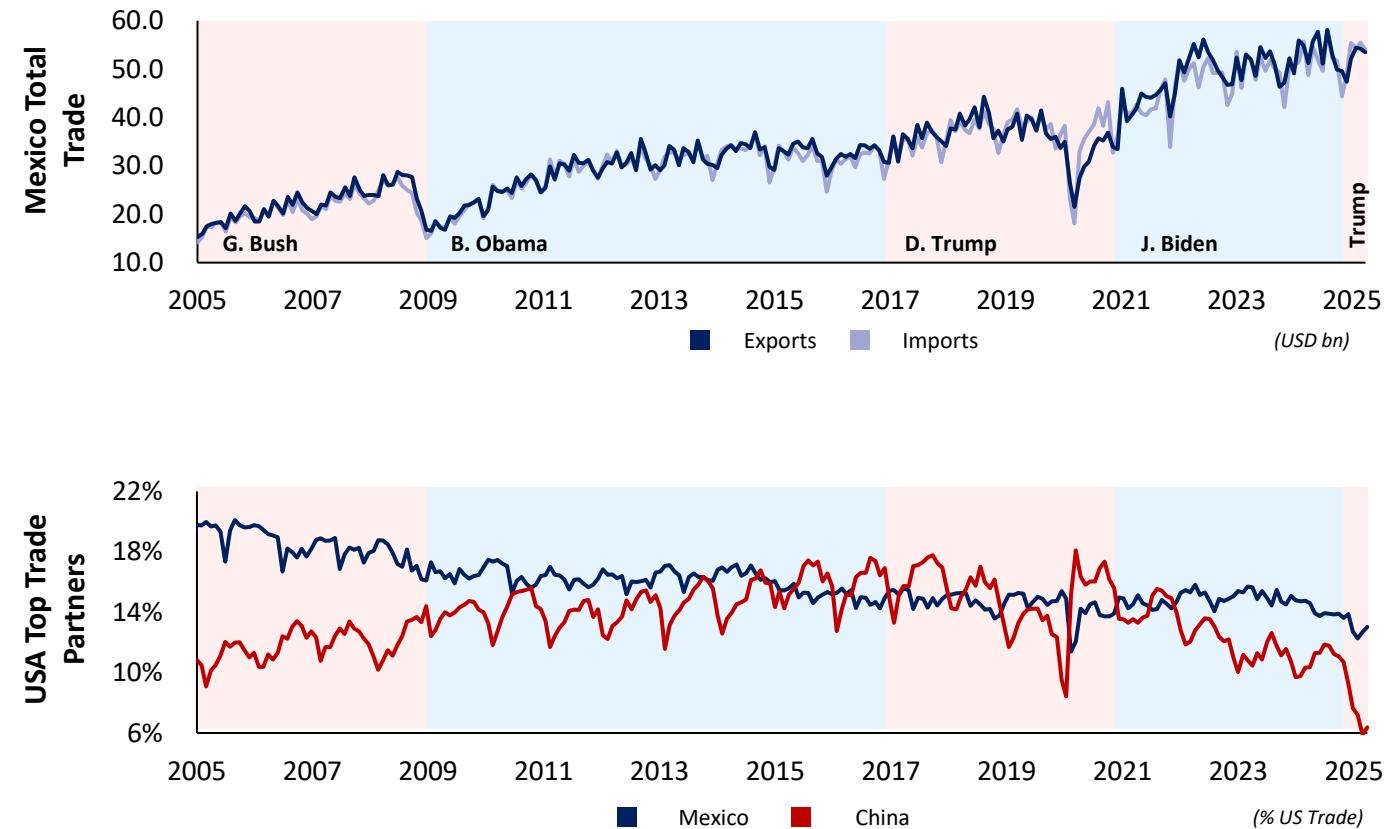
## Hotel Average Daily Rate



# Resilient US - Mexico Trade Creates Lasting Tailwinds



- Mexico's trade with the US has **grown steadily across every administration**, showing resilience through political and economic cycles
- Since Trump's first administration, Mexico has **regained relative relevance as a US trade partner** vs. China
- Since 2021, trade resilience has continued, with **volumes staying at record levels despite global supply chain disruptions**
- Despite global trade tensions, **USMCA exempts tariffs on 84%+ of Mexican exports**, reinforcing Mexico as one of the U.S.'s most attractive trade partners



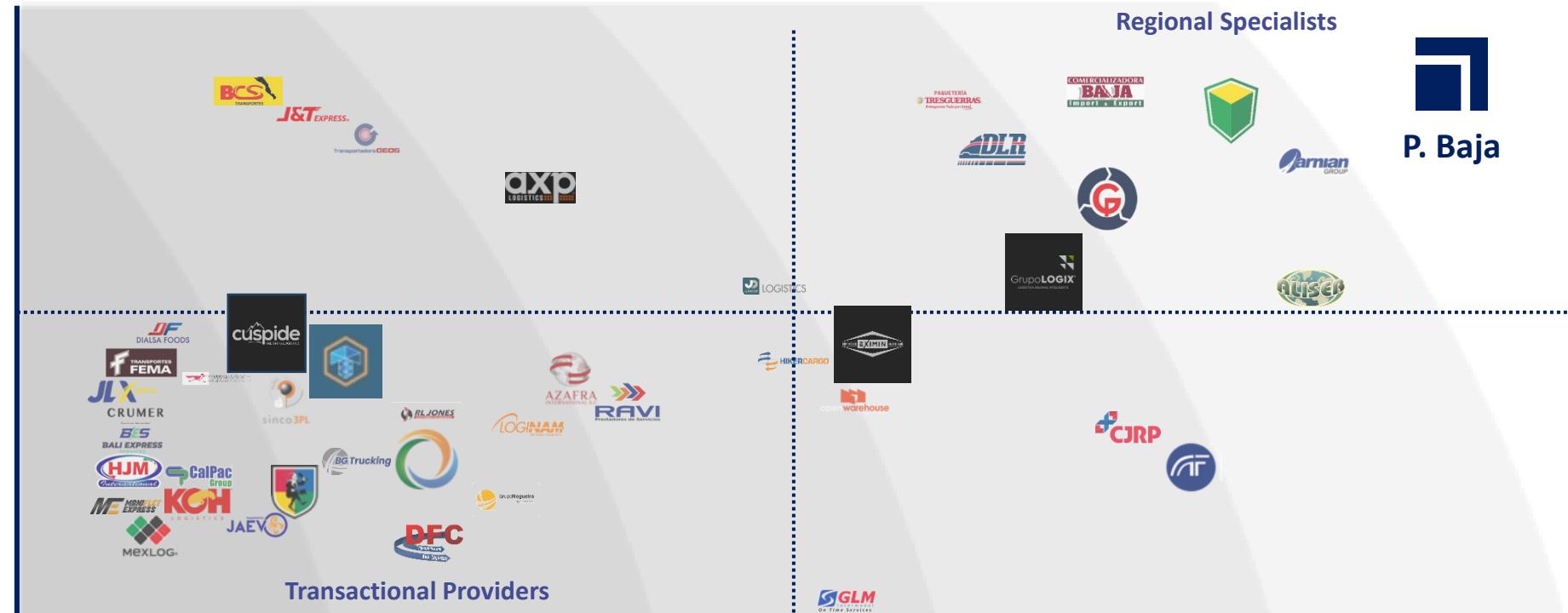
**Trade Volumes Have Consistently Grown Across Cycles**

# Unique Combination of Regional Depth and Multi-Service Breadth



**Regional  
Specialization**

**General  
Coverage**



**Single  
Service Focus**

**Integrated  
Multi-Service**

**Few Players Combine True Regional Specialization with Full-Suite Logistics Capabilities**



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# Value Creation Roadmap



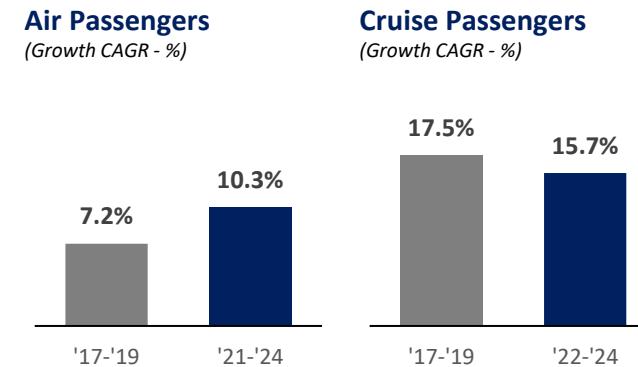
	Description	Impact	Type
Base Case	<p><b>A</b> </p> <p><b>Market Growth / Momentum</b></p> <ul style="list-style-type: none"> <li>Structural demand in the Baja region fueling sustained organic growth</li> <li>Logistics volumes supported by existing clients and the influx of new entrants into the region</li> </ul>	~10%-12% growth + inflation	Revenue Enhancing
	<p><b>B</b> </p> <p><b>Cross Selling</b></p> <ul style="list-style-type: none"> <li>Food Wholesale business launched in 2023 to cross-sell into addressable existing clients</li> <li>Current penetration is ~25% of addressable logistics clients, leaving substantial whitespace</li> </ul>	1.5x-2.5x food wholesale revenue growth within existing client base	Revenue Enhancing
	<p><b>C</b> </p> <p><b>Operational Discipline</b></p> <ul style="list-style-type: none"> <li>People heavy / process light operations with low/no tech and manual back-office processes</li> <li>Opportunity to streamline, automate, and ultimately add AI-driven workflows</li> </ul>	+300-500 bps EBITDA margin expansion	Cost Reduction
Additional Levers	<p><b>D</b> </p> <p><b>Service &amp; Prod. Expansion</b></p> <ul style="list-style-type: none"> <li>Expand geographically to similar markets through multi-regional clients to replicate the model</li> <li>Leverage Baja's full-suite platform to serve adjacent end-markets with similar / single logistics needs</li> </ul>	-	Revenue Enhancing
	<p><b>E</b> </p> <p><b>Inorganic Growth (M&amp;A)</b></p> <ul style="list-style-type: none"> <li>Acquire one of few full-suite competitors to harness economies of scale and establish market leadership</li> <li>Bolt-on acquisitions increase services offering and increase share of wallet and retention</li> </ul>	-	Revenue & Cost Synergies

# A Luxury Projects and Inbound Demand Drive Sustained 10% - 12% Growth



- Tourism demand is surging, air passengers growing at **10%+ CAGR** and cruise arrivals at **15%+ CAGR**
- **~5,500 new rooms** (+35% capacity) announced, backed by **USD 3bn+ in luxury projects** (Four Seasons, St. Regis, Ritz-Carlton, Amanvari, Chablé, etc.)
- **USD 500mm+ airport expansion** increases inbound capacity and supports sustained visitor growth
- Baja ranked top for tourism FDI in Mexico, reinforcing long-term commitment from global luxury brands
- Together, these drivers **sustainably support 10%-12% growth** + inflation, fueled by expanding capacity and premium demand

## Historical Growth Momentum



## Investments Support Future Growth

- **+5,500 new rooms** (~35% increase) committed over the next 7 years
- **USD 3B+ in luxury projects**, led by Costa Palmas (Four Seasons & Amanvari), Quivira (St. Regis), Puerto Los Cabos (Ritz-Carlton), and Puerta Cortés (Chablé)
- **~USD 500mm airport expansion** boosts capacity

## Premium Demand Expansion Sustains Growth Without Price Pressure

Expansion Projects	New Entrants	Wider Ecosystem

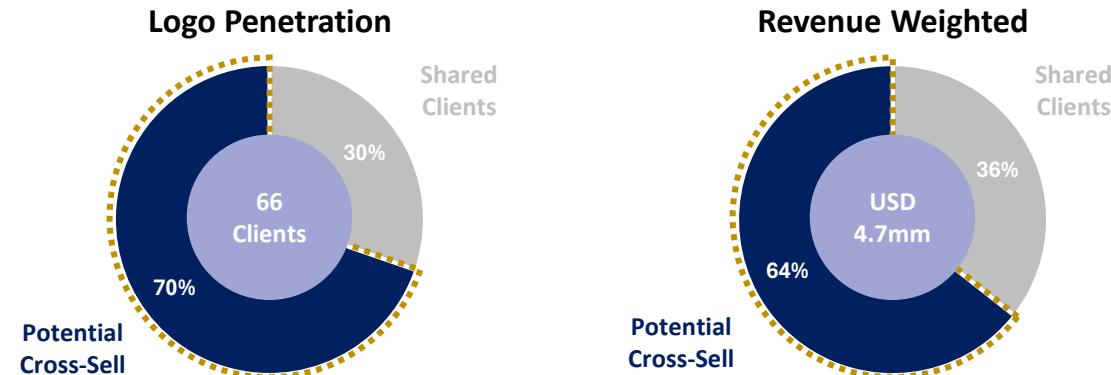
## B Cross-Selling Existing Clients Unlocks 1.4x - 2.6x Food Wholesale Growth



### Current Penetration Highlights Untapped Potential

- Expanding Food Wholesale penetration can **scale sales by 1.4x–2.6x within existing client relationships**
- Food Wholesale **penetrates only 30% of potential clients** within the logistics base, creating **significant cross-selling whitespace**
- Cross-selling leverages existing relationships, driving growth with a **far lower CAC** than acquisitions
- Expanding service penetration **strengthens client relationships** and boosts retention

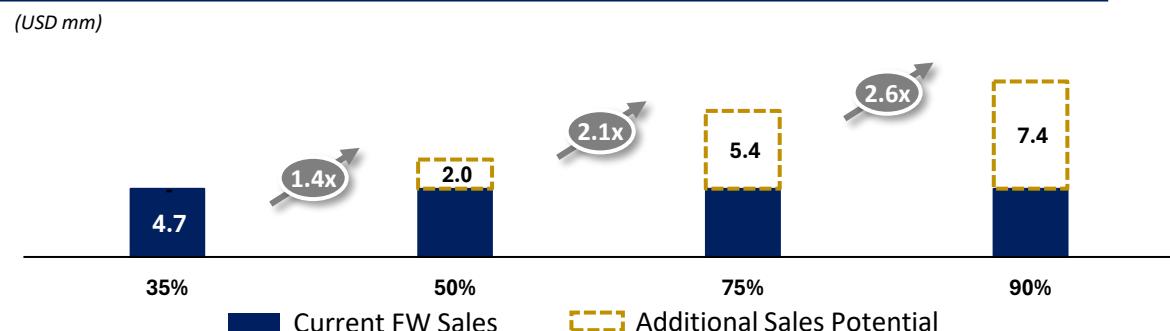
### Client & Revenue Penetration Gaps



### Illustrative Cross-Selling Targets



### 1.4x–2.6x Food Wholesale Scaling Potential



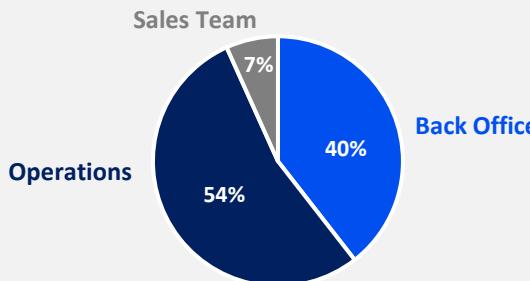
Cross-selling Existing Clients has Potential to 1.4x-2.6x Food Wholesale Business Without Additional Acquisition Cost

c

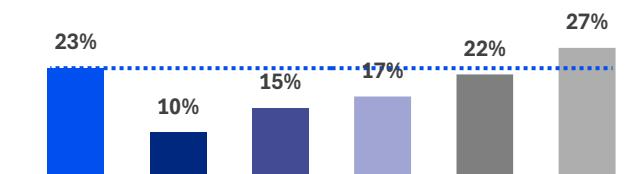
# Eliminating Non-Structural SG&A Unlocks Margin Upside Potential



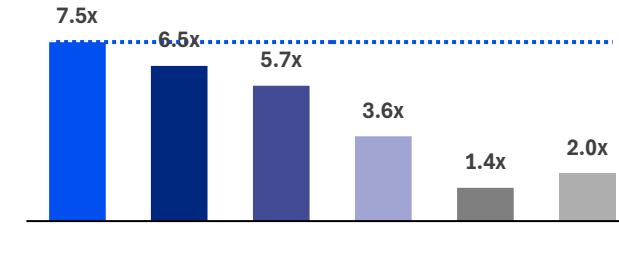
- Despite an **asset-light profile**, Baja carries an SG&A burden closer to asset-heavy peers - creating a **fixable inefficiency gap**
  - Benchmark analysis shows a **~12pp SG&A inefficiency gap vs peers**
- Although SG&A resembles asset-heavy peers, capital turnover confirms Baja is asset-light - reinforcing the inefficiency is operational, not structural
- Back office absorbs 40% of payroll** (accounting, HR, IT) - excessive for an already labor-intensive operation.



## SG&A ÷ Sales



## Tangible Capital Turnover<sup>(1)</sup>



Process Area	Inefficiency	Target Action	Value Upside
Billing	Manual invoicing causing delays and errors	Automate billing with e-invoicing	Higher accuracy, faster processing
Accounting	Each entity runs its own books and methodology	Consolidate accounting into centralized department	Financial rigor and scalable processes
Financial Systems	Manual reconciliations and duplicate data entry	Automatization and integration of ERP and TMS	Streamlined workflows
Sales	Isolated records and weak quote-to-service visibility	Implement CRM to unify client workflows	Improved visibility, reduced duplicate processing

These Levers Support +300–500 bps EBITDA Expansion by Eliminating Non-Structural SG&A Burden

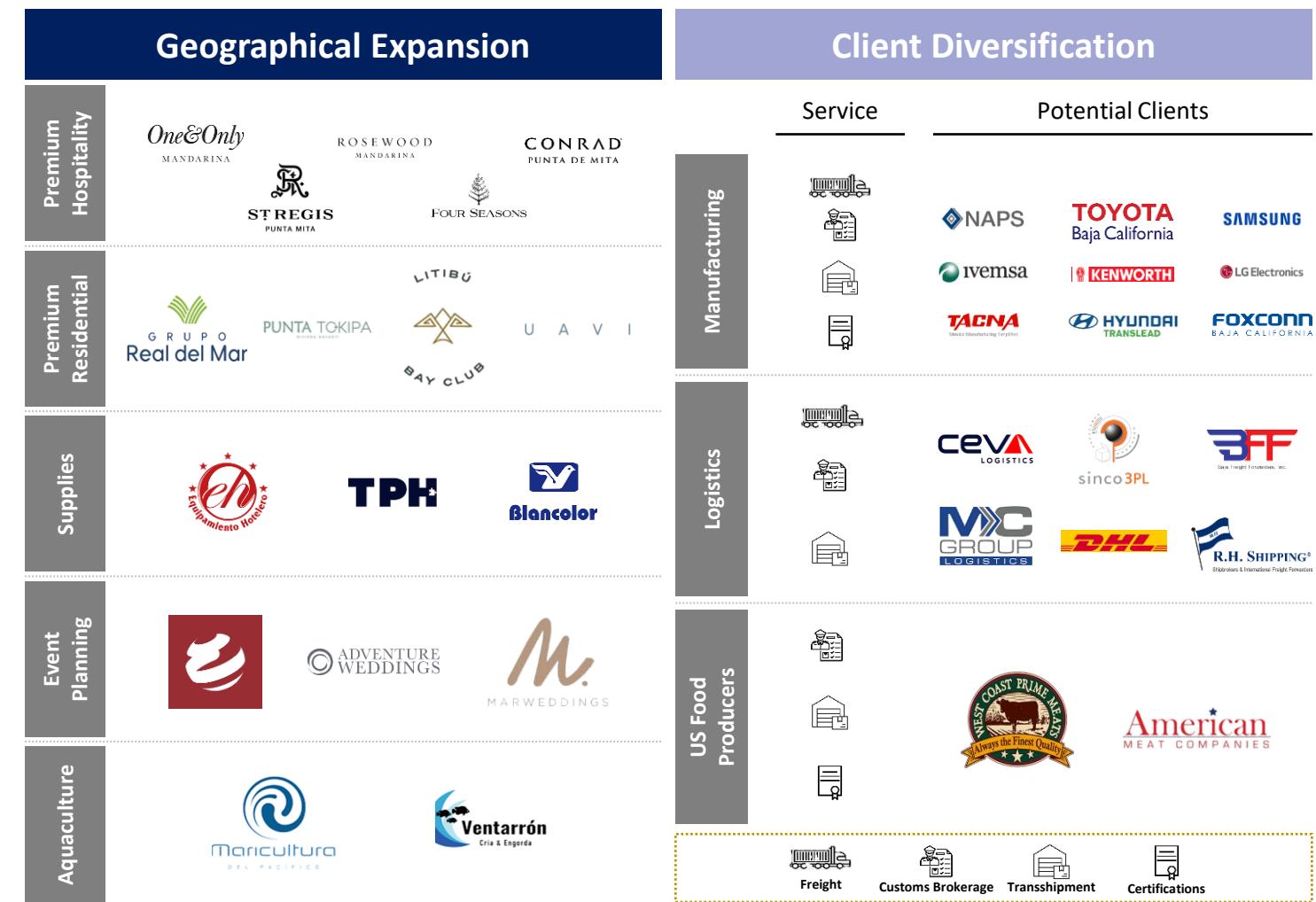
Source: public filings, as of most recent full fiscal year; as of July, 2025

(1) Tangible Capital Turnover computed as Sales ÷ (PP&E + Net Working Capital). (2) Freight Brokers: Landstar, RXO. (3) 3PL: C.H. Robinson, Hub Group, Expeditors, Universal.

(4) 4PL: GZO, Ryder, ArcBest, XPO. (5) Truckload Carriers: Schneider, J.B. Hunt, Werner Enterprises. (6) Parcel carriers: UPS, FedEx

# D Know-How and Expertise Unlock Geographic and Client Diversification

- Baja's logistics know-how (freight forwarding, customs brokerage, warehousing) is transferable across markets and client types
- We've identified a number of potential clients that could serve as gateways to new geographies or new end-markets
- Geographic expansion** leverages footholds with existing **multi-market clients** (Four Seasons, St. Regis, Rosewood) in similar destinations like Riviera Nayarit and Puerto Vallarta
  - Existing reputation** in Baja's premium market strengthens credibility when entering new geographies
- Client diversification** builds on Baja's **physical operations** to serve new profiles (e.g., maquiladoras in Tijuana) with similar capabilities under different competition dynamics
  - Client diversification could be done at **low CapEx** but with **distinct** competitive dynamics and **margin profiles**



# E Consolidation Unlocks Market Leadership and Margin Expansion

- Despite a fragmented single-service logistics landscape in northern Mexico, only a handful of players offer true one-stop-shop solutions - making consolidation uniquely transformative
- Acquiring even one competitor would **establish clear market leadership** and change competitive dynamics
- Combining Baja's refrigerated strengths with competitor networks would **consolidate the client base** and enable **cross-selling** of differentiated services
- Increasing scale would **unlock significant operational efficiencies**, like consolidating warehousing capacity or improving truck and route utilization
- Assuming a similar SG&A profile, eliminating **redundancies could yield ~10–15% savings**, materially expanding margins and improving the post-synergy acquisition multiples

	 CARGO BAJA ESPECIALISTAS EN CADENAS DE SUMINISTRO	 ALISER	 ARNIAN GROUP
Scale	~0.8x-1.2x P Baja's size	~0.3x-0.6x P Baja's size	~0.5x-0.7x of P Baja's size
Description	<ul style="list-style-type: none"> <li>P. Baja's main competitor, since 2007</li> <li>San Diego, Los Cabos, Riviera Nayarit</li> <li>Dry Van logistics only</li> </ul>	<ul style="list-style-type: none"> <li>Logistics services + grocery store business; similar to P. Baja's origins</li> <li>San Diego and 11 Mexican regional destinations</li> <li>Same niche client profile as P. Baja</li> </ul>	<ul style="list-style-type: none"> <li>Full suite logistics</li> <li>Additionally, Fulfillment &amp; Reverse Logistics</li> <li>Wide client base; from Hospitality to Industrial</li> <li>San Diego, Los Angeles Tijuana and Los Cabos</li> </ul>
Rationale	<ul style="list-style-type: none"> <li>Become the <b>undisputed regional leader</b> by absorbing main competitor</li> <li>Foothold on <b>Riviera Nayarit-based clients</b></li> <li>Cross sell P. Baja's <b>refrigerated logistics capabilities</b> to new clients</li> </ul>	<ul style="list-style-type: none"> <li>Cross-sell specialized <b>liquor certifications</b> to P. Baja's clients</li> <li>Cross sell P. Baja's unique <b>certification capabilities</b> to Aliser's clients</li> <li>Expand geographic presence</li> </ul>	<ul style="list-style-type: none"> <li>Acquire <b>unrestricted NOM capabilities</b></li> <li>Cross sell P. Baja's unique <b>certification capabilities</b> to Arnian's clients</li> <li><b>Client profile diversification</b></li> </ul>

**Consolidation Potential Provides Clear Path to Undisputed Market Leadership**

# E Platform Potential: Buying vs. Building Additional Capabilities



Targeted acquisitions in high-value niches would allow Baja to strengthen its one-stop shop offering, while capturing incremental margin with minimal SG&A impact.

- Increase certification capabilities (e.g., USDA meat) by acquiring providers that offer **high-demand labels** (e.g. Organic)
- Expand to new cross-border niches (e.g., waste, pharma)
- Integrate In-Bond warehouses to capture more value from Baja-managed merchandise
- Customs brokerage on nearby border crossings (e.g., Mexicali)

**None of this is modeled in the base case.**

Levers	Certifications Providers	Customs Brokers	Freight & Transportation	Specialized Niche Logistic Services	In-Bond Warehousing.
Product Expansion	✓	✗	✗	✓	✓
Geographic Expansion	✗	✓	✓	✗	✗
Cross-Selling	✓	✓	✓	✓	✓
Client Diversification	✓	✓	✓	✓	✓
Cost Synergy	✓	✗	✓	✗	✗
Operations Synergy	✓	✓	✓	✓	✓
Example Targets	   		     	    	      



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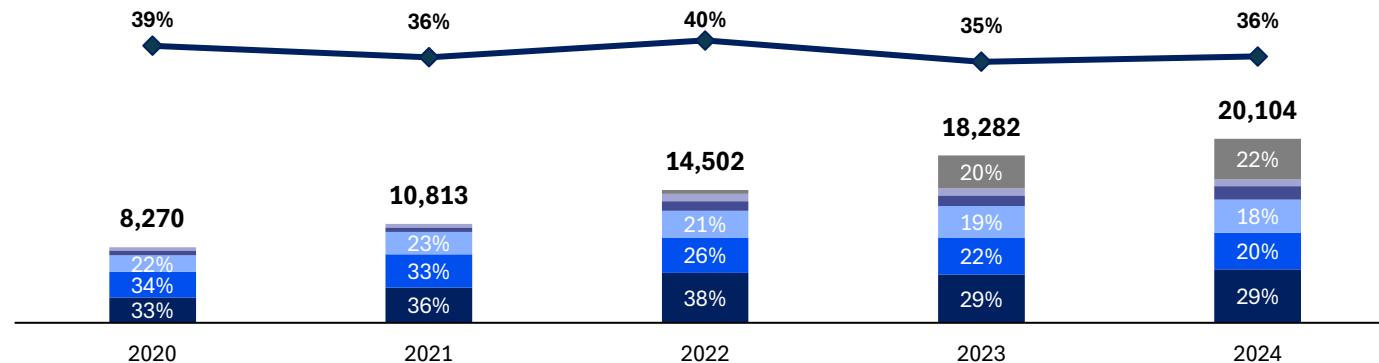
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# Financial Overview

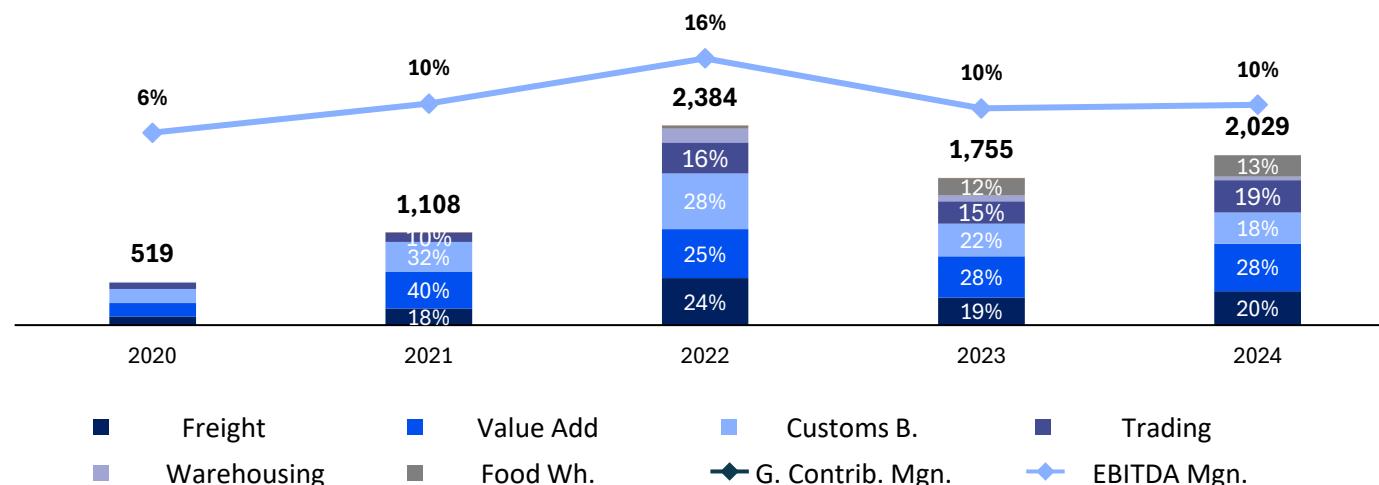


- Revenue reached **\$20.1mm** in 2024, growing **2.4x since 2020**, with contributions from a **diversified mix** of services including freight, warehousing, and value-added offerings
- Consolidated contribution margin (gross) remained stable around 36%
  - The 2022 launch of the Food Wholesale unit supported growth but slightly reduced the blended margin from 2023 onward
- Service line growth has been well-balanced, highlighting the strength of Baja's integrated logistics model
- EBITDA margin has averaged ~10%**, with a **peak of 16%** in 2022 and consistent performance across the rest of the period
- Asset-light, higher value-add services account for a larger share of EBITDA relative to revenue, supporting overall margin strength

Revenue Evolution (USD '000s)



EBITDA Evolution (USD '000s)

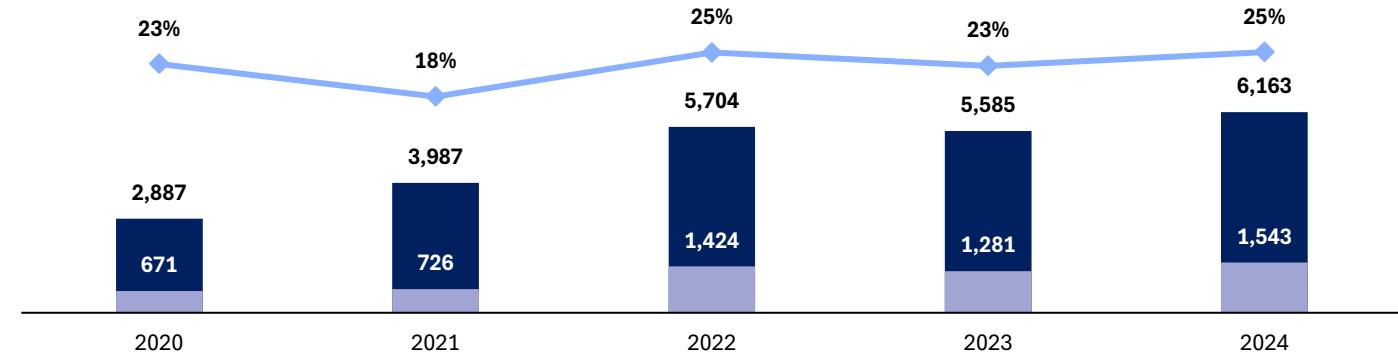


# Financial Overview by Business Segment



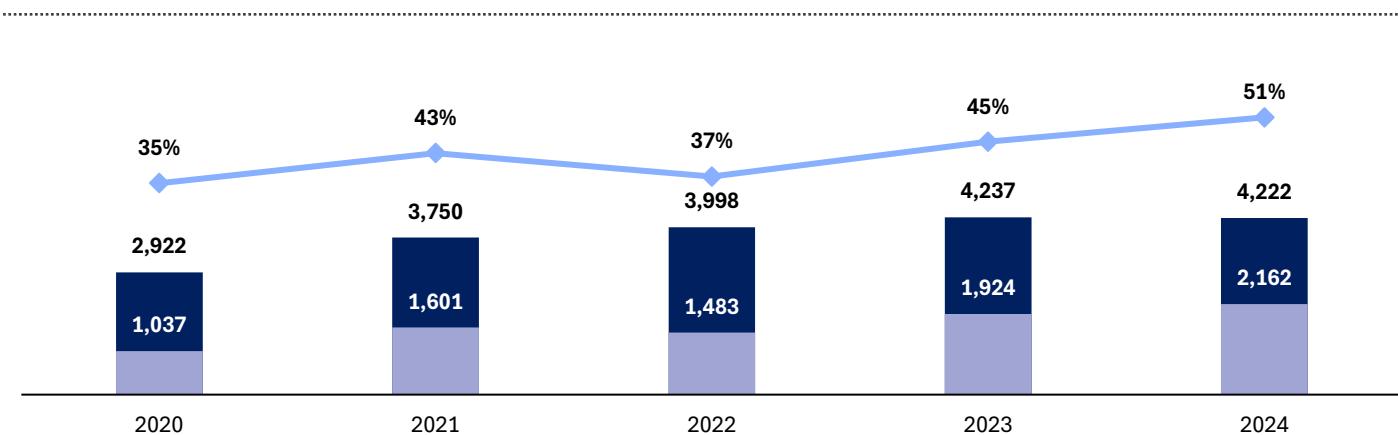
## Freight

- Revenue grew from **\$2.9M** in 2020 to **\$6.2mm** in 2024 (2.1x), with two-thirds of volume handled in-house and one-third outsourced
- Contribution margin** has hovered around 23%, ending at its highest point in 2024
- Costs are driven by **fuel, payroll, and maintenance** for own fleet; third-party freight is outsourced at ~20% margin



## Value Add

- Revenue increased from **\$2.9M** to **\$4.2M** over five years (1.4x) d light processing
- Margins ranged from 35% to 51%**, with labeling at ~65% and forwarding services near 35%
- Cost base is **over 90% variable**, driven mainly by **payroll, handling, and outsourced services**

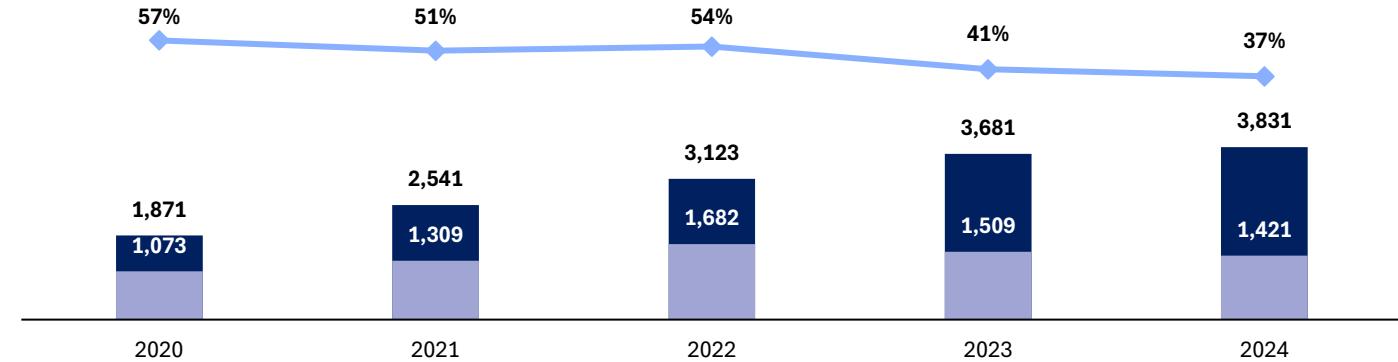




## Financial Overview by Business Segment (Cont'd)

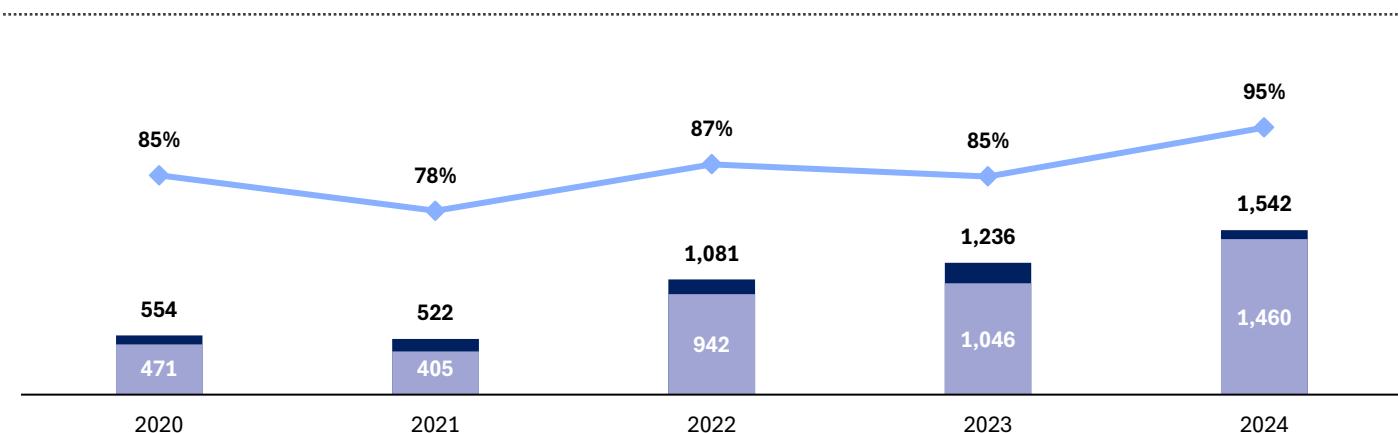
### Customs Brokerage

- Revenue grew from **USD 1.9mm** in 2020 to **USD 3.8mm** in 2024 (2.0x)
- Contribution margin averaged ~45%**, consistent with the service's labor-driven pricing model
- Costs are almost entirely payroll**, reflecting the segment's high-touch, people-intensive nature



### Trading Services

- Revenue increased from **USD 0.6mm** to **USD 1.5mm** over five years (2.8x), with stable, high-margin execution
- Contribution margin averaged ~85%**, consistent with pricing structure and light cost base
- The segment has **no direct costs**; expenses are tied to payroll, import coordination, and handling

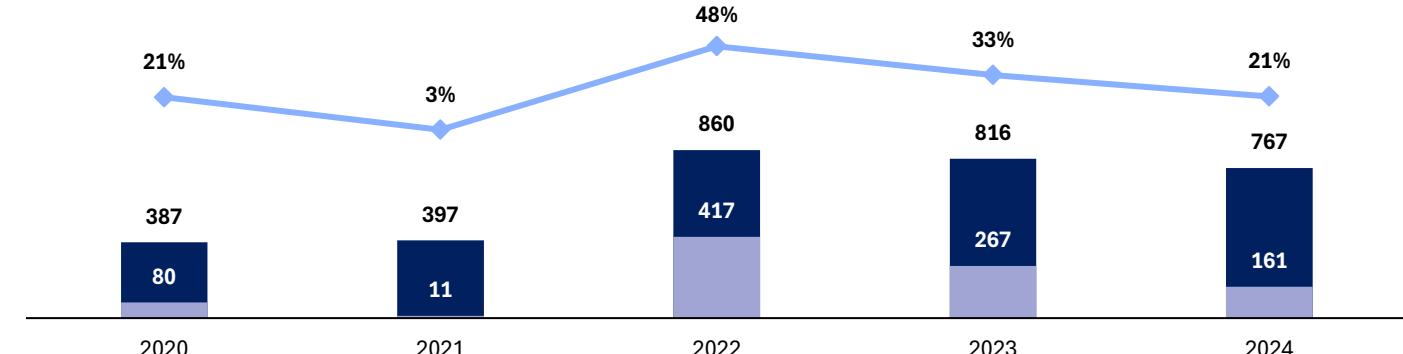




## Financial Overview by Business Segment (Cont'd)

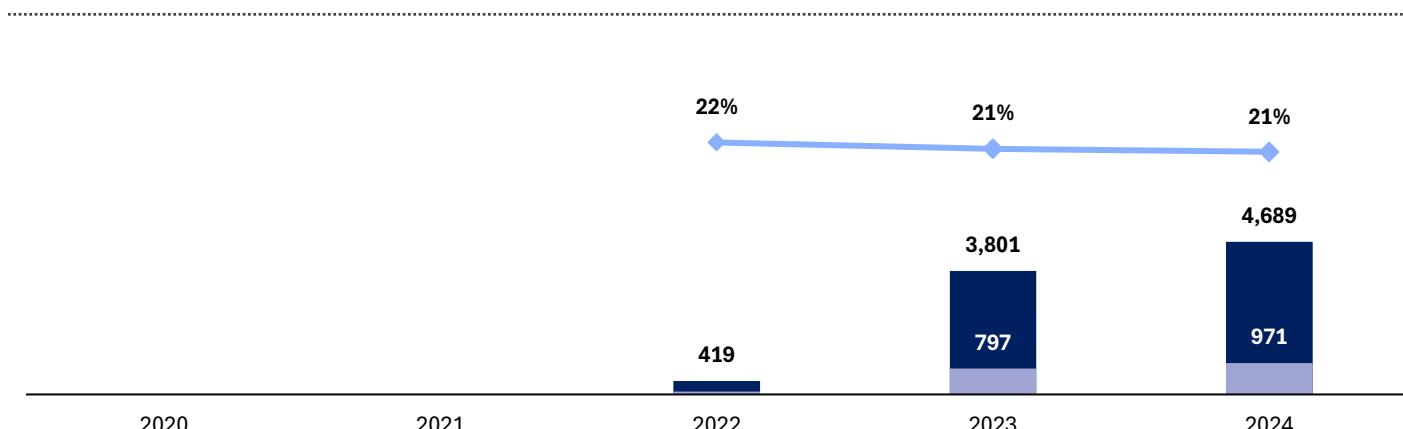
### Warehousing

- Revenue grew from **USD 387K** in **2020** to **USD 767K** in **2024** (1.9x), including both warehousing and handling fees
- Contribution margin averaged ~21%**, with a temporary outlier in 2021 and stabilization in recent years
- Costs are primarily **fixed rents and maintenance**



### Food Wholesale

- Revenue scaled from **USD 0.4mm** in **2022** to **USD 4.7mm** in **2024** (11.2x in 3 years), following the business line's launch
- Contribution margin held steady at ~21–22%**, reflecting consistent pricing and cost dynamics
- Costs are primarily **CoGS**, which include internal logistics services - supporting volume across other business units

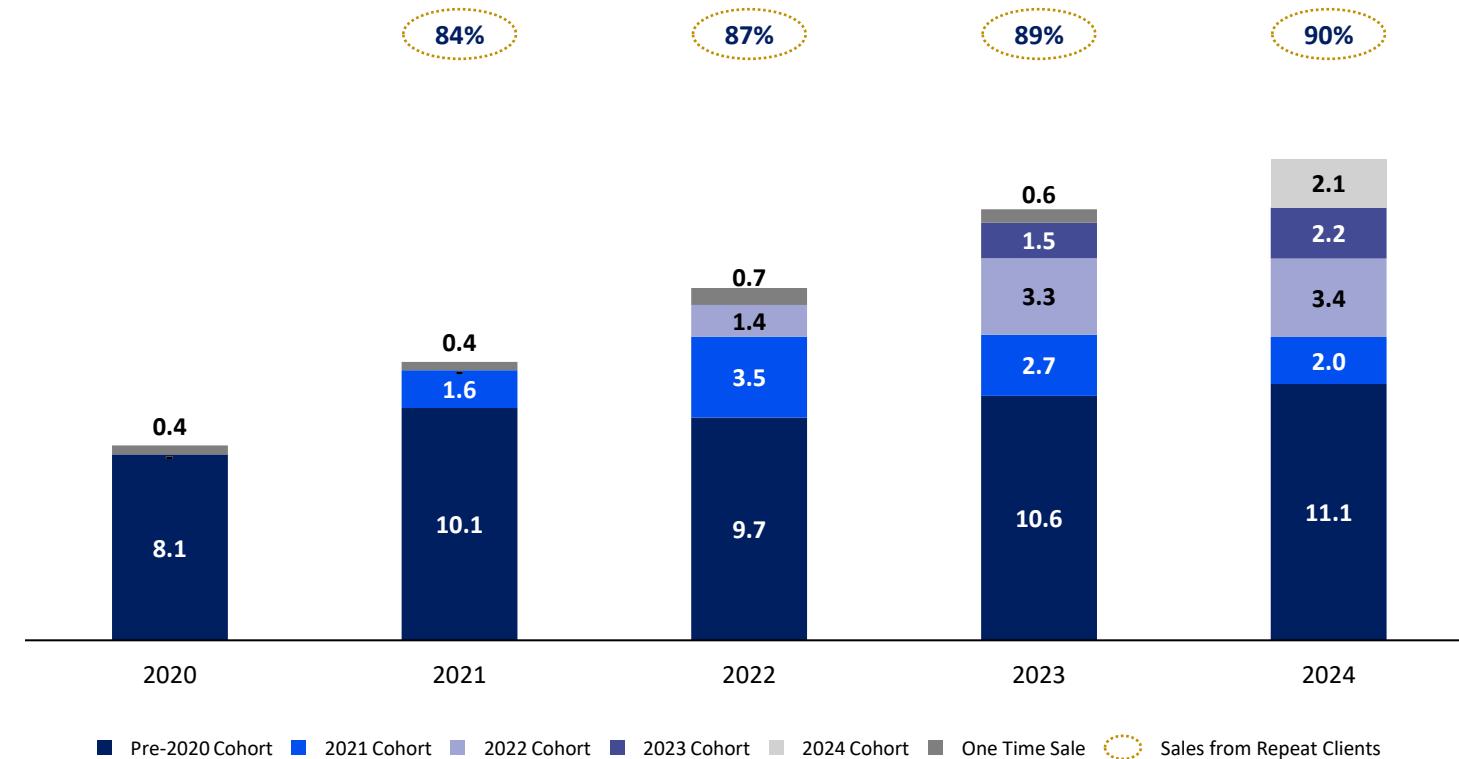


# Financial Overview: Cohort Analysis



- This chart segments revenue by client cohort (year of first sale), illustrating **recurrence patterns and long-term client value**
- Baja's oldest clients continue to scale - the pre-2020 cohort contributes **over USD11mm in 2024**, growing ~8.2% annually since 2020 despite being a mature base
- Newer cohorts (e.g., 2022, 2023)** ramp quickly and continue contributing, validating **low churn and strong upsell dynamics**
- In 2024, **90% of revenue came from repeat clients** - clear evidence of revenue durability and relationship depth
- Baja's growth is **not driven by transactional spikes**, but by **long-lived, expanding client relationships that compound over time**

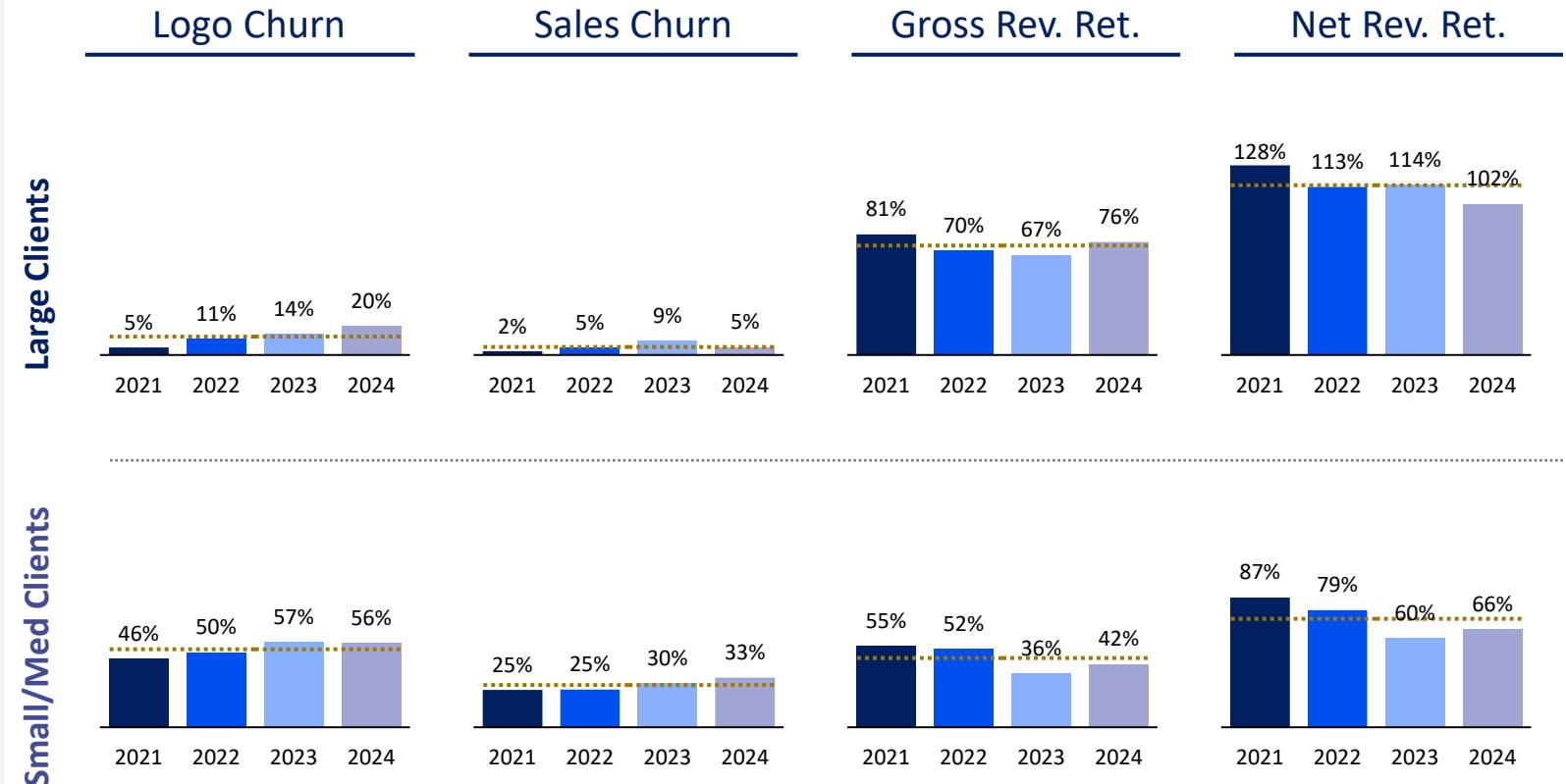
Revenue by Annual Cohort (USD mm)



# Financial Overview: Revenue Retention by Customer Segment



- Baja's client base is split between **large recurring clients (~85% of revenue)** and **small/medium transactional clients (~15%)**
- Large clients show strong retention** behavior, with average **logo churn of 12%** and **sales churn of 5%** over the last four years
- Revenue retention among large clients remains high, with **GRR averaging 75%** and **NRR averaging 116%**, supported by recurring volume and upsell
- In contrast, **small/medium clients are short-term** or one-off in nature, with **logo churn above 50%** and **sales churn over 30%**
- Their retention is weak, with **GRR averaging 43%** and **NRR 68%**





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# Deal Summary



## Expected Deal Structure

<b>Fixed Payment</b>		
At Closing	USD '000s	7,900
Existing Debt <sup>(1)</sup>	USD '000s	1,100
<b>Enterprise Value</b>	<b>USD '000s</b>	<b>9,000</b>
EBITDA 2024	USD '000s	2,029
Implied EV/EBITDA '24	x	4.4x

<b>Earn-Out</b>		
2025 EBITDA	MXN '000s	45,000
Fx. <sup>(2)</sup>	MXNUSD	19.50
2025 EBITDA	USD '000s	2,308
Earn-out	USD '000s	2,000
<b>Total EV</b>	<b>USD '000s</b>	<b>11,000</b>
EV/EBITDA	x	4.8x
EV/EBITDA at Constant Fx. <sup>(3)</sup>	x	4.5x

## Transaction Summary

- Entry Enterprise Value of USD 9.0mm, including USD 7.9mm cash to seller and USD 1.1mm of expected debt at closing (to be replaced by acquisition loan)
  - This implies a ~4.4x cash multiple at entry on 2024 EBITDA
- An earn-out of up to USD 2.0mm is tied to achieving MXN 45mm in 2025 EBITDA, payable in three equal annual installments on the 1st, 2nd, and 3rd anniversary of closing
- We assume the earn-out is fully paid from company-generated cash flow, bringing the total implied EV to USD 11.0mm, or 4.8x 2025E EBITDA under a fully vested scenario
- Acquisition debt expected at USD 3.5-4.0mm; term sheet received for USD 4.0mm
- The seller is not rolling over equity and is expected to remain involved for a 6-month transition period post-closing

<b>Sources</b>			<b>Uses</b>		
Acquisition Debt	3,500	35.0%	Existing Debt	1,100	11.0%
New Investors Equity	5,998	60.0%	Cash to Seller	7,900	79.0%
	-	-	Transaction Expenses	250	2.5%
	-	-	Non-Parti. Search Capital <sup>(4)</sup>	248	2.5%
Search Capital Roll-Over	503	5.0%	Search Capital Roll-Over	503	5.0%
<b>Total Sources</b>	<b>10,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>10,000</b>	<b>100.0%</b>

Notes:

(1) Expected debt at closing based on current debt outstanding. (2) Illustrative Fx. in line with 2025E EoP Fx. (3) Computed at the 2024 average Fx. of 18.3 MXN/USD.

Notes: Figures in USD '000s, unless otherwise stated.

(4) Assumes 33% of current Entrevo Capital investors do not subscribe, for illustrative purposes only.

# Summarized Acquisition Term Sheet<sup>(1)</sup>



- **Term Sheet was executed on March, 2025**, following an extensive negotiation process with the seller that **locked in all major economic and structural terms**
- Entrevo holds **exclusivity**
- The seller is advised by a financial advisor and **remains fully engaged and aligned on transition terms**
- Confirmatory and legal due diligence are currently underway

<b>Transaction Structure &amp; Valuation</b>	<ul style="list-style-type: none"> <li>• Acquisition of <b>100% of Project Baja's operational entities</b> (excludes real estate) at an Enterprise Value ("EV") of <b>up to USD 11,000,000.00</b>, on a debt-free and cash-free basis, structured as follows:           <ul style="list-style-type: none"> <li>• <b>USD 9.0mm cash component</b>, payable at closing</li> <li>• Up to <b>USD 2.0mm financed earnout<sup>(2)</sup></b></li> </ul> </li> </ul>
<b>Earn-out<sup>(2)</sup></b>	<ul style="list-style-type: none"> <li>• <b>Up to USD 2.0 million</b>, payable in three equal annual installments, accruing interest at 8% per annum in USD, subject to the following conditions:           <ul style="list-style-type: none"> <li>• <b>Full earn-out (USD 2.0 million)</b>: If 2025 EBITDA exceeds MXN 45 million (~USD 2.3 million<sup>(3)</sup>)</li> <li>• <b>No earn-out</b>: If 2025 EBITDA is below MXN 35 million (~USD 1.8 million<sup>(3)</sup>)</li> <li>• <b>Pro-rata earn-out</b>: If 2025 EBITDA falls between MXN 35 million and MXN 45 million, the earn-out will vest linearly between USD 0 and USD 2.0 million</li> </ul> </li> </ul>
<b>Property Rent</b>	<ul style="list-style-type: none"> <li>• 5-year mandatory + 5-year optional renewal lease agreement covering three industrial/office properties (main operating facilities)</li> </ul>
<b>Transition Period</b>	<ul style="list-style-type: none"> <li>• 6-month transition period with market value remuneration to the Seller given his expected position as advisor</li> </ul>
<b>Non-Compete</b>	<ul style="list-style-type: none"> <li>• Seller agrees to a 7 year Non-Compete</li> </ul>

Note:

(1) Based on the LOI signed with the seller on March 24, 2025.

(2) A hybrid seller note / earn-out structure was negotiated with the seller to simplify transaction structure.

(3) Computed at an illustrative 19.5 MXN / USD exchange rate.



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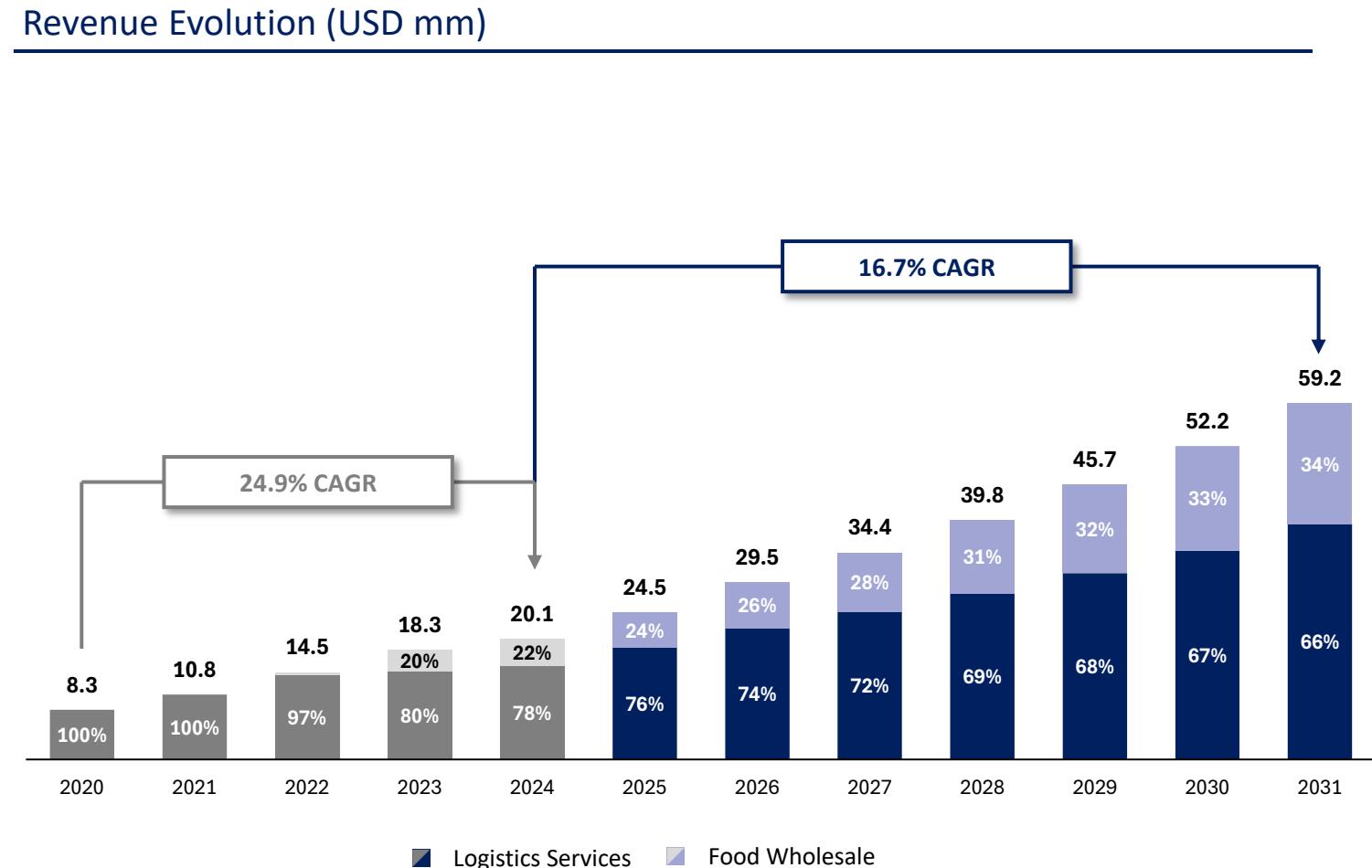
# Base Case: Assumptions Summary

<b>Revenue</b>	<ul style="list-style-type: none"> <li><b>Legacy Business:</b> 11% volume growth (in USD terms) from 2026 through 2031, in line with market growth + USD inflation</li> <li><b>Food Wholesale:</b> continued aggressive real growth (40% in 2025), trending down to 10% by 2031 as cross-sell potential is used</li> <li><b>New initiatives:</b> increased certifications and stand-alone customs brokerage represent ~6.5% of sales by 2031</li> </ul>
<b>Direct Costs</b>	<ul style="list-style-type: none"> <li><b>Legacy Business:</b> <ul style="list-style-type: none"> <li>Operating Leverage of ~15% for semi-fixed costs</li> <li>3pp margin improvement in the brokerage business given technological improvements</li> <li>Increased warehouse capacity at 2x 2023's merchandise volume</li> <li>Costs directly impacted by real Fx. depreciations, direct incidence in margins</li> </ul> </li> <li><b>Food Wholesale:</b> flat gross margin at ~20%. USD denominated CoGS impacted by real Fx. depreciations</li> </ul>
<b>SG&amp;A</b>	<ul style="list-style-type: none"> <li>15% operating leverage assumed, driven mostly by operational improvements</li> <li>Costs directly impacted by real Fx. depreciations, direct incidence in margins</li> <li>2.5%-3.0% Sales &amp; Marketing spend, in line with historical spend</li> </ul>
<b>Debt &amp; Cash Flow</b>	<ul style="list-style-type: none"> <li><b>Debt:</b> <ul style="list-style-type: none"> <li>USD 3.5mm acquisition debt at 17% interest rate in USD terms</li> <li>New truck CapEx financed at 70% LTV through leases, in line with current leased trucks terms</li> </ul> </li> <li><b>CapEx:</b> <ul style="list-style-type: none"> <li>Existing truck fleet replaced according to useful life schedule</li> <li>5 new trucks added to the fleet through 2031</li> </ul> </li> <li><b>Working Capital:</b> <ul style="list-style-type: none"> <li>Legacy business and food wholesale business cash-conversion-cycle maintained in line with historical levels</li> </ul> </li> </ul>
<b>Fx.</b>	<ul style="list-style-type: none"> <li>Inflation differential growth (PPP – no real depreciation / appreciation). Reaches a 20.7 MXN/USD level by 2031</li> </ul>
<b>Exit</b>	<ul style="list-style-type: none"> <li>Exit at 5.0x EV/EBITDA, slight expansion from entry (~4.5x)</li> </ul>

# Base Case: Revenue Evolution



- Revenue grows at a **16.7% CAGR (2024–2031)**, below the 24.9% CAGR (2020–2024)
  - Logistics growth is driven by ~11% **annual volume** growth, in line with expected Baja California Sur's market growth
  - Food wholesale grows at a **24% CAGR** through 2031, as it trends down from its accelerated pace towards market growth
  - New initiatives represent 3.5% of sales by 2031
- 2031 revenue reaches **2.4x 2025E levels**

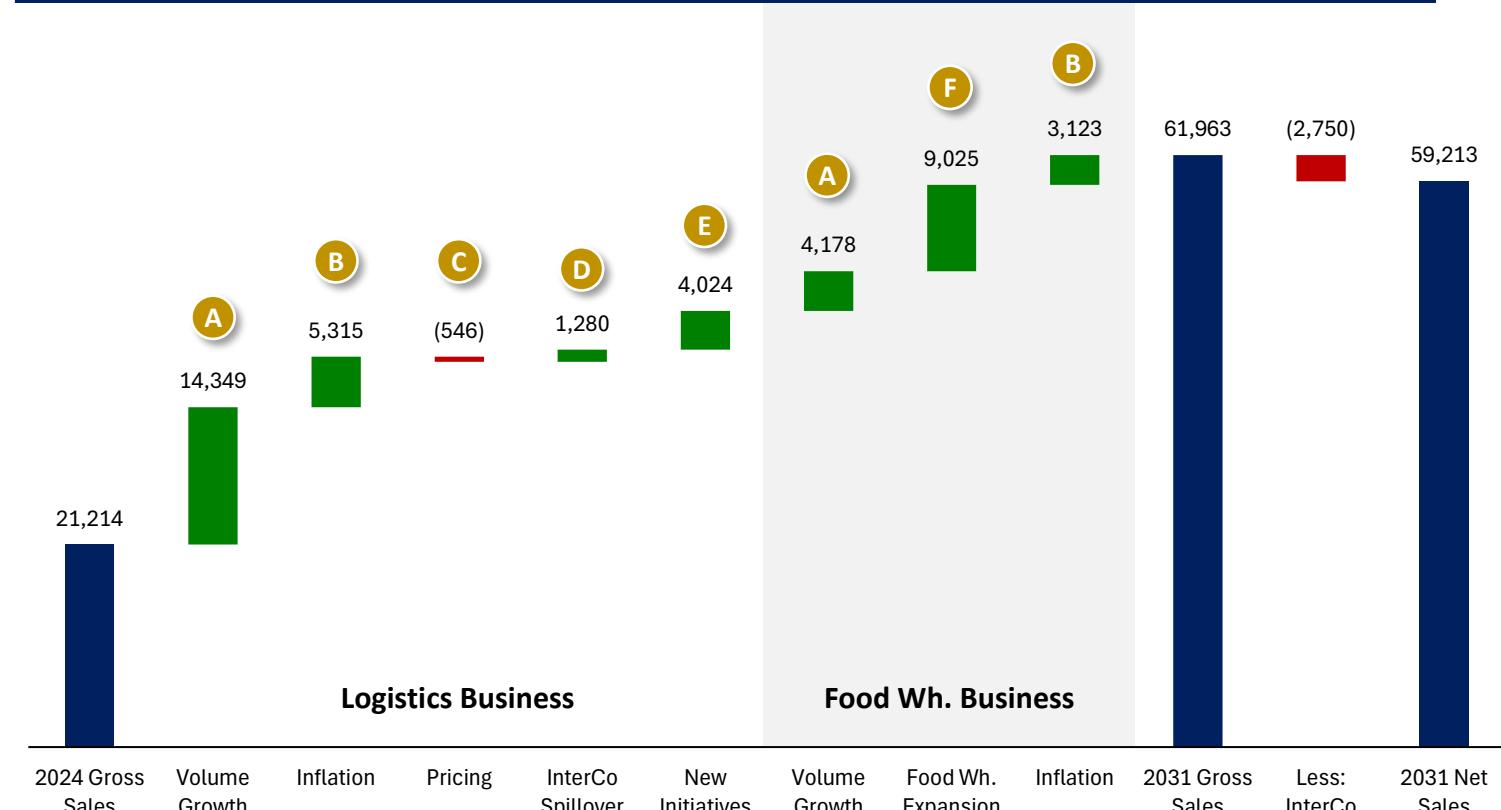


# Base Case: Sales Bridge



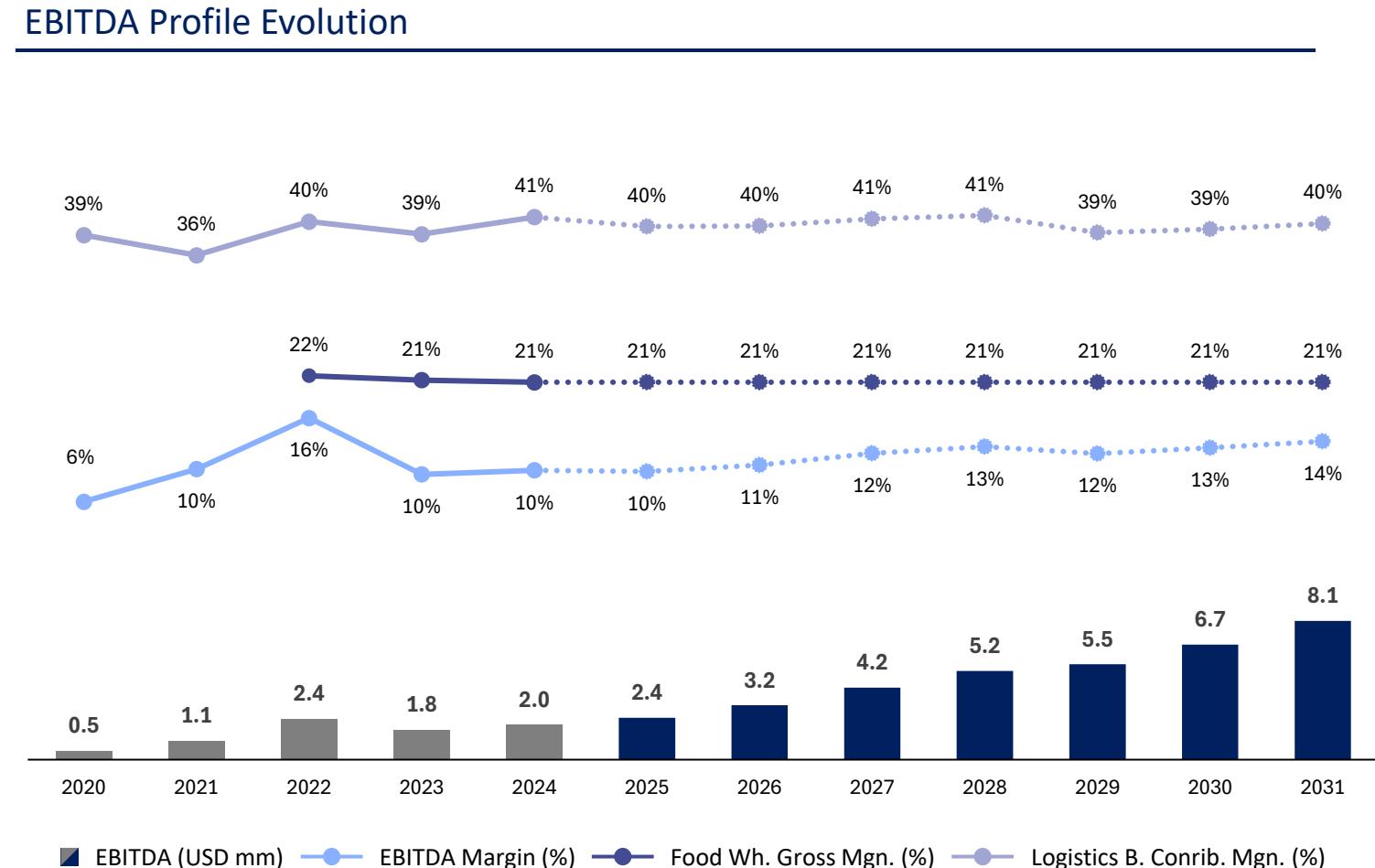
- A** Real market growth (excluding inflation) of ~10%, in line with BCS tourism growth
- B** Average 2.3% USD inflation
- C** Negligible pricing impact - stable pricing policies
- D** Food Wholesale “hires” Logistics services at arm’s length - intercompany sales reflected in Logistics top-line
- E** Stand-alone services (customs brokerage and certifications) sold in new markets / to new clients
- F** Additional 10% CAGR on top of market growth (21% compounded to market growth), reflecting early-stage momentum and client penetration upside
  - Food Wh. business has penetrated 30% of its potential customer base within the Group’s customers

Sales Growth Drivers (USD '000s)



# Base Case: EBITDA Profile

- EBITDA margin expands to **13.6% by 2031**, below the historical high of 16.4%
  - Margin expansion is driven by scale efficiencies and SG&A leverage; no Fx impact is assumed under the PPP framework
- Logistics margins benefit from moderate operating leverage (~15%), partially offset by increased rent from expanded warehousing capacity in 2030
- Fixed SG&A grows under a 15% operating leverage assumption (85% variable / 15% inflation-linked)
- The 2031 margin sits well above the historical average (~10%) and yet below the historical max of 16.4%



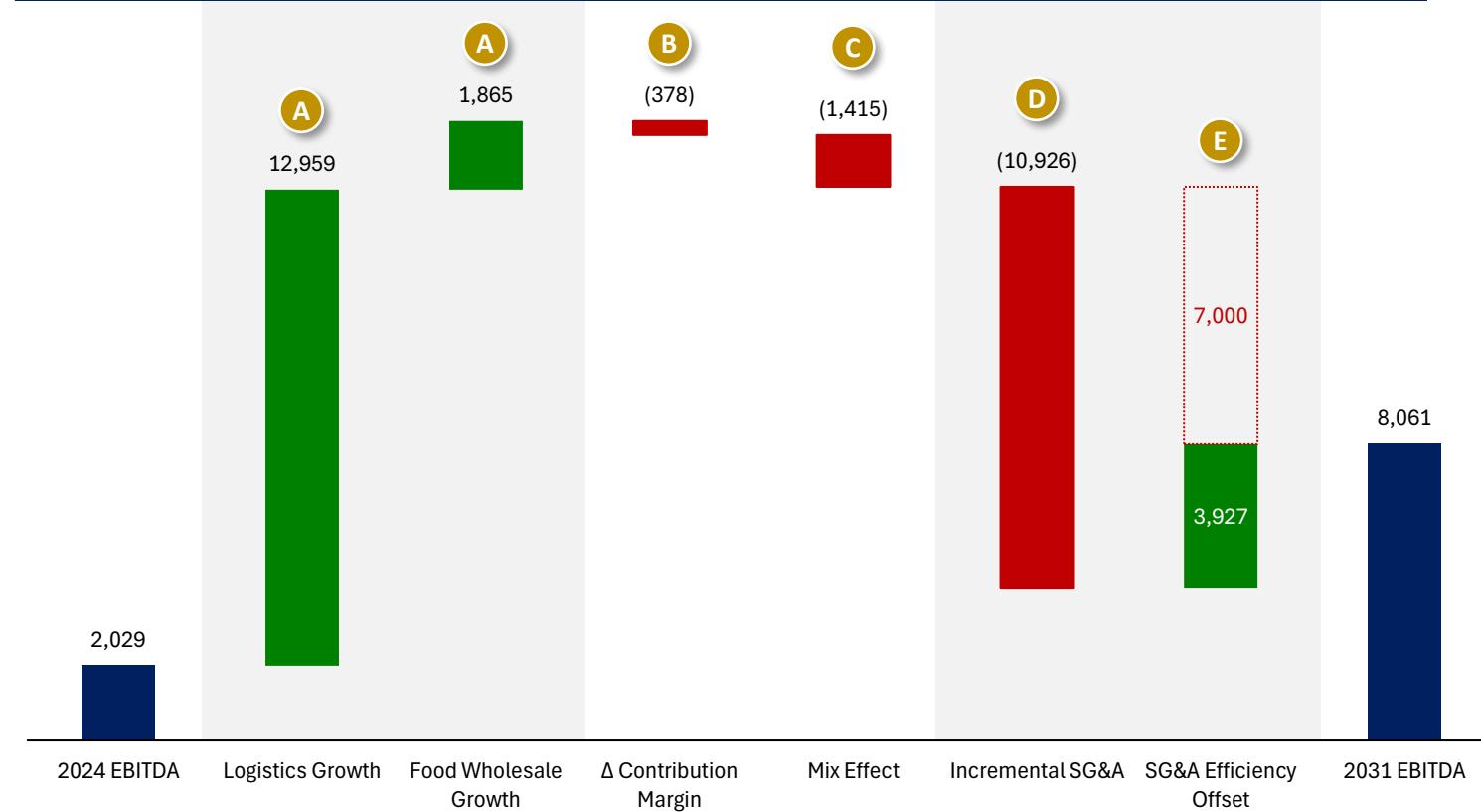
# Base Case: EBITDA Bridge



- A** Contribution growth adds ~USD14.8mm of EBITDA by 2031, assuming flat contribution margins and constant mix
- B** Contribution margins remain nearly flat (no significant margin expansion / contraction), with negligible EBITDA impact
- C** Food Wholesale mix shift reduces blended contribution margin, resulting in EBITDA drag despite incremental dollar contribution
- D** USD 10.9mm SG&A increase by 2031, assuming constant SG&A-to-sales ratio
- E** We model ~15%-20% average SG&A operating leverage - enabled by automation and process improvements.
  - With a manual, people-intensive baseline, even modest automation and systematization can drive significant efficiency gains

**Despite mix dilution, EBITDA margin expands by 3.5pp, driven by scale and SG&A efficiencies**

EBITDA Growth Drivers (USD '000s)



# Base Case: Returns Profile



- Debt service and issuance includes both CapEx and Acquisition recap debt
- Assumes dividends are not paid until earn-out is fully paid out
- **DPI of 1.4x** before exit - investors fully repaid before exit proceeds
- Exit multiple assumed at **5.0x EBITDA** - a ~0.5x multiple expansion
- Base Case returns at a 2031 exit: **34.6% IRR and 5.6x MoIC**

Project Baja - Simplified Cash Flow			Projected Period							
			Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	
<b>Net Sales</b>	USD '000s	20,104	24,482	29,508	34,418	39,787	45,720	52,151	59,213	
<b>EBITDA</b>	USD '000s	2,029	2,436	3,164	4,187	5,155	5,546	6,684	8,061	
Less: Taxes	USD '000s		(537)	(644)	(952)	(1,242)	(1,417)	(1,731)	(2,130)	
Less: Change in WK	USD '000s		146	(156)	(228)	(233)	(214)	(242)	(249)	
Less: CapEx	USD '000s		(255)	(636)	(695)	(1,102)	(1,531)	(1,263)	(1,719)	
<b>FCFF</b>	USD '000s		1,790	1,728	2,312	2,578	2,384	3,448	3,963	
Less: Debt Service	USD '000s		(371)	(1,543)	(1,824)	(1,992)	(1,484)	(1,638)	(1,498)	
Plus: Debt Issuance	USD '000s		-	229	235	480	737	502	770	
<b>CF Before Dividends</b>	USD '000s		1,419	414	722	1,067	1,637	2,312	3,235	
<b>Dividends</b>	USD '000s		-	-	-	(2,131)	(1,503)	(2,183)	(3,100)	
<b>Investor Cash Flow</b>										
Date			Oct-'25	Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31
Search Capital	USD '000s		(750)							
Acq. Equity	USD '000s		(5,750)							
Dividends	USD '000s			-	-	-	2,131	1,503	2,183	3,100
Interim Investor CFs	USD '000s		(6,500)	-	-	-	2,131	1,503	2,183	3,100
DPI	x		-	-	-	-	0.3x	0.6x	0.9x	1.4x
Invst. Proceeds @ Diff Exits	USD '000s						19,549	23,481	27,651	
Investor IRR	%						35.9%	35.1%	34.6%	
Investor MoIC	x						3.6x	4.5x	5.6x	
<b>Net Investor Cash Flows</b>										
Exit on 2029		(6,500)	-	-	-	2,131	21,052	-	-	
Exit on 2030		(6,500)	-	-	-	2,131	1,503	25,664	-	
Exit on 2031		(6,500)	-	-	-	2,131	1,503	2,183	30,751	

# Base Case: Cash Conversion Profile



- A** Projectedd tax at the marginal tax rate of 30%
- B** Includes maintenance CapEx only
- C** Includes fleet replacement CapEx only
- D** Accounts for acquisition year cash flow adjustment
- E** Includes fleet expansion CapEx
- F** Includes CapEx and Acquisition debt
- G** Assumes excess cash is distributed to shareholders
- H** Average pre-tax free cash flow conversion of ~78%
- I** Average post-tax FCF conversion rate of 54%

## Cash Flow Conversion Profile

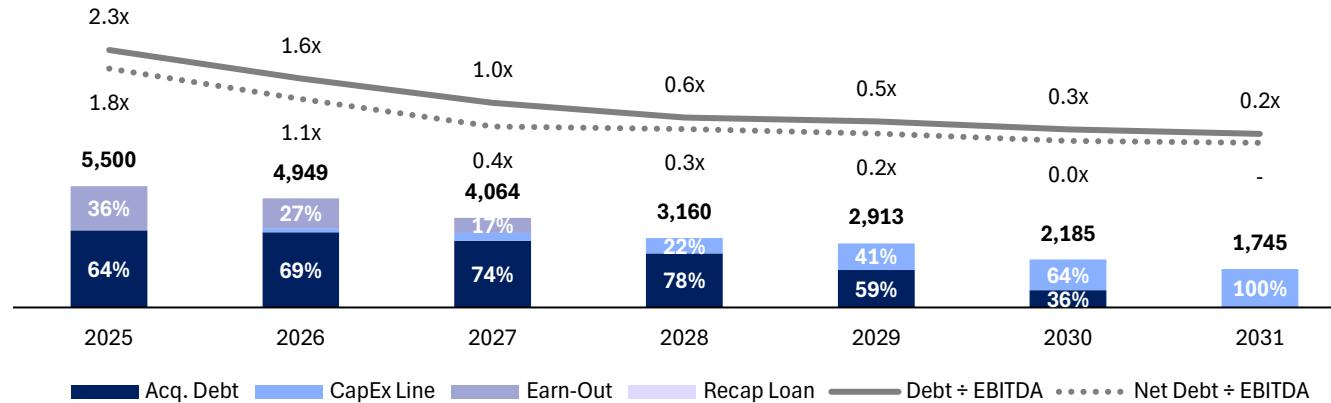
Project Baja - Cash Flow Conversion Profile	USD '000s	Projected Period							Avg. '26-'31
		Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	
EBITDA	USD '000s	2,026	2,436	3,164	4,187	5,155	5,546	6,684	8,061
Tax Expense	USD '000s	(537)	(644)	(952)	(1,242)	(1,417)	(1,731)	(2,130)	
Maintenance CapEx	USD '000s	(255)	(308)	(360)	(416)	(478)	(546)	(620)	
Truck Replacement CapEx	USD '000s	-	(327)	(335)	(686)	(702)	(359)	(367)	
N. Chg. In WK	USD '000s	146	(156)	(228)	(233)	(214)	(242)	(249)	
Other Changes in Cash	USD '000s	(1,085)	-	-	-	-	-	-	
Operating FCFF	USD '000s	705	1,728	2,312	2,578	2,735	3,806	4,696	
Expansion CapEx	USD '000s	-	-	-	-	(351)	(359)	(733)	
Debt Service	USD '000s	(343)	(1,476)	(1,724)	(1,895)	(1,407)	(1,550)	(1,399)	
Debt Issuance	USD '000s	-	229	235	480	737	502	770	
CF Available For Dividends	USD '000s	362	481	822	1,163	1,714	2,400	3,334	
Dividends	USD '000s	-	-	-	(2,131)	(1,503)	(2,183)	(3,100)	
Excess Cash Flow	USD '000s	362	481	822	(968)	211	218	234	
<hr/>									
Cash Conversion (% EBITDA)									
Maint. CapEx Burden	%		(9.7%)	(8.6%)	(8.1%)	(8.6%)	(8.2%)	(7.7%)	(8.5%)
WK Burden	%		(4.9%)	(5.4%)	(4.5%)	(3.9%)	(3.6%)	(3.1%)	(4.2%)
Truck Replacement CapEx	%		(10.3%)	(8.0%)	(13.3%)	(12.7%)	(5.4%)	(4.5%)	
Pre-Tax FCF Conversion	%		H 75.0%	78.0%	74.1%	74.9%	82.8%	84.7%	78.2%
Tax Burden	%		I (20.4%)	(22.7%)	(24.1%)	(25.6%)	(25.9%)	(26.4%)	(24.2%)
Post-Tax FCF Conversion	%			54.6%	55.2%	50.0%	49.3%	57.0%	58.3%
Discretionary Truck CapEx	%			-	-	(6.3%)	(5.4%)	(9.1%)	(3.5%)
Pre-Debt FCF Conversion	%			54.6%	55.2%	50.0%	43.0%	51.6%	49.2%
Debt Burden	%			(46.6%)	(41.2%)	(36.8%)	(25.4%)	(23.2%)	(17.4%)
Debt Issuance	%			7.2%	5.6%	9.3%	13.3%	7.5%	9.5%
									8.8%



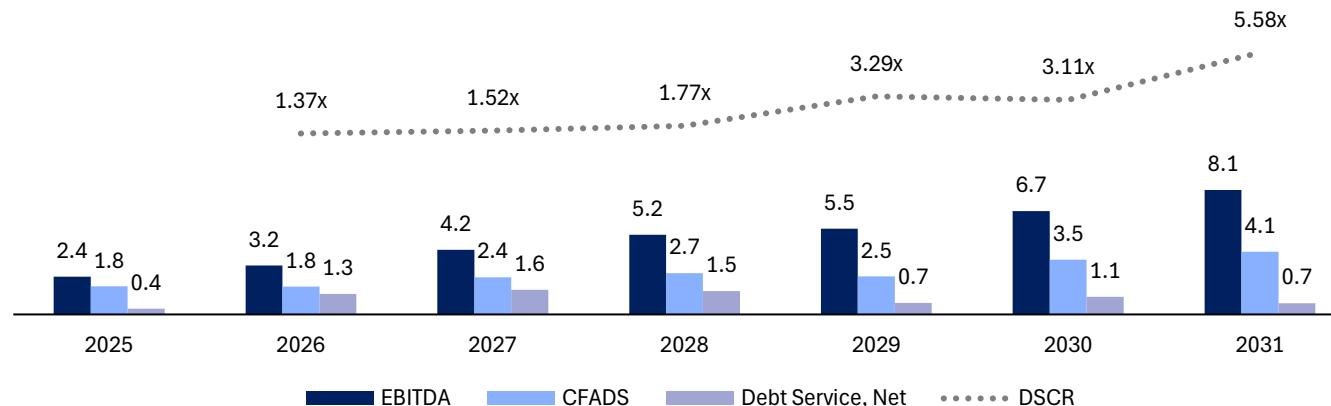
# Base Case: Deleveraging Profile

- Entry Debt-to-EBITDA of ~2.3x (assuming full earn-out is attained and US 3.5mm acquisition loan) and quickly declines, reaching 1.0x by 2027
- Healthy DSCR profile, starting at 1.37x in 2026 and quickly expanding despite increasing amortizations to acquisition debt

## Deleveraging Profile



## Debt Coverage Profile



# Base Case: Detailed Projections



Project Baja - Financial Summary		Dec-'20	Dec-'21	Dec-'22	Dec-'23	Dec-'24	Projected Period						CAGR / Avg.		
							Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	'20-'24	'24-'31
<b>Revenue Mix</b>															
Freight Revenue	%	33.5%	35.6%	37.6%	28.9%	29.1%	28.4%	26.1%	24.9%	24.0%	23.3%	22.7%	22.2%	32.9%	24.5%
Customs Brokerage	%	21.7%	22.7%	20.6%	19.0%	18.1%	17.1%	17.3%	17.2%	17.2%	17.3%	17.6%	17.8%	20.4%	17.4%
Value Add	%	33.9%	33.5%	26.3%	21.9%	19.9%	18.1%	19.4%	18.8%	18.3%	18.0%	17.8%	17.6%	27.1%	18.3%
Trading Services	%	6.4%	4.7%	7.1%	6.4%	7.3%	9.3%	7.8%	7.1%	6.5%	5.9%	5.4%	5.3%	6.4%	6.7%
Warehousing	%	4.5%	3.5%	5.7%	4.2%	3.6%	3.1%	3.3%	3.6%	3.4%	3.3%	3.2%	3.1%	4.3%	3.3%
Food Commercialization	%	-	-	2.8%	19.6%	22.1%	24.1%	26.0%	28.4%	30.5%	32.2%	33.4%	33.9%	8.9%	29.8%
Logistics Services	USD '000s	8,622	11,198	14,767	15,554	16,525	19,357	22,805	25,770	28,924	32,435	36,336	40,948	17.7%	13.8%
Food Distribution	USD '000s	-	-	419	3,801	4,689	6,162	8,030	10,222	12,705	15,407	18,220	21,015	-	23.9%
<b>Gross Sales</b>	<b>USD '000s</b>	<b>8,622</b>	<b>11,198</b>	<b>15,186</b>	<b>19,355</b>	<b>21,214</b>	<b>25,519</b>	<b>30,835</b>	<b>35,992</b>	<b>41,628</b>	<b>47,842</b>	<b>54,556</b>	<b>61,963</b>	<b>25.2%</b>	<b>16.5%</b>
InterCo Adjustments	USD '000s	(353)	(385)	(684)	(1,073)	(1,110)	(1,036)	(1,327)	(1,574)	(1,842)	(2,122)	(2,405)	(2,750)		
<b>Net Sales</b>	<b>USD '000s</b>	<b>8,270</b>	<b>10,813</b>	<b>14,502</b>	<b>18,282</b>	<b>20,104</b>	<b>24,482</b>	<b>29,508</b>	<b>34,418</b>	<b>39,787</b>	<b>45,720</b>	<b>52,151</b>	<b>59,213</b>	<b>24.9%</b>	<b>16.7%</b>
CoGS	USD '000s	-	-	(329)	(3,001)	(3,715)	(4,881)	(6,362)	(8,098)	(10,065)	(12,205)	(14,434)	(16,648)	-	23.9%
Direct Expenses	USD '000s	(5,291)	(7,146)	(8,820)	(9,530)	(9,782)	(11,683)	(13,742)	(15,316)	(17,070)	(19,824)	(22,049)	(24,565)	16.6%	14.1%
<b>Contribution</b>	<b>USD '000s</b>	<b>2,978</b>	<b>3,667</b>	<b>5,353</b>	<b>5,751</b>	<b>6,607</b>	<b>7,918</b>	<b>9,404</b>	<b>11,003</b>	<b>12,652</b>	<b>13,690</b>	<b>15,668</b>	<b>18,000</b>	<b>22.0%</b>	<b>15.4%</b>
SG&A	USD '000s	(2,738)	(2,916)	(3,453)	(4,834)	(5,647)	(6,518)	(7,566)	(8,390)	(9,339)	(10,266)	(11,390)	(12,688)	19.8%	12.3%
InterCo Adjustments	USD '000s	278	357	484	838	1,069	1,036	1,327	1,574	1,842	2,122	2,405	2,750		
<b>EBITDA</b>	<b>USD '000s</b>	<b>519</b>	<b>1,108</b>	<b>2,384</b>	<b>1,755</b>	<b>2,029</b>	<b>2,436</b>	<b>3,164</b>	<b>4,187</b>	<b>5,155</b>	<b>5,546</b>	<b>6,684</b>	<b>8,061</b>	<b>40.6%</b>	<b>21.8%</b>
<b>KPIs</b>															
Sales Growth (MXN)	%		23.4%	33.0%	11.2%	13.4%	29.7%	22.0%	17.9%	16.8%	15.9%	15.0%	14.4%	20.0%	18.7%
Sales Growth (USD)	%		30.8%	34.1%	26.1%	10.0%	21.8%	20.5%	16.6%	15.6%	14.9%	14.1%	13.5%	24.9%	16.7%
Contribution Margin (Net)	%	36.0%	33.9%	36.9%	31.5%	32.9%	32.3%	31.9%	32.0%	31.8%	29.9%	30.0%	30.4%	34.2%	31.2%
EBITDA Margin	%	6.3%	10.2%	16.4%	9.6%	10.1%	10.0%	10.7%	12.2%	13.0%	12.1%	12.8%	13.6%	10.5%	12.1%
ROTC	%	18.5%	38.3%	96.0%	76.3%	64.6%	86.0%	96.3%	109.0%	108.2%	91.2%	92.9%	94.1%	58.7%	96.8%
Exchange Rate (Avg)	MXNUSD	21.49	20.29	20.12	17.75	18.30	19.50	19.74	19.96	20.16	20.34	20.50	20.66	(3.9%)	1.7%



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# Risks & Mitigants

Risk	Description	Impact	Probability	Mitigants
Trade War	Potential shifts in U.S. - Mexico trade relations, including tariffs or border showdowns, could disrupt cross-border logistics.	●	●	<ul style="list-style-type: none"> <li>1. <b>Ensenada</b> Port alternative to congested ports (e.g., Tijuana, Otay Mesa, Long Beach). <b>Expanded capacity by 27%</b> in 2024 and will receive <b>284 mm investment</b> through 2028</li> <li>2. <b>Focused on U.S. → Mex imports</b>, which are <b>less politically sensitive</b> than exports</li> <li>3. <b>Mexico</b> has become <b>China's second largest trading partner</b> in LATAM, and <b>rising imports</b> through <b>Ensenada</b> can offset <b>U.S. demand volatility</b></li> </ul>
Cyclicalty	Economic downturns or declines in luxury tourism could reduce demand for imported goods in Southern Baja.	●	●	<ul style="list-style-type: none"> <li>1. <b>Southern Baja California</b> relies on trade given a <b>lack of local resources</b> and <b>remote location</b>, providing a base demand need for logistics services</li> <li>2. <b>~40% of revenue</b> comes from a long tail of sectors beyond tourism</li> <li>3. Client base includes sectors with <b>structural demand</b> — such as food <b>trade, supplies, and grocery</b> — which historically show low volatility across cycles</li> </ul>
Pricing	Competitors may want to undercut Baja's prices, potentially decreasing mkt. share and/or margins.	●	●	<ul style="list-style-type: none"> <li>1. <b>Service &gt; cost</b> in core sectors –luxury tourism, restaurants and premium services and retailers rank reliability, supply chain integrity and overall quality above cost</li> <li>2. <b>In-house brokerage</b> cuts clearance times and fines; gives customers cost-of-delay benefit</li> <li>3. <b>Robust suite of certifications</b> (e.g., USDA, Distintivo H) signal compliance and reliability, deterring low-cost entrants and helping protect margins</li> </ul>
Strategics Expansion	Larger logistics firms (e.g., GTG or Traxión) or new, well funded companies could enter the market, and increase competition.	●	●	<ul style="list-style-type: none"> <li>1. <b>Limited TAM</b> makes it difficult for new competitors to emerge and gain enough market share to make their investment justifiable</li> <li>2. <b>Highly relationship-dependent processes</b>, local regulation, and permits act as <b>entry barriers</b> that discourage new entrants</li> <li>3. <b>M&amp;A most efficient entrance route</b>, not direct competition; makes <b>Baja an acq. target</b></li> </ul>
Customs & Integrity	Mexico's customs system poses exposure to operational delays, informal practices, and enforcement inconsistencies.	●	●	<ul style="list-style-type: none"> <li>1. <b>Regulatory compliance</b> is not just internal policy – it's a core part of the company's value proposition to its clients.</li> <li>2. <b>In-house customs brokerage</b> – full control on inspection, documentation, audit readiness</li> <li>3. <b>Regular rotation of customs agents</b> and <b>digital workflows reduce exposure</b> to informal practices and ensure consistency</li> </ul>



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# Project Baja: Expected Timeline

	Start	End	Party	Aug					Sep					Sep					Sep					Oct					Oct																
				25	26	27	28	29	01	02	03	04	05	08	09	10	11	12	15	16	17	18	19	22	23	24	25	26	29	30	Oct	01	02	03	Oct	06	07	08	09	10	13	14	15	16	17
	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri	Mon	Tue	Wed	Thu	Fri
<b>QoE</b>																																													
QoE First Draft	Sep 01	Sep 01	A&M																																										
Final Report Dev.	Sep 01	Sep 22	A&M																																										
Final QoE Report	Sep 22	Sep 22	A&M																																										
<b>Financing</b>																																													
Appetite Indications	Aug 25	Sep 11	Lenders																																										
Lender Exclusivity	Sep 11	Oct 13	Lenders																																										
<b>Investor Subscription</b>																																													
Investor Update	Aug 27	Aug 27	Entrevo																																										
CIM 2nd Draft	Sep 08	Sep 08	Entrevo																																										
CIM Final Version	Sep 26	Sep 26	Entrevo																																										
PRN Subscription Period	Sep 15	Sep 30	Investors																																										
<b>Structuring</b>																																													
All Hands Structure Zoom	Sep 11	Sep 11	Baja+Entrevo																																										
Structure Refinement	Sep 11	Oct 05	Ritch Mueller																																										
Structure Refinement	Sep 11	Oct 05	Baja Advisors																																										
<b>SPA</b>																																													
SPA Drafting & Review	Sep 03	Sep 19	Ritch Mueller																																										
P Baja Review	Sep 19	Oct 05	P. Baja																																										
Ancillary Docs Drafting	Sep 11	Oct 05	All Legal																																										
Negotiation	Sep 29	Oct 13	Baja+Entrevo																																										
Final SPA	Oct 13	Oct 13	Baja+Entrevo																																										

CIM 2.0

Debt TS

PRNs

PRN Period Ends

Sign &amp; Close



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# Commercial DD – Customer Interviews

## Observations & Takeaways

- Entrevo participated in **40 customer interviews** in Los Cabos, alongside the seller and sales representatives
- Interviews covered a wide **industry mix and decision-maker levels**, offering a representative sample
- Only 13%** of clients provided **negative feedback**; **59%** were explicitly **positive**
- Just 15% of clients use formal procurement processes** (e.g., RFPs), suggesting that vendor selection is often based on direct interaction rather than structured evaluation
- 74% of clients prioritized service and support over price**, underscoring the importance of trust, speed, and responsiveness in logistics partnerships.

## Customer Profiles



Owner



Manager



Purchase Department

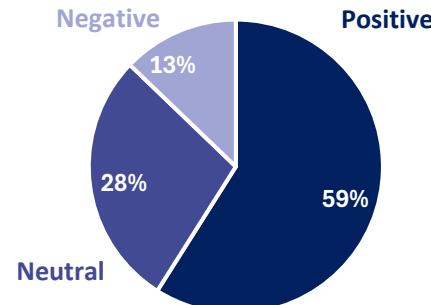
Direct decision-maker in **small businesses**

Mid-level operator with limited autonomy

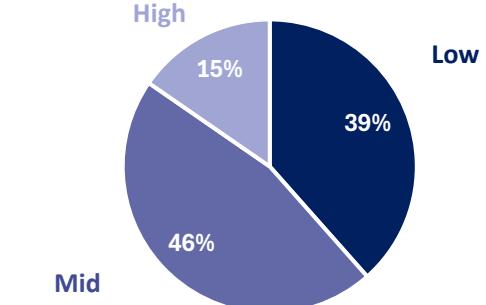
Centralized buyer in **larger, well-organized firms**

## Key Findings

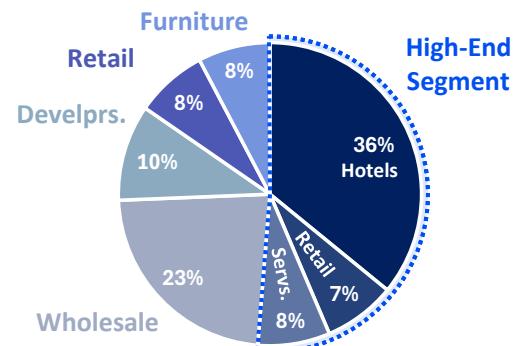
### Feedback Distribution



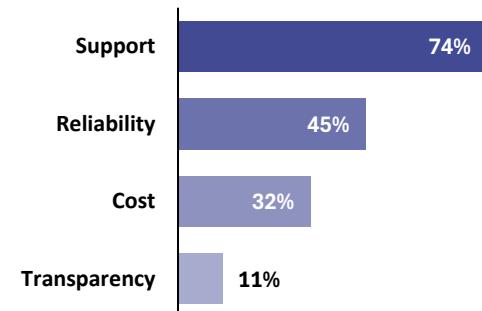
### Client Sophistication Level



### Industry Mix



### Service Priorities





# Competitive Benchmark – Mystery Shopper Findings

Project Baja stands out as the only player with full-service capabilities and presence across all key Baja locations and sectors.

		 CARGO BAJA ESPECIALISTAS EN CADENAS DE SUMINISTRO		 GRUPO PLP Import & Export	Project Baja
Primary Client Sector					
Pricing	14-18%	12-14%	14-16%	12-18%	12-14%
Transit Times	1 week	2 weeks	2 weeks	2 weeks	< 1 week
In-house Fleet					
Perishable Goods					
Specialized offering	No NOM restrictions	White-Glove Installation	-	-	Certifications
Physical presence	En  LP  Tj  LC 	En  LP  Tj  LC 	En  LP  Tj  LC 	En  LP  Tj  LC 	En  LP  Tj  LC 
Regional Footprint	Baja Region	Pacific Tourist Hubs	Northwestern Mexico	Baja Region	Baja Region



Hospitality &amp; Tourism



Retail &amp; Consumer Goods



Construction &amp; Real Estate



Restaurants &amp; Foodservice

En – Ensenada

LP – La Paz

Tj – Tijuana

LC – Los Cabos



# Quality of Earnings Highlights – Adjusted EBITDA

Project Baja

**DRAFT**

QoE Analysis

MXN \$ 000's	Ref	FY23	FY24	LTM May25
Net revenue		743,159	756,749	868,994
Reported EBITDAEBITDA		7,799	13,587	19,338
Total Management adjustments		28,829	24,431	33,374
Management EBITDA		36,628	38,018	52,712
<b><i>DD adjustments</i></b>				
Management adjustments reversal	A	(277)	(599)	(3,973)
Intercompany Profit Adjustment	B	-	-	-
Bad debt reserve	C	[Open]	[Open]	[Open]
Foreign Exchange Effect on Realized Results	D	(987)	892	1,097
Bank commissions	E	(1,174)	(1,312)	(1,362)
Non recurring revenue	F	-	-	[Open]
Normalized credit notes	G	-	-	(663)
Personnel expenses outside transaction perimeter	H	(1,833)	(1,924)	(1,964)
Profit Sharing expense normalization	I	(1,424)	119	367
<b>Total Due diligence adjustments</b>		<b>(5,696)</b>	<b>(2,824)</b>	<b>(6,499)</b>
<b>Diligence adjusted EBITDA</b>		<b>30,932</b>	<b>35,194</b>	<b>46,214</b>
<b><i>Pro forma adjustments</i></b>				
Additional profit sharing to employees	J	(931)	373	(718)
<b><i>KPI's</i></b>				
Reported EBITDA margin		1.0%	1.8%	2.2%
Management EBITDA margin		4.9%	5.0%	6.1%
DD adjusted EBITDA margin		4.1%	4.6%	5.3%

## EBITDA Validation:

- QoE Adjusted 2024E EBITDA of ~MXN 35.2mm, which is **within 5% of our own analysis**
  - Validates results from our own internal diligence efforts

## Pending Adjustments:

- Bad debt reserve treatment remains open. Impact is expected to be limited and not material to overall EBITDA

## Revenue Recognition (Key Difference):

- QoE shows **significantly higher revenues** than our internal view. This results from **reporting standard criteria, not business fundamentals**:
  - When acting as a trading company, the firm **records the clients' full merchandise value** of client goods in its P&L
  - The company **does not take inventory risk**; this is purely pass-through
  - Accounting standards nonetheless require this to appear as revenue
  - The only top-line accounting adjustment in QoE is for **InterCo eliminations**

## Margin Interpretation:

- This representation **inflates revenues while adding equivalent costs**, which **artificially suppresses reported margins**
  - Crucially, **EBITDA (profitability) is unchanged** - both revenues and costs move in tandem.

## Status of Work:

- Figures are based on the first draft QoE (xls format). The final report will include commentary on revenue recognition accounting policies, which will further align with how we present EBITDA

Note: QoE figures are as per A&M's first draft (xls). Narrative descriptions prepared by Entrevo Capital; final figures subject to confirmation upon receipt of full report.



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Sensitivity Analysis

# Returns Sensitivity: Growth & Margin (Base Case)



- Base case assumptions correspond to **~35% IRR and ~5.6x MoIC**
- Returns are resilient under more bearish assumptions
  - Lower growth reflects  $\sim 1.25x$  2025E sales, essentially only inflation-linked expansion
  - Margin downside assumes early-year erosion, with the lower bound near the historical low of 6.4% seen during COVID lockdowns
  - Still, returns remain attractive under stressed assumptions
- Upside combinations of stronger growth and margin expansion deliver IRRs above 40%

Sales Growth Sensitivity													
'31E Sales (USD mm)	30.7	36.7	42.8	49.0	<b>59.2</b>	64.9	69.7	73.5	79.6				
Net Sales '25E - '31E CAGR	3.8%	7.0%	9.8%	12.3%	<b>15.9%</b>	17.7%	19.1%	20.1%	21.7%				
Growth vs. 2024	1.52x	1.83x	2.13x	2.44x	<b>2.95x</b>	3.23x	3.47x	3.66x	3.96x				
Growth vs. May'25 LTM	1.41x	1.69x	1.97x	2.25x	<b>2.72x</b>	2.98x	3.20x	3.38x	3.66x				
Growth vs. 2025E	1.25x	1.50x	1.75x	2.00x	<b>2.42x</b>	2.65x	2.85x	3.00x	3.25x				
IRR (%) Sensitivity (2031 Exit)   3.5 mm Acq. Loan													
EBITDA Margin			Top Line '25-'31E CAGR (USD)										
Min.	Avg.	2031E	3.8%	7.0%	9.8%	12.3%	<b>15.9%</b>	17.7%	19.1%	20.1%	21.7%		
10.0%	13.8%	15.6%	25.3%	29.7%	33.3%	34.8%	39.6%	42.5%	44.1%	44.4%	47.0%		
10.0%	13.3%	15.1%	24.2%	28.7%	32.4%	33.7%	38.3%	41.2%	42.8%	43.0%	45.7%		
10.0%	12.9%	14.6%	23.1%	27.6%	31.4%	32.6%	36.9%	39.8%	41.5%	41.6%	44.3%		
10.0%	12.5%	14.1%	22.5%	26.6%	30.3%	31.5%	35.6%	38.4%	40.1%	40.2%	42.8%		
<b>10.0%</b>	<b>12.1%</b>	<b>13.6%</b>	<b>21.6%</b>	<b>25.5%</b>	<b>29.3%</b>	<b>30.4%</b>	<b>34.6%</b>	<b>37.0%</b>	<b>38.6%</b>	<b>38.7%</b>	<b>41.3%</b>		
9.9%	11.6%	13.1%	21.0%	24.5%	28.2%	29.3%	33.4%	35.8%	37.2%	37.1%	39.8%		
9.4%	11.2%	12.6%	19.6%	23.6%	27.0%	28.1%	32.3%	34.7%	36.0%	35.8%	38.3%		
8.4%	10.3%	11.6%	17.5%	21.7%	25.0%	25.3%	29.8%	32.3%	33.7%	33.4%	35.5%		
7.4%	9.5%	10.6%	14.9%	19.1%	22.5%	22.8%	27.0%	29.6%	31.1%	30.6%	33.0%		
MoIC (x) Sensitivity (2031 Exit)   3.5 mm Acq. Loan													
EBITDA Margin			Top Line '24-'31E CAGR (USD)										
Min.	Avg.	2031E	3.8%	7.0%	9.8%	12.3%	<b>15.9%</b>	17.7%	19.1%	20.1%	21.7%		
10.0%	13.8%	15.6%	3.6x	4.4x	5.1x	5.3x	6.6x	7.4x	8.1x	8.1x	8.9x		
10.0%	13.3%	15.1%	3.4x	4.2x	4.9x	5.1x	6.3x	7.1x	7.7x	7.7x	8.6x		
10.0%	12.9%	14.6%	3.3x	4.1x	4.8x	5.0x	6.0x	6.8x	7.4x	7.4x	8.2x		
10.0%	12.5%	14.1%	3.2x	3.9x	4.6x	4.8x	5.8x	6.5x	7.1x	7.0x	7.9x		
<b>10.0%</b>	<b>12.1%</b>	<b>13.6%</b>	<b>3.1x</b>	<b>3.7x</b>	<b>4.4x</b>	<b>4.6x</b>	<b>5.6x</b>	<b>6.2x</b>	<b>6.8x</b>	<b>6.7x</b>	<b>7.5x</b>		
9.9%	11.6%	13.1%	3.0x	3.6x	4.3x	4.4x	5.4x	6.0x	6.5x	6.4x	7.1x		
9.4%	11.2%	12.6%	2.9x	3.5x	4.1x	4.2x	5.2x	5.8x	6.2x	6.1x	6.8x		
8.4%	10.3%	11.6%	2.6x	3.2x	3.8x	3.8x	4.8x	5.4x	5.8x	5.7x	6.2x		
7.4%	9.5%	10.6%	2.4x	2.9x	3.4x	3.5x	4.3x	4.9x	5.3x	5.1x	5.7x		



# Returns Sensitivity: Exit Multiple & Timing (Base Case)

- Base case (2031 exit at 5.0x) corresponds to ~35% IRR and ~5.6x MoIC
- Returns are resilient across exit years: at a 5.0x multiple, IRR remains ~34%-36% whether exit occurs in 2029, 2030, or 2031
- Exit multiple is the larger driver: moving from 4.0x (slight margin compression) to 6.0x (1.5x multiple expansion) expands IRR from ~30% to ~38%
- Given attractive entry multiple, base case returns remain attractive under several exit multiple assumptions

		Returns Sensitivities   Exit Year vs. Exit Multiple					
		Exit Year					
		2029		2030		2031	
Exit Multiple	IRR	MoIC	IRR	MoIC	IRR	MoIC	
	4.0x	30.4%	3.0x	31.0%	3.8x	31.3%	4.8x
	4.3x	31.9%	3.1x	32.1%	4.0x	32.2%	5.0x
	4.5x	33.3%	3.3x	33.2%	4.2x	33.0%	5.2x
	4.8x	34.6%	3.4x	34.2%	4.3x	33.8%	5.4x
	5.0x	<b>35.9%</b>	<b>3.6x</b>	<b>35.1%</b>	<b>4.5x</b>	<b>34.6%</b>	<b>5.6x</b>
	5.3x	37.1%	3.7x	36.0%	4.7x	35.3%	5.8x
	5.5x	38.2%	3.8x	36.9%	4.8x	36.0%	6.0x
	5.8x	39.5%	4.0x	37.8%	5.0x	36.7%	6.2x
	6.0x	40.7%	4.1x	38.8%	5.2x	37.5%	6.5x

# Returns Sensitivity: FX Rate (Base Case)



- Base case Fx path: MXN/USD moves from 18.8 today to 19.5 in 2025E (most recent macro expectations survey data) to 20.8 in 2031E (assumes PPP and based on IMF inflation expectations)
- The company is **net USD exposed**, so a stronger USD (higher MXN/USD) supports higher returns (IRRs up to ~36%-37%, MoIC up to ~6.0x)

Returns Sensitivities   Exit Year vs. Exit Multiple									
MXN/USD			2029		Exit Year		2030		2031
Current	'25E EoP	31E EoP	IRR	MoIC	IRR	MoIC	IRR	MoIC	
18.8	19.5	23.1	37.8%	3.8x	37.0%	4.8x	36.5%	6.0x	
18.8	19.5	22.5	37.4%	3.7x	36.6%	4.7x	36.0%	5.9x	
18.8	19.5	21.9	36.9%	3.7x	36.1%	4.7x	35.5%	5.8x	
18.8	19.5	21.4	36.4%	3.6x	35.6%	4.6x	35.1%	5.7x	
<b>18.8</b>	<b>19.5</b>	<b>20.8</b>	<b>35.9%</b>	<b>3.6x</b>	<b>35.1%</b>	<b>4.5x</b>	<b>34.6%</b>	<b>5.6x</b>	
18.8	19.5	20.3	35.4%	3.5x	34.6%	4.4x	34.0%	5.5x	
18.8	19.5	19.8	34.8%	3.5x	34.0%	4.3x	33.5%	5.4x	
18.8	19.5	19.3	34.2%	3.4x	33.4%	4.3x	32.9%	5.3x	
18.8	19.5	18.8	33.6%	3.3x	32.8%	4.2x	32.2%	5.1x	



# Returns Sensitivity: Debt Size & Interest Rate (Base Case)

- Base case: USD 3.5mm acquisition debt at 17% delivers 35% IRR and 5.6x MoIC
- Each additional USD 500k of debt increases IRR by ~1.0 pp and MoIC by ~0.3x-0.5x
- Interest rate is not the real driver of returns within this range, total debt size is more relevant for returns

IRR (%) Sensitivity   Acquisition Debt Terms							
Interest Rate	Acq. Debt Size (USD '000s)						
	1,500	2,000	2,500	3,000	3,500	4,000	4,500
	10.0%	31.5%	32.3%	33.2%	34.1%	35.1%	36.2%
	12.0%	31.5%	32.2%	33.1%	34.0%	35.0%	36.0%
	14.0%	31.4%	32.2%	33.0%	33.9%	34.8%	35.8%
	16.0%	31.3%	32.1%	32.9%	33.7%	34.6%	35.7%
	17.0%	31.3%	32.0%	32.8%	33.7%	34.6%	35.6%
	18.0%	31.3%	32.0%	32.8%	33.6%	34.5%	35.5%
	20.0%	31.2%	31.9%	32.7%	33.5%	34.4%	35.4%
	22.0%	31.2%	31.8%	32.6%	33.4%	34.3%	35.2%
	24.0%	31.1%	31.8%	32.4%	33.2%	34.2%	35.1%

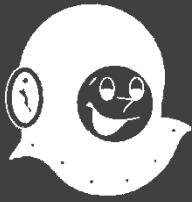
MoIC (%) Sensitivity   Acquisition Debt Terms							
Interest Rate	Acq. Debt Size (USD '000s)						
	1,500	2,000	2,500	3,000	3,500	4,000	4,500
	10.0%	4.7x	4.9x	5.1x	5.4x	5.6x	6.0x
	12.0%	4.7x	4.9x	5.1x	5.4x	5.6x	6.0x
	14.0%	4.7x	4.9x	5.1x	5.4x	5.6x	5.9x
	16.0%	4.7x	4.9x	5.1x	5.4x	5.6x	5.9x
	17.0%	4.7x	4.9x	5.1x	5.3x	5.6x	5.9x
	18.0%	4.7x	4.9x	5.1x	5.3x	5.6x	5.9x
	20.0%	4.7x	4.9x	5.1x	5.3x	5.6x	5.9x
	22.0%	4.7x	4.9x	5.1x	5.3x	5.6x	5.9x
	24.0%	4.7x	4.9x	5.1x	5.3x	5.6x	5.9x

# Liquidity Sensitivity: DSCR & Leverage vs. Growth & Margin (Base Case)



- Under our Base case, min DSCR sit comfortably at 1.37x and maximum Debt/EBITDA at 1.6x
- Stressed scenarios:
  - At lower growth and margins, DSCR trends toward ~1.0x, signaling potential breaking points

Sales Growth Sensitivity											
'31E Sales (USD mm)	30.7	36.7	42.8	49.0	<b>59.2</b>	64.9	69.7	73.5	79.6		
Net Sales '25E - '31E CAGR	3.8%	7.0%	9.8%	12.3%	<b>15.9%</b>	17.7%	19.1%	20.1%	21.7%		
Growth vs. 2024	1.52x	1.83x	2.13x	2.44x	<b>2.95x</b>	3.23x	3.47x	3.66x	3.96x		
Growth vs. May'25 LTM	1.41x	1.69x	1.97x	2.25x	<b>2.72x</b>	2.98x	3.20x	3.38x	3.66x		
Growth vs. 2025E	1.25x	1.50x	1.75x	2.00x	<b>2.42x</b>	2.65x	2.85x	3.00x	3.25x		
Scenario Analysis: Min DSCR (x)   3.5 mm Acq. Loan											
EBITDA Margin			Top Line '25-'31E CAGR (USD)								
Min.	Avg.	2031E	3.8%	7.0%	9.8%	12.3%	<b>15.9%</b>	17.7%	19.1%	20.1%	21.7%
10.0%	13.8%	15.6%	1.46x	1.60x	1.64x	1.66x	1.69x	1.71x	1.72x	1.73x	1.75x
10.0%	13.3%	15.1%	1.43x	1.53x	1.57x	1.59x	1.61x	1.63x	1.64x	1.65x	1.67x
10.0%	12.9%	14.6%	1.37x	1.46x	1.50x	1.52x	1.53x	1.54x	1.56x	1.57x	1.59x
10.0%	12.5%	14.1%	1.34x	1.39x	1.44x	1.46x	1.45x	1.46x	1.48x	1.49x	1.50x
<b>10.0%</b>	<b>12.1%</b>	<b>13.6%</b>	<b>1.28x</b>	<b>1.35x</b>	<b>1.37x</b>	<b>1.39x</b>	<b>1.37x</b>	<b>1.38x</b>	<b>1.39x</b>	<b>1.40x</b>	<b>1.42x</b>
9.9%	11.6%	13.1%	1.23x	1.28x	1.30x	1.32x	1.29x	1.30x	1.31x	1.32x	1.33x
9.4%	11.2%	12.6%	1.17x	1.22x	1.24x	1.25x	1.21x	1.22x	1.23x	1.24x	1.25x
8.4%	10.3%	11.6%	1.06x	1.09x	1.10x	1.12x	1.05x	1.06x	1.07x	1.07x	1.08x
7.4%	9.5%	10.6%	<b>0.94x</b>	<b>0.96x</b>	<b>0.97x</b>	<b>0.98x</b>	<b>0.89x</b>	<b>0.90x</b>	<b>0.90x</b>	<b>0.91x</b>	<b>0.92x</b>
Scenario Analysis: Max Debt ÷ EBITDA (x)   3.5 mm Acq. Loan											
2031E EBITDA Mgn.			Top Line '24-'31E CAGR (USD)								
Base C.	Sensit.	3.8%	7.0%	9.8%	12.3%	<b>15.9%</b>	17.7%	19.1%	20.1%	21.7%	
10.0%	13.8%	15.6%	1.5x	1.4x	1.4x	1.3x	1.3x	1.3x	1.3x	1.2x	
10.0%	13.3%	15.1%	1.5x	1.5x	1.4x	1.4x	1.4x	1.3x	1.3x	1.3x	
10.0%	12.9%	14.6%	1.6x	1.5x	1.5x	1.4x	1.4x	1.4x	1.4x	1.3x	
10.0%	12.5%	14.1%	1.7x	1.6x	1.5x	1.5x	1.5x	1.4x	1.4x	1.4x	
<b>10.0%</b>	<b>12.1%</b>	<b>13.6%</b>	<b>1.7x</b>	<b>1.7x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.5x</b>	<b>1.5x</b>	<b>1.5x</b>	
9.9%	11.6%	13.1%	1.8x	1.8x	1.7x	1.6x	1.6x	1.6x	1.6x	1.5x	
9.4%	11.2%	12.6%	1.9x	1.8x	1.8x	1.7x	1.7x	1.7x	1.6x	1.6x	
8.4%	10.3%	11.6%	<b>2.2x</b>	<b>2.1x</b>	<b>2.0x</b>	<b>1.9x</b>	<b>1.9x</b>	<b>1.9x</b>	<b>1.8x</b>	<b>1.8x</b>	
7.4%	9.5%	10.6%	<b>2.5x</b>	<b>2.4x</b>	<b>2.3x</b>	<b>2.2x</b>	<b>2.3x</b>	<b>2.2x</b>	<b>2.2x</b>	<b>2.1x</b>	



# Appendix

Scenario Analysis

# Scenario Side-by-Side



	Base Case		Bull Scenario		Bear Scenario	
Growth	14% Legacy	24% Food Wh.	17% Legacy	28% Food Wh.	3% Legacy	6% Food Wh.
EBITDA	<b>12.1%</b> '25-'31 Average Margin		<b>13.0%</b> '25-'31 Average Margin		<b>9.3%</b> '25-'31 Average Margin	
Exit	<b>5.0x</b> EBITDA		<b>6.0x</b> EBITDA		<b>4.0x</b> EBITDA	
Fx.	<b>19.5</b> 2025	<b>20.7</b> 2031	<b>19.5</b> 2025	<b>22.3</b> 2031	<b>19.5</b> 2025	<b>19.2</b> 2031
IRR	<b>35.1%</b> 2030 Exit	<b>34.6%</b> 2031 Exit	<b>46.7%</b> 2030 Exit	<b>44.7%</b> 2031 Exit	<b>6.8%</b> 2030 Exit	<b>7.1%</b> 2031 Exit
MoIC	<b>4.5x</b> 2030 Exit	<b>5.6x</b> 2031 Exit	<b>6.9x</b> 2030 Exit	<b>8.9x</b> 2031 Exit	<b>1.4x</b> 2030 Exit	<b>1.5x</b> 2031 Exit



# Bull Scenario: Assumptions Summary

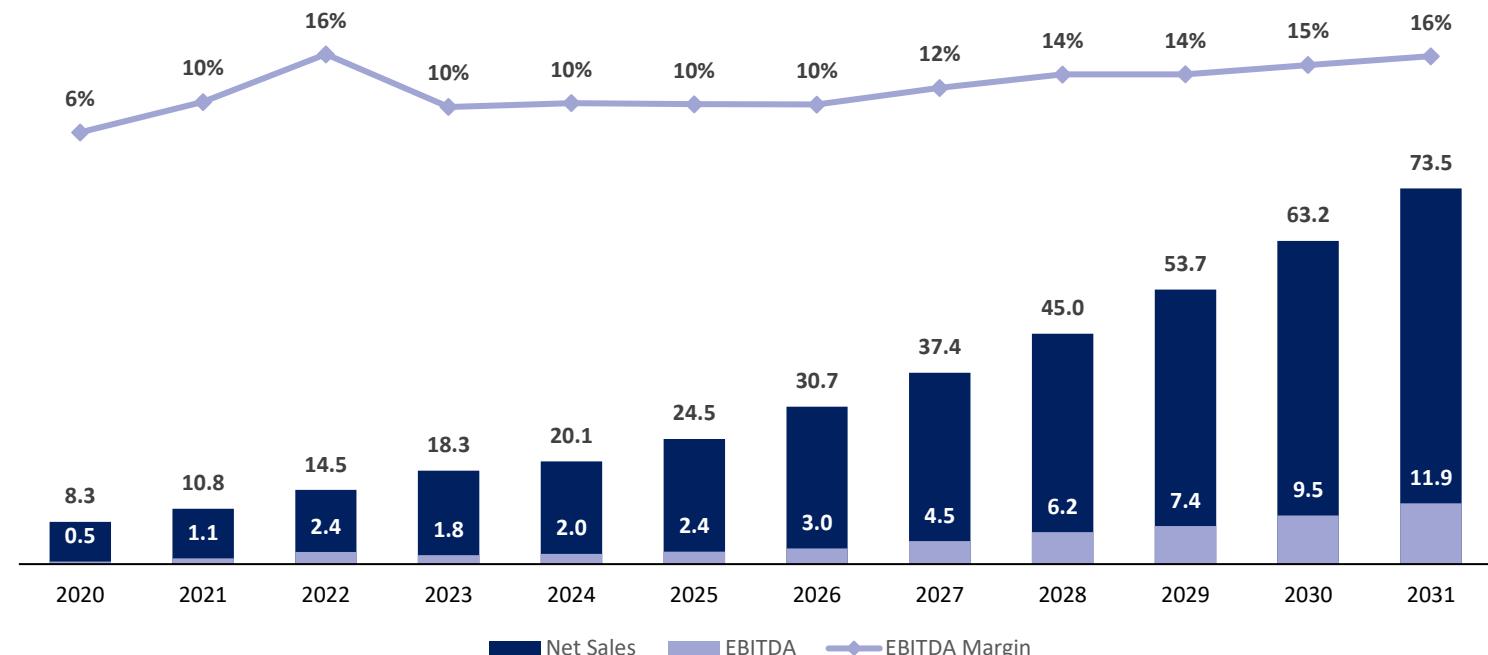
<b>Revenue</b>	<ul style="list-style-type: none"> <li><b>Legacy Business:</b> 14.5% volume growth (in USD terms) from 2026 through 2031, 3.5pp above base case scenario and market trend. Assumes market capture and/or market expansion</li> <li><b>Food Wholesale:</b> continued aggressive real growth (40% in 2025), trending down to 10% by 2031 (30% average growth, 5pp above base case)</li> <li><b>New initiatives:</b> increased certifications and stand-alone customs brokerage represent ~8.9% of sales by 2031</li> </ul>
<b>Direct Costs</b>	<ul style="list-style-type: none"> <li><b>Legacy Business:</b> <ul style="list-style-type: none"> <li>Operating Leverage of ~15% for semi-fixed costs</li> <li>6pp margin improvement in the brokerage business given technological improvements</li> <li>Increased warehouse capacity at 2x 2023's merchandise volume</li> <li>Costs directly impacted by real Fx. depreciations, direct incidence in margins</li> </ul> </li> <li><b>Food Wholesale:</b> flat gross margin at ~20%. USD denominated CoGS impacted by real Fx. depreciations</li> </ul>
<b>SG&amp;A</b>	<ul style="list-style-type: none"> <li>10% operating leverage assumed</li> <li>Costs directly impacted by real Fx. depreciations, direct incidence in margins</li> <li>4.5% Sales &amp; Marketing spend to sustain increased growth, ~1.5% above base case</li> </ul>
<b>Debt &amp; Cash Flow</b>	<ul style="list-style-type: none"> <li><b>Debt:</b> <ul style="list-style-type: none"> <li>USD 3.5mm acquisition debt at 17% interest rate in USD terms</li> <li>New truck CapEx financed at 70% LTV through leases, in line with current leased trucks terms</li> </ul> </li> <li><b>CapEx:</b> <ul style="list-style-type: none"> <li>Existing truck fleet replaced according to useful life schedule</li> <li>27 new trucks added to the fleet through 2031</li> </ul> </li> <li><b>Working Capital:</b> <ul style="list-style-type: none"> <li>Legacy business and food wholesale business cash-conversion-cycle maintained in line with historical levels</li> </ul> </li> </ul>
<b>Fx.</b>	<ul style="list-style-type: none"> <li>1.3% annual real MXN depreciation, reaching a 22.3 MXN/USD level by 2031 (in line with historical highs)</li> </ul>
<b>Exit</b>	<ul style="list-style-type: none"> <li>Exit at 6.0x EV/EBITDA, a 1.5x multiple expansion from entry</li> </ul>

# Bull Scenario: Revenue and EBITDA Evolution



Revenue and EBITDA Evolution (USD mm)

- Top line growth of 3.0x vs. 2025E (3.7x vs. 2024A) driven by logistics business 17.4% CAGR and Food Wholesale 28.0% CAGR
- 5.9pp EBITDA margin expansion, driven by operating leverage, SG&A efficiencies, and mix shift toward Food Wholesale.



# Bull Scenario: Returns Profile



- Strong investor returns, with IRR of ~45%-50% and MoIC of 5.3x-8.9x across exit years
- Early dividend capacity delivers full return on capital by 2030
- Cash generation enables both deleveraging and distributions, driving steady DPI progression (1.6x by 2031)

Project Baja - Simplified Cash Flow			Projected Period							
			Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	
<b>Net Sales</b>	USD '000s	20,104	24,482	30,747	37,425	45,033	53,670	63,211	73,467	
<b>EBITDA</b>	USD '000s	2,029	2,436	3,048	4,519	6,224	7,432	9,518	11,911	
Less: Taxes	USD '000s		(537)	(608)	(1,051)	(1,561)	(1,943)	(2,423)	(2,981)	
Less: Change in WK	USD '000s		146	(209)	(325)	(358)	(353)	(390)	(387)	
Less: CapEx	USD '000s		(255)	(649)	(727)	(1,502)	(3,370)	(3,891)	(4,070)	
<b>FCFF</b>	USD '000s		1,790	1,582	2,416	2,804	1,766	2,814	4,473	
Less: Debt Service	USD '000s		(371)	(1,543)	(1,824)	(2,038)	(1,779)	(2,323)	(2,533)	
Plus: Debt Issuance	USD '000s		-	229	235	721	1,965	2,259	2,309	
<b>CF Before Dividends</b>	USD '000s		1,419	267	826	1,486	1,952	2,750	4,249	
<b>Dividends</b>	USD '000s		-	-	-	(2,331)	(1,751)	(2,546)	(4,044)	
<b>Investor Cash Flow</b>										
Date			Oct-'25	Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31
Search Capital	USD '000s		(750)							
Acq. Equity	USD '000s		(5,750)							
Dividends	USD '000s			-	-	-	2,331	1,751	2,546	4,044
Interim Investor CFs	USD '000s		(6,500)		-	-	2,331	1,751	2,546	4,044
DPI	x		-	-	-	-	0.4x	0.6x	1.0x	1.6x
Invst. Proceeds @ Diff Exits	USD '000s						30,643	38,434	47,087	
<b>Investor IRR</b>	%							49.4%	46.7%	44.7%
<b>Investor MoIC</b>	x							5.3x	6.9x	8.9x
<b>Net Investor Cash Flows</b>										
Exit on 2029			(6,500)	-	-	-	2,331	32,394	-	-
Exit on 2030			(6,500)	-	-	-	2,331	1,751	40,980	-
Exit on 2031			(6,500)	-	-	-	2,331	1,751	2,546	51,131

# Bull Case: Detailed Projections



Project Baja - Financial Summary		Dec-'20	Dec-'21	Dec-'22	Dec-'23	Dec-'24	Projected Period						CAGR / Avg.		
							Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	'20-'24	'24-'31
<strong>Revenue Mix</strong>															
Freight Revenue	%	33.5%	35.6%	37.6%	28.9%	29.1%	28.4%	25.7%	24.0%	22.7%	21.7%	21.0%	20.5%	32.9%	23.4%
Customs Brokerage	%	21.7%	22.7%	20.6%	19.0%	18.1%	17.1%	17.4%	17.3%	17.4%	17.6%	17.9%	18.5%	20.4%	17.6%
Value Add	%	33.9%	33.5%	26.3%	21.9%	19.9%	18.1%	19.6%	19.0%	18.7%	18.5%	18.5%	18.4%	27.1%	18.7%
Trading Services	%	6.4%	4.7%	7.1%	6.4%	7.3%	9.3%	7.8%	7.1%	6.6%	6.1%	5.6%	5.5%	6.4%	6.9%
Warehousing	%	4.5%	3.5%	5.7%	4.2%	3.6%	3.1%	3.2%	3.4%	3.2%	3.1%	2.9%	2.9%	4.3%	3.1%
Food Commercialization	%	-	-	2.8%	19.6%	22.1%	24.1%	26.3%	29.1%	31.4%	33.1%	34.0%	34.2%	8.9%	30.3%
Logistics Services	USD '000s	8,622	11,198	14,767	15,554	16,525	19,357	23,697	27,809	32,399	37,685	43,751	50,727	17.7%	17.4%
Food Distribution	USD '000s	-	-	419	3,801	4,689	6,162	8,464	11,394	14,828	18,631	22,577	26,370	-	28.0%
<strong>Gross Sales</strong>	<strong>USD '000s</strong>	<strong>8,622</strong>	<strong>11,198</strong>	<strong>15,186</strong>	<strong>19,355</strong>	<strong>21,214</strong>	<strong>25,519</strong>	<strong>32,161</strong>	<strong>39,204</strong>	<strong>47,227</strong>	<strong>56,316</strong>	<strong>66,328</strong>	<strong>77,097</strong>	<strong>25.2%</strong>	<strong>20.2%</strong>
InterCo Adjustments	USD '000s	(353)	(385)	(684)	(1,073)	(1,110)	(1,036)	(1,414)	(1,779)	(2,194)	(2,646)	(3,118)	(3,630)		
<strong>Net Sales</strong>	<strong>USD '000s</strong>	<strong>8,270</strong>	<strong>10,813</strong>	<strong>14,502</strong>	<strong>18,282</strong>	<strong>20,104</strong>	<strong>24,482</strong>	<strong>30,747</strong>	<strong>37,425</strong>	<strong>45,033</strong>	<strong>53,670</strong>	<strong>63,211</strong>	<strong>73,467</strong>	<strong>24.9%</strong>	<strong>20.3%</strong>
CoGS	USD '000s	-	-	(329)	(3,001)	(3,715)	(4,881)	(6,790)	(9,141)	(11,895)	(14,947)	(18,112)	(21,155)	-	28.2%
Direct Expenses	USD '000s	(5,291)	(7,146)	(8,820)	(9,530)	(9,782)	(11,683)	(14,036)	(15,933)	(18,042)	(21,228)	(24,151)	(27,437)	16.6%	15.9%
<strong>Contribution</strong>	<strong>USD '000s</strong>	<strong>2,978</strong>	<strong>3,667</strong>	<strong>5,353</strong>	<strong>5,751</strong>	<strong>6,607</strong>	<strong>7,918</strong>	<strong>9,921</strong>	<strong>12,351</strong>	<strong>15,096</strong>	<strong>17,496</strong>	<strong>20,947</strong>	<strong>24,875</strong>	<strong>22.0%</strong>	<strong>20.9%</strong>
SG&A	USD '000s	(2,738)	(2,916)	(3,453)	(4,834)	(5,647)	(6,518)	(8,287)	(9,610)	(11,066)	(12,710)	(14,547)	(16,594)	19.8%	16.6%
InterCo Adjustments	USD '000s	278	357	484	838	1,069	1,036	1,414	1,779	2,194	2,646	3,118	3,630		
<strong>EBITDA</strong>	<strong>USD '000s</strong>	<strong>519</strong>	<strong>1,108</strong>	<strong>2,384</strong>	<strong>1,755</strong>	<strong>2,029</strong>	<strong>2,436</strong>	<strong>3,048</strong>	<strong>4,519</strong>	<strong>6,224</strong>	<strong>7,432</strong>	<strong>9,518</strong>	<strong>11,911</strong>	<strong>40.6%</strong>	<strong>28.8%</strong>
<strong>KPIs</strong>															
Sales Growth (MXN)	%		23.4%	33.0%	11.2%	13.4%	29.7%	28.7%	24.6%	23.1%	21.8%	20.2%	18.6%	20.0%	23.8%
Sales Growth (USD)	%		30.8%	34.1%	26.1%	10.0%	21.8%	25.6%	21.7%	20.3%	19.2%	17.8%	16.2%	24.9%	20.3%
Contribution Margin (Net)	%	36.0%	33.9%	36.9%	31.5%	32.9%	32.3%	32.3%	33.0%	33.5%	32.6%	33.1%	33.9%	34.2%	33.0%
EBITDA Margin	%	6.3%	10.2%	16.4%	9.6%	10.1%	10.0%	9.9%	12.1%	13.8%	13.8%	15.1%	16.2%	10.5%	13.0%
ROTC	%	18.5%	38.3%	96.0%	76.3%	64.6%	86.0%	90.3%	112.2%	113.9%	84.2%	73.8%	71.3%	58.7%	90.3%
Debt ÷ EBITDA	x	1.7x	0.7x	0.3x	0.7x	0.8x	2.3x	1.6x	0.9x	0.5x	0.6x	0.5x	0.4x	0.8x	1.0x
Exchange Rate (Avg)	MXNUSD	21.49	20.29	20.12	17.75	18.30	19.50	19.99	20.47	20.94	21.39	21.83	22.28	(3.9%)	2.8%



# Bear Scenario: Assumptions Summary

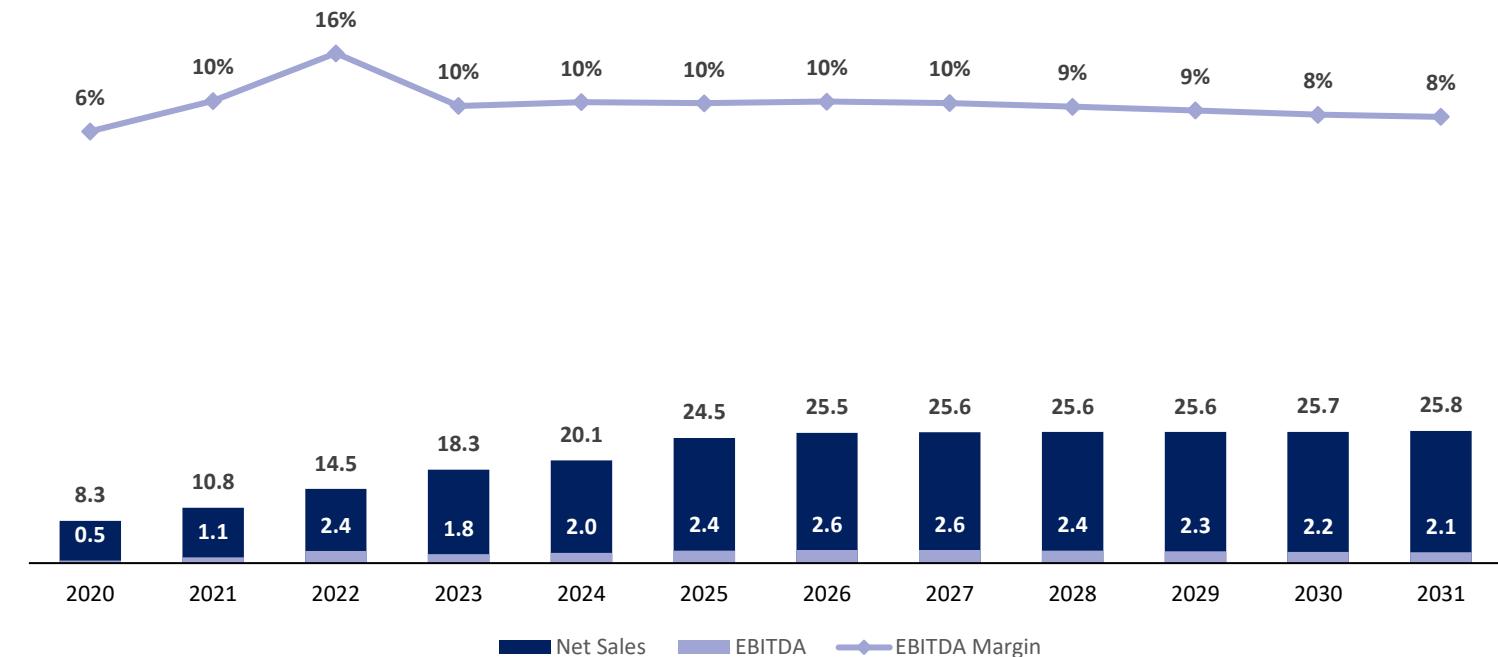
<b>Revenue</b>	<ul style="list-style-type: none"> <li>• <b>Legacy Business:</b> No incremental volume growth (in USD terms) after 2025</li> <li>• <b>Food Wholesale:</b> No incremental volume growth after 2025 - sales growth driven by inflation only</li> <li>• <b>New initiatives:</b> stand-alone brokerage and certifications remain flat after 2025</li> </ul>
<b>Direct Costs</b>	<ul style="list-style-type: none"> <li>• <b>Legacy Business:</b> <ul style="list-style-type: none"> <li>• No operating leverage for semi-fixed costs</li> <li>• 50 bps margin improvement in the brokerage business given technological improvements</li> <li>• Increased warehouse capacity at 2x 2023's merchandise volume</li> <li>• Costs directly impacted by real Fx. depreciations, direct incidence in margins</li> </ul> </li> <li>• <b>Food Wholesale:</b> flat gross margin at ~20%. USD denominated CoGS impacted by real Fx. depreciations</li> </ul>
<b>SG&amp;A</b>	<ul style="list-style-type: none"> <li>• No operating leverage assumed</li> <li>• Costs directly impacted by real Fx. depreciations, direct incidence in margins</li> <li>• 2.0% Sales &amp; Marketing spend, ~1% below base case</li> </ul>
<b>Debt &amp; Cash Flow</b>	<ul style="list-style-type: none"> <li>• Debt: <ul style="list-style-type: none"> <li>• USD 3.5mm acquisition debt at 17% interest rate in USD terms</li> <li>• New truck CapEx financed at 70% LTV, in line with current leased trucks terms</li> </ul> </li> <li>• CapEx: <ul style="list-style-type: none"> <li>• Existing truck fleet replaced according to useful life schedule, new trucks capex restricted by debt service</li> <li>• No new trucks added to the fleet</li> </ul> </li> <li>• Working Capital: <ul style="list-style-type: none"> <li>• Legacy business and food wholesale business cash-conversion-cycle maintained in line with historical levels</li> </ul> </li> </ul>
<b>Fx.</b>	<ul style="list-style-type: none"> <li>• 1.3% annual real MXN appreciation, reaching a 19.2 MXN/USD level by 2031</li> </ul>
<b>Exit</b>	<ul style="list-style-type: none"> <li>• Exit at 4.0x EV/EBITDA, slight compression from entry (~4.5x)</li> </ul>

# Bear Case: Revenue and EBITDA Evolution



- Revenue flattens at ~USD 26mm post-2026, reflecting muted growth across both logistics and food wholesale
- EBITDA trends downward from USD 2.6mm in 2026 to ~USD 2.1mm by 2031, with margins compressing from 10% to 8%
- Scenario illustrates downside risk if new initiatives stall and operating leverage fails to materialize

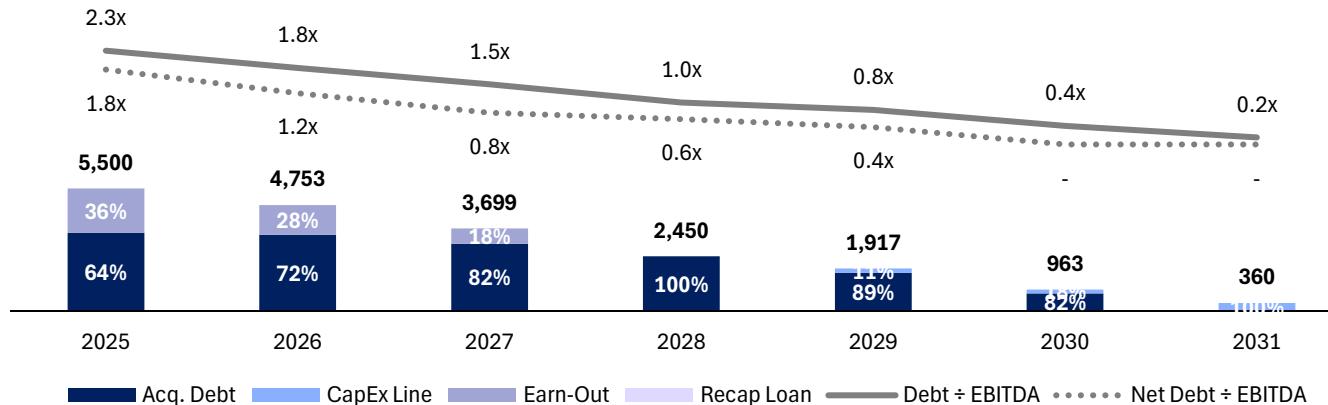
Revenue and EBITDA Evolution (USD mm)



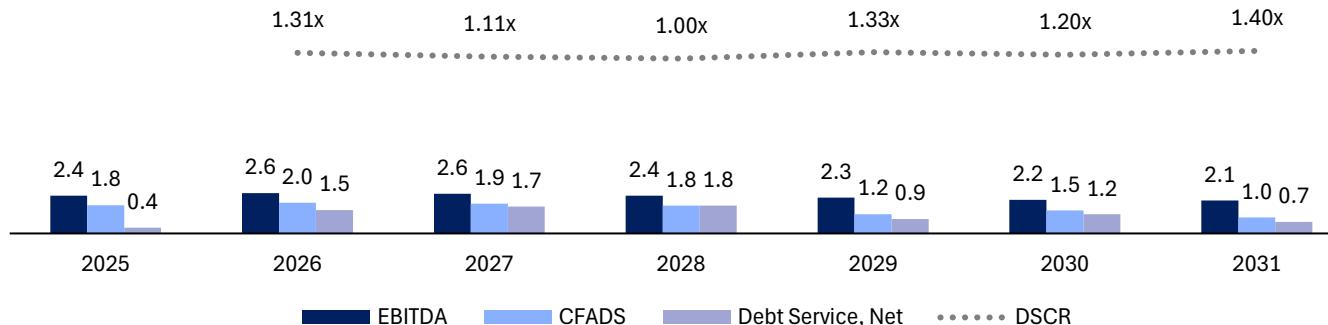
# Deleveraging Profile

- Net debt / EBITDA steadily declines from 1.8x in 2025 to 0.2x in 2031, reflecting natural deleveraging despite muted growth
- Debt service coverage remains tight in early years (~1.0x in 2027-2028) but improves gradually thereafter
- No revolver drawn through projected period

## Deleveraging Profile



## Debt Coverage Profile



# Bear Scenario: Returns Profile



- Flat revenues (~USD 25-26mm) and EBITDA (~USD 2.1-2.6mm) through 2031 limit cash generation
- Modest dividends only after 2028, with cumulative DPI reaching 0.3x by 2031
- Investor returns constrained to ~6%-7% IRR and ~1.5x MoIC at exit

Project Baja - Simplified Cash Flow			Projected Period							
			Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	
<b>Net Sales</b>	USD '000s	20,104	24,482	25,453	25,604	25,627	25,650	25,670	25,840	
<b>EBITDA</b>	USD '000s	2,029	2,436	2,584	2,550	2,431	2,311	2,168	2,114	
Less: Taxes	USD '000s		(537)	(473)	(481)	(467)	(537)	(511)	(525)	
Less: Change in WK	USD '000s		146	56	25	33	34	35	27	
Less: CapEx	USD '000s		(255)	(265)	(267)	(267)	(618)	(267)	(635)	
<b>FCFF</b>	USD '000s		1,790	1,901	1,827	1,730	1,190	1,425	980	
Less: Debt Service	USD '000s		(371)	(1,499)	(1,724)	(1,792)	(1,176)	(1,228)	(992)	
Plus: Debt Issuance	USD '000s		-	-	-	-	246	-	257	
<b>CF Before Dividends</b>	USD '000s		1,419	402	103	(62)	259	197	245	
<b>Dividends</b>	USD '000s		-	-	-	(796)	(318)	(239)	(285)	
<b>Investor Cash Flow</b>										
Date			Oct-'25	Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31
Search Capital	USD '000s		(750)							
Acq. Equity	USD '000s		(5,750)							
Dividends	USD '000s			-	-	-	796	318	239	285
Interim Investor CFs	USD '000s		(6,500)	-	-	-	796	318	239	285
DPI	x		-	-	-	-	0.1x	0.2x	0.2x	0.3x
Invst. Proceeds @ Diff Exits	USD '000s						7,329	7,708	8,095	
<b>Investor IRR</b>	%							6.5%	6.8%	7.1%
<b>Investor MoIC</b>	x							1.3x	1.4x	1.5x
<b>Net Investor Cash Flows</b>										
Exit on 2029		(6,500)	-	-	-	796	7,647	-	-	
Exit on 2030		(6,500)	-	-	-	796	318	7,947	-	
Exit on 2031		(6,500)	-	-	-	796	318	239	8,379	

# Bull Case: Detailed Projections

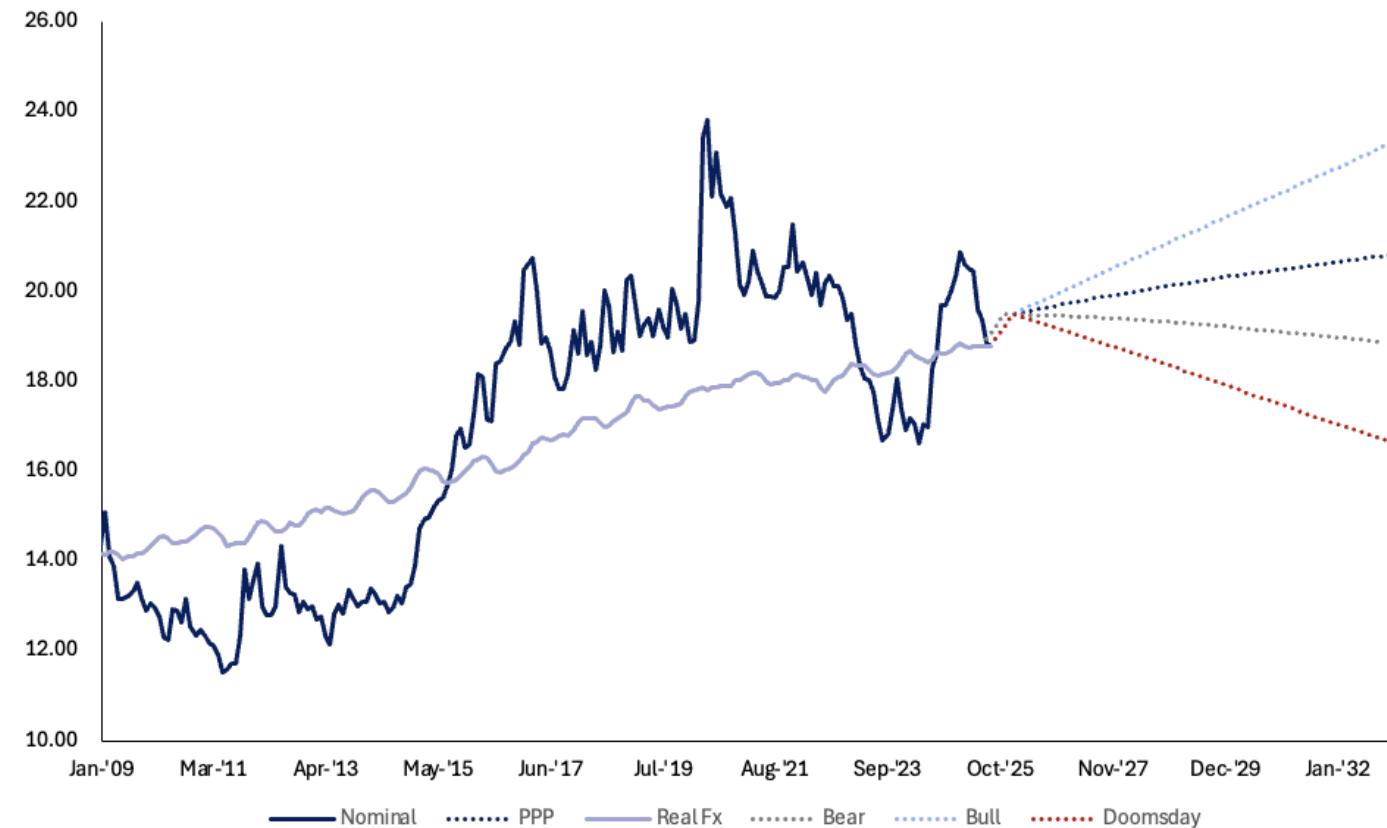


Project Baja - Financial Summary		Dec-'20	Dec-'21	Dec-'22	Dec-'23	Dec-'24	Projected Period						CAGR / Avg.		
							Dec-'25	Dec-'26	Dec-'27	Dec-'28	Dec-'29	Dec-'30	Dec-'31	'20-'24	'24-'31
<strong>Revenue Mix</strong>															
Freight Revenue	%	33.5%	35.6%	37.6%	28.9%	29.1%	28.4%	27.3%	27.1%	27.1%	27.2%	27.2%	27.0%	32.9%	27.3%
Customs Brokerage	%	21.7%	22.7%	20.6%	19.0%	18.1%	17.1%	17.4%	17.3%	17.4%	17.4%	17.5%	17.4%	20.4%	17.4%
Value Add	%	33.9%	33.5%	26.3%	21.9%	19.9%	18.1%	20.0%	19.9%	19.9%	19.9%	19.9%	19.8%	27.1%	19.6%
Trading Services	%	6.4%	4.7%	7.1%	6.4%	7.3%	9.3%	7.8%	7.2%	6.6%	5.9%	5.3%	5.3%	6.4%	6.8%
Warehousing	%	4.5%	3.5%	5.7%	4.2%	3.6%	3.1%	3.4%	3.9%	3.9%	3.9%	3.9%	3.9%	4.3%	3.7%
Food Commercialization	%	-	-	2.8%	19.6%	22.1%	24.1%	24.1%	24.5%	25.1%	25.7%	26.2%	26.6%	8.9%	25.2%
Logistics Services	USD '000s	8,622	11,198	14,767	15,554	16,525	19,357	20,153	20,137	19,994	19,849	19,703	19,730	17.7%	2.6%
Food Distribution	USD '000s	-	-	419	3,801	4,689	6,162	6,396	6,551	6,705	6,857	7,008	7,162	-	6.2%
<strong>Gross Sales</strong>	<strong>USD '000s</strong>	<strong>8,622</strong>	<strong>11,198</strong>	<strong>15,186</strong>	<strong>19,355</strong>	<strong>21,214</strong>	<strong>25,519</strong>	<strong>26,549</strong>	<strong>26,688</strong>	<strong>26,698</strong>	<strong>26,706</strong>	<strong>26,712</strong>	<strong>26,893</strong>	<strong>25.2%</strong>	<strong>3.4%</strong>
InterCo Adjustments	USD '000s	(353)	(385)	(684)	(1,073)	(1,110)	(1,036)	(1,095)	(1,084)	(1,071)	(1,057)	(1,041)	(1,053)		
<strong>Net Sales</strong>	<strong>USD '000s</strong>	<strong>8,270</strong>	<strong>10,813</strong>	<strong>14,502</strong>	<strong>18,282</strong>	<strong>20,104</strong>	<strong>24,482</strong>	<strong>25,453</strong>	<strong>25,604</strong>	<strong>25,627</strong>	<strong>25,650</strong>	<strong>25,670</strong>	<strong>25,840</strong>	<strong>24.9%</strong>	<strong>3.7%</strong>
CoGS	USD '000s	-	-	(329)	(3,001)	(3,715)	(4,881)	(5,003)	(5,125)	(5,245)	(5,365)	(5,483)	(5,603)	-	6.0%
Direct Expenses	USD '000s	(5,291)	(7,146)	(8,820)	(9,530)	(9,782)	(11,683)	(12,380)	(12,379)	(12,378)	(12,377)	(12,398)	(12,446)	16.6%	3.5%
<strong>Contribution</strong>	<strong>USD '000s</strong>	<strong>2,978</strong>	<strong>3,667</strong>	<strong>5,353</strong>	<strong>5,751</strong>	<strong>6,607</strong>	<strong>7,918</strong>	<strong>8,070</strong>	<strong>8,100</strong>	<strong>8,004</strong>	<strong>7,908</strong>	<strong>7,790</strong>	<strong>7,790</strong>	<strong>22.0%</strong>	<strong>2.4%</strong>
SG&A	USD '000s	(2,738)	(2,916)	(3,453)	(4,834)	(5,647)	(6,518)	(6,582)	(6,633)	(6,644)	(6,654)	(6,663)	(6,730)	19.8%	2.5%
InterCo Adjustments	USD '000s	278	357	484	838	1,069	1,036	1,095	1,084	1,071	1,057	1,041	1,053		
<strong>EBITDA</strong>	<strong>USD '000s</strong>	<strong>519</strong>	<strong>1,108</strong>	<strong>2,384</strong>	<strong>1,755</strong>	<strong>2,029</strong>	<strong>2,436</strong>	<strong>2,584</strong>	<strong>2,550</strong>	<strong>2,431</strong>	<strong>2,311</strong>	<strong>2,168</strong>	<strong>2,114</strong>	<strong>40.6%</strong>	<strong>0.6%</strong>
<strong>KPIs</strong>															
Sales Growth (MXN)	%		23.4%	33.0%	11.2%	13.4%	29.7%	3.9%	0.4%	(0.2%)	(0.3%)	(0.4%)	0.2%	20.0%	4.3%
Sales Growth (USD)	%		30.8%	34.1%	26.1%	10.0%	21.8%	4.0%	0.6%	0.1%	0.1%	0.1%	0.7%	24.9%	3.7%
Contribution Margin (Net)	%	36.0%	33.9%	36.9%	31.5%	32.9%	32.3%	31.7%	31.6%	31.2%	30.8%	30.3%	30.1%	34.2%	31.2%
EBITDA Margin	%	6.3%	10.2%	16.4%	9.6%	10.1%	10.0%	10.2%	10.0%	9.5%	9.0%	8.4%	8.2%	10.5%	9.3%
ROTC	%	18.5%	38.3%	96.0%	76.3%	64.6%	86.0%	95.5%	97.3%	97.4%	85.6%	77.4%	65.0%	58.7%	86.3%
Debt ÷ EBITDA	x	1.7x	0.7x	0.3x	0.7x	0.8x	2.3x	1.8x	1.5x	1.0x	0.8x	0.4x	0.2x	0.8x	1.1x
Exchange Rate (Avg)	MXNUSD	21.49	20.29	20.12	17.75	18.30	19.50	19.49	19.46	19.41	19.34	19.25	19.16	(3.9%)	0.7%

# Appendix: Fx Projections



- Historical FX shows a long-term depreciation trend with periods of high volatility
  - MXN reached ~24/USD in 2020 and ~16.5/USD in mid-2024
- Real FX is computed using inflation differentials (USD vs. MXN) from a May 2025 nominal baseline
- Base case** assumes FX follows PPP, implying no annual real depreciation/appreciation
- Bull case** projects a depreciation below 2024 levels (~24/USD) to ~23/USD
- Bear case** mirrors bull, assumes annual appreciation of ~1.3%





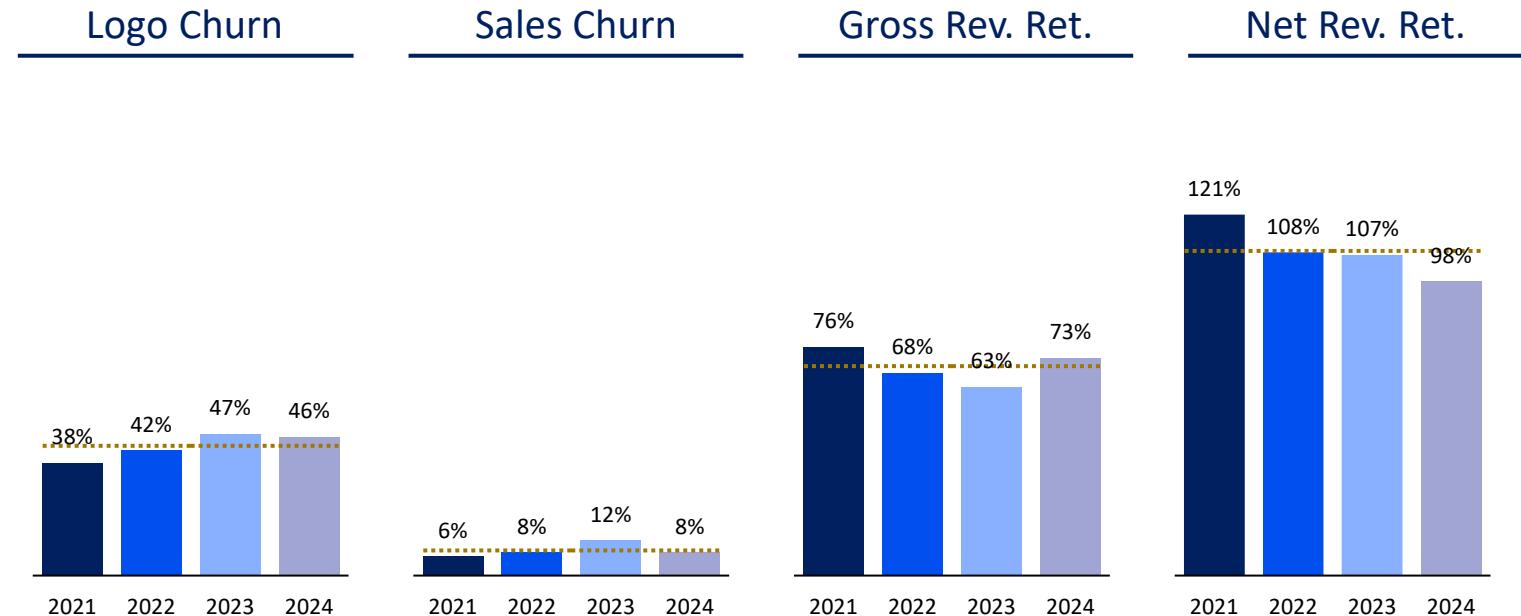
# Appendix

Revenue Quality Analysis

# Revenue Retention



- **Logo churn averages 43% while sales churn remains low at ~8%, reflecting high client turnover but minimal revenue loss**
  - Baja's client base includes many **small, one-off clients** that inflate logo churn, while **larger anchor clients show minimal attrition**
- **Gross and Net Revenue Retention average 70% and 109%, respectively, indicating that while some retained clients reduce spend, upsell more than offsets those declines**
- Retention trends have been stable from 2021 to 2024, with NRR consistently above 100%
- Retention metrics reflect a blend of **two distinct client segments** - large recurring clients and small transactional ones

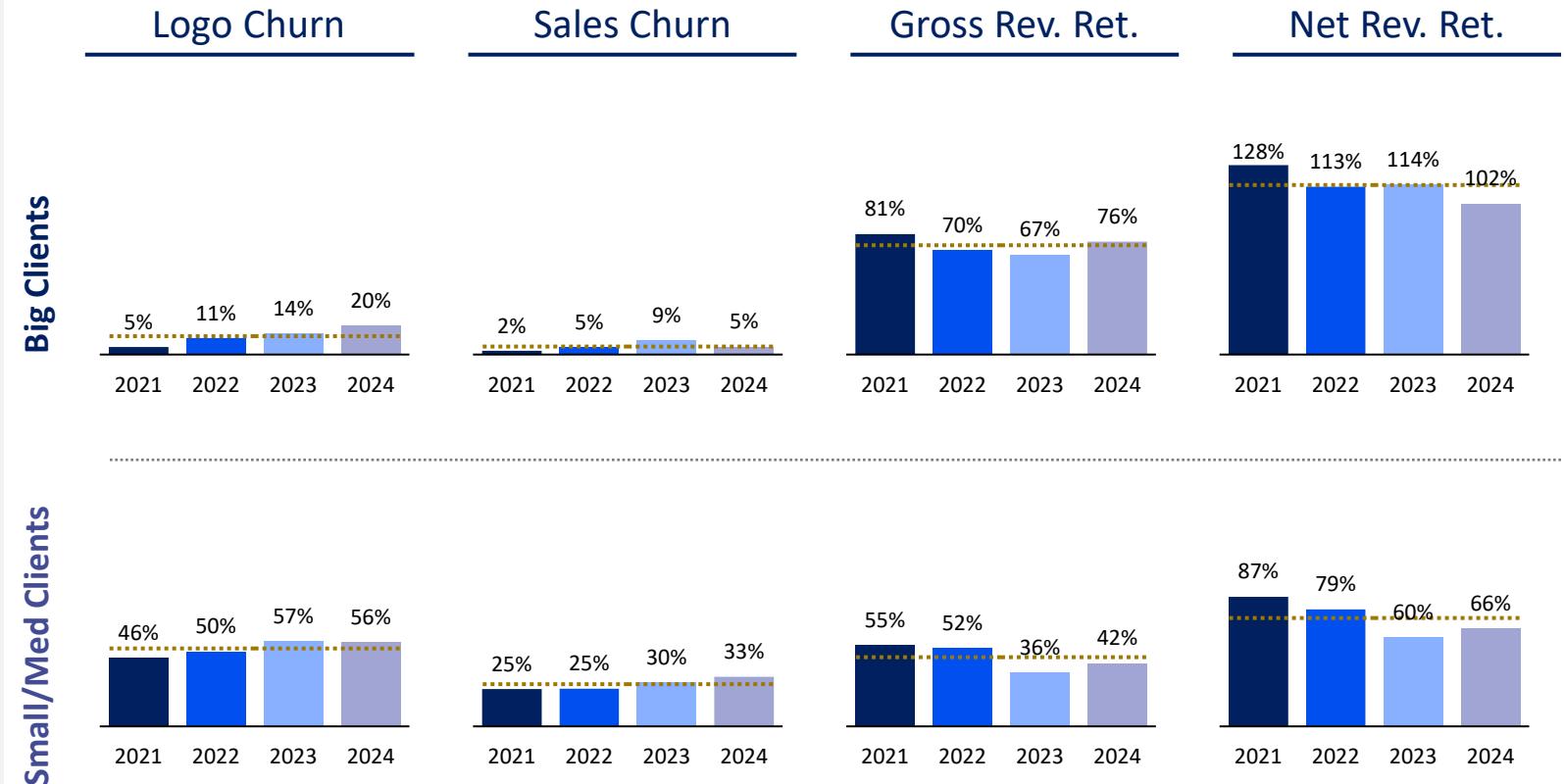


**Strong Net Retention Underscores Deep Client Stickiness**

# Revenue Retention by Customer Segment



- Baja's client base is split between **large recurring clients (~85% of revenue)** and **small/medium transactional clients (~15%)**
- Large clients show strong retention** behavior, with average **logo churn of 12%** and **sales churn of 5%** over the last four years
- Revenue retention among large clients remains high, with **GRR averaging 74%** and **NRR averaging 114%**, supported by recurring volume and upsell
- In contrast, **small/medium clients are short-term** or one-off in nature, with **logo churn above 50%** and **sales churn around 30%**
- Their retention is weak, with **GRR averaging 46%** and **NRR 73%**

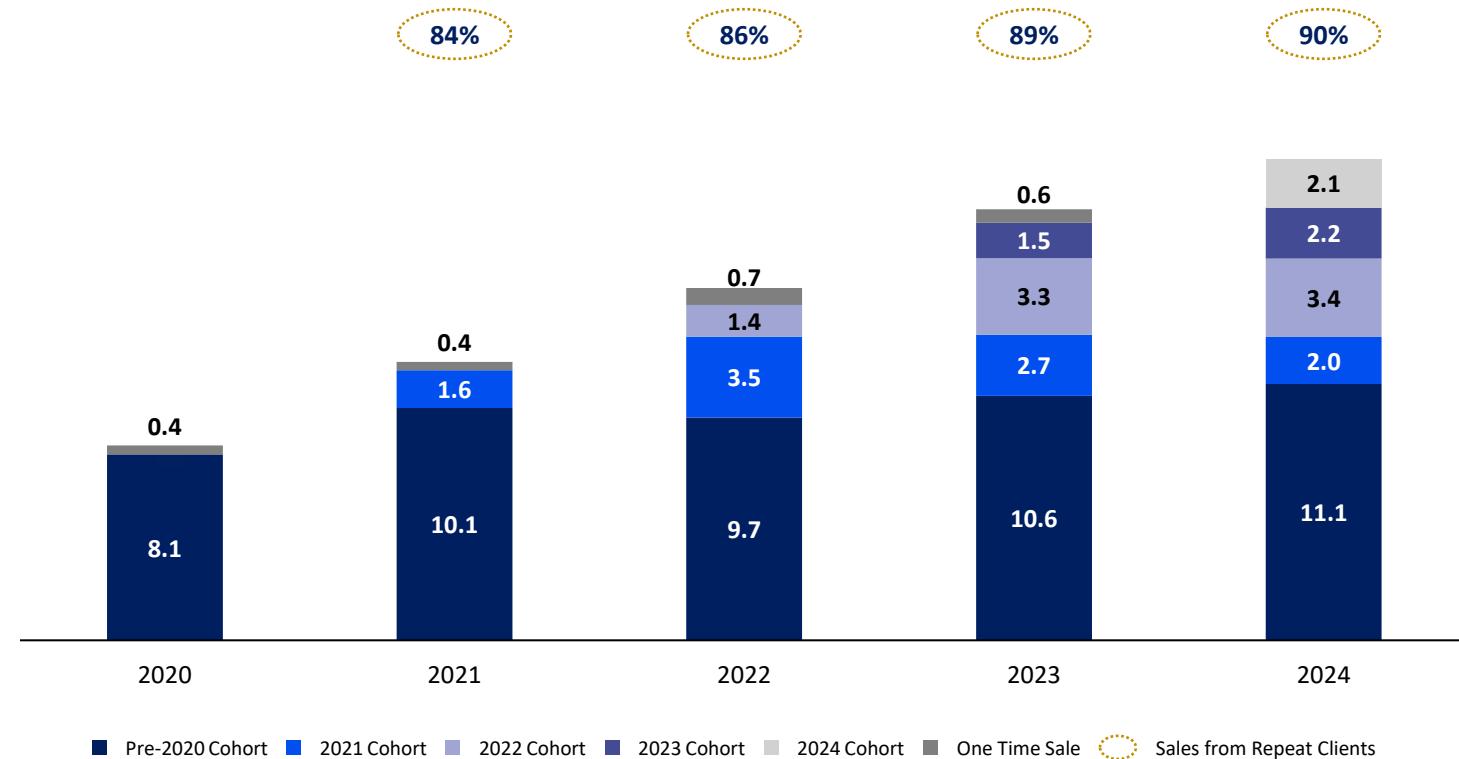




# Revenue Recurrence Analysis – Revenue by Annual Cohort

- This chart segments revenue by client cohort (year of first sale), illustrating **recurrence patterns and long-term client value**
- Baja's oldest clients continue to scale - the pre-2020 cohort contributes **over USD 11mm in 2024**, growing **~8.2% annually since 2020** despite being a mature base
- Newer cohorts (e.g., 2022, 2023) ramp quickly and continue contributing, validating **low churn and strong upsell dynamics**
- In 2024, **90% of revenue comes from repeat clients** - clear evidence of revenue durability and relationship depth
- Baja's growth is **not driven by transactional spikes**, but by **long-lived, expanding client relationships that compound over time**

Revenue by Annual Cohort (USD mm)

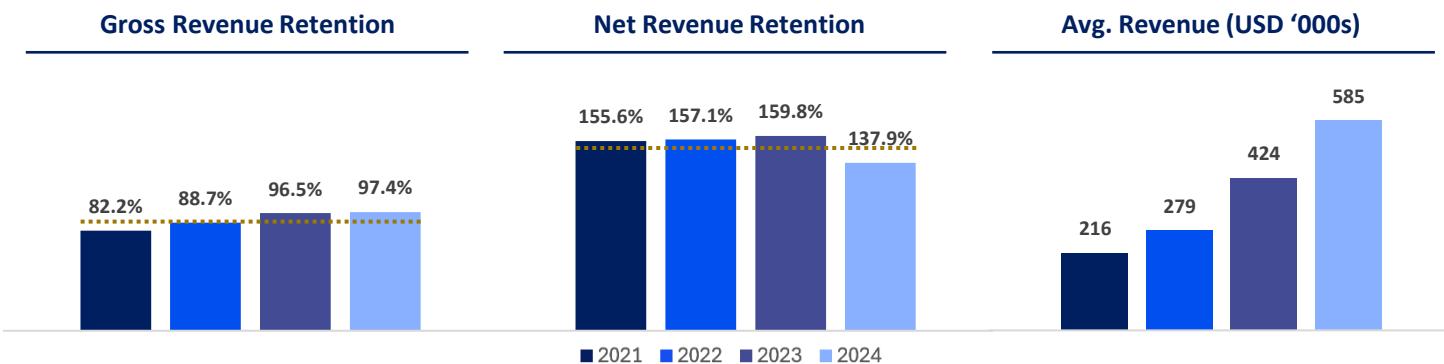
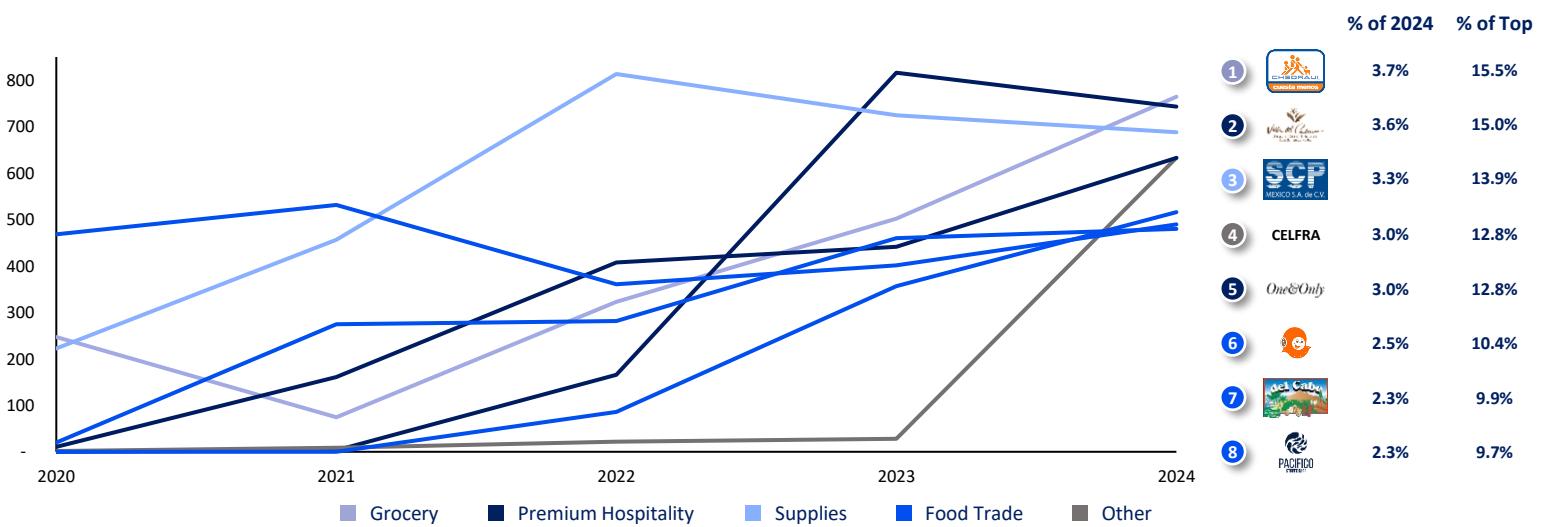


# 2024 Top Clients Revenue Evolution



- This chart shows the historical revenue of Baja's top 2024 clients
- These clients have **consistently increased their spend over time**
  - Average revenue has grown 4.2x** from USD 139K in 2020 to USD 585K in 2024
- The group spans **retail, hospitality, supplies and food trade**, underscoring the sectoral diversity
  - Collectively, they account for just **under 25% of total revenue**
- Average Gross Revenue Retention of 91%** reflects high volume stability across accounts
- Average Net Revenue Retention of 153%** demonstrates consistent upsell

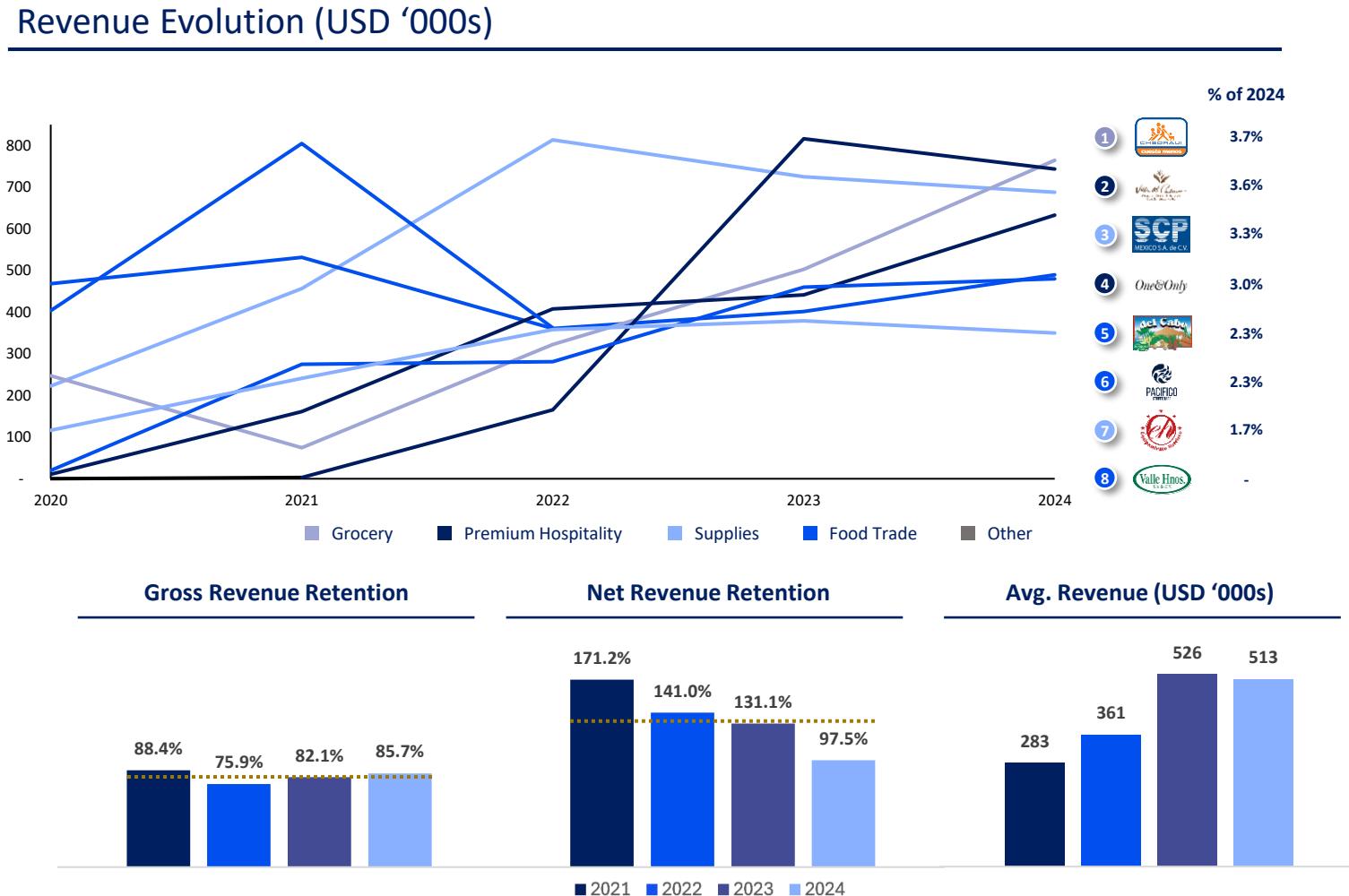
Revenue Evolution (USD '000s)





# Last 5 Years Top 8 Clients Revenue Evolution

- This chart shows the historical revenue of Baja's top clients by L5Yr sales
- Most clients have remained active and sizable through 2024
  - One exception is a **churned food wholesale client in 2022**; it has since been replaced through Baja's own wholesale initiative
- Average client revenue has followed an upward trend, growing 2.8x from USD 186K in 2020 to USD 513K in 2024**
- Average Gross Revenue Retention of 83%** reflects modest downsell
- Average Net Revenue Retention of 135%**
  - While NRR has declined, it has remained consistently above 100%

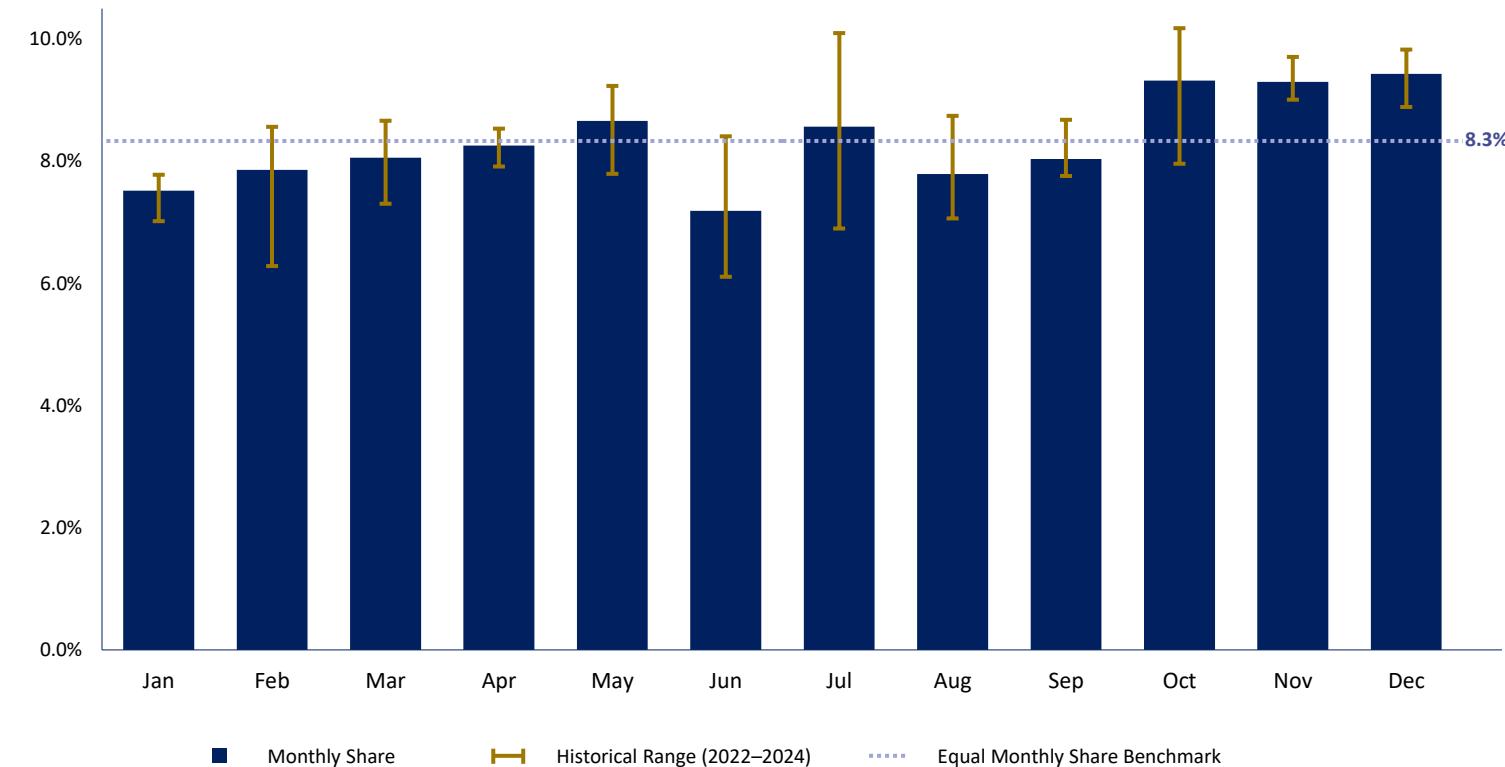


# Seasonality Analysis



- This chart illustrates P. Baja's revenue seasonality, based on **monthly revenue contribution**
- There is a marked seasonality in revenue
  - **January tends to be slower**, reflecting post-holiday slowdown and supply chain delays tied to Chinese New Year
  - **June and August show softer performance** coinciding with extreme heat and low holiday season
  - **October to December** are consistently **stronger months**, driven by tourism peaks and end-of-year demand

## Revenue Seasonality - Contribution by Month (%)





# Appendix

Cost Considerations and Benchmarking

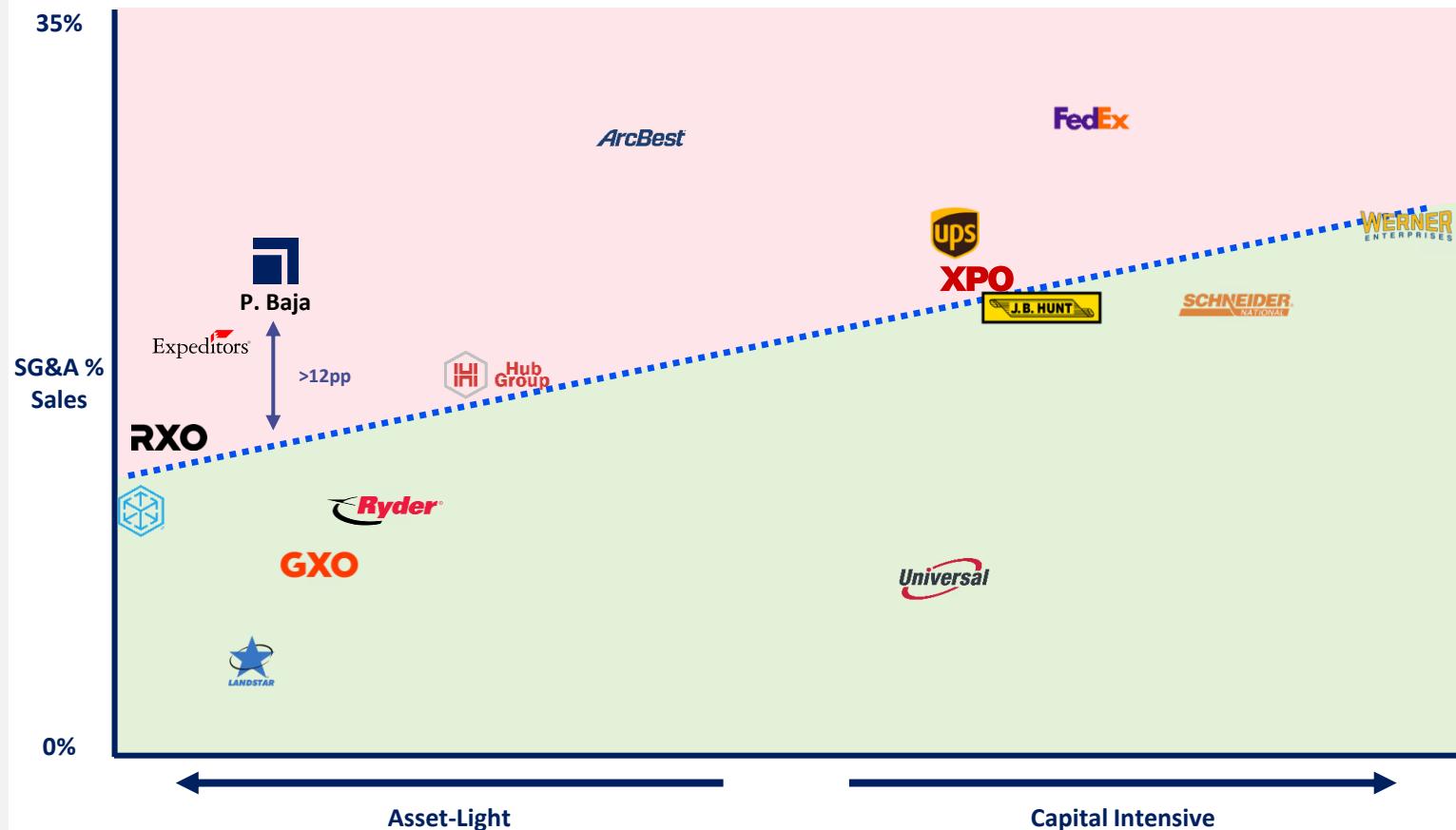
# Underlying Cost Gap Points to EBITDA Upside



- This chart compares SG&A efficiency ( $SG\&A \div Sales$ ) to capital intensity ( $PP\&E \div Sales$ ) across logistics peers
- Asset-heavy operators typically carry higher SG&A - reflecting operational complexity
- P. Baja stands out as a cost outlier: **>12pp above predicted SG&A** for its asset profile
- This creates a clear path to EBITDA margin expansion

**The overhead burden is not structural but stems from manual, unstandardized processes**

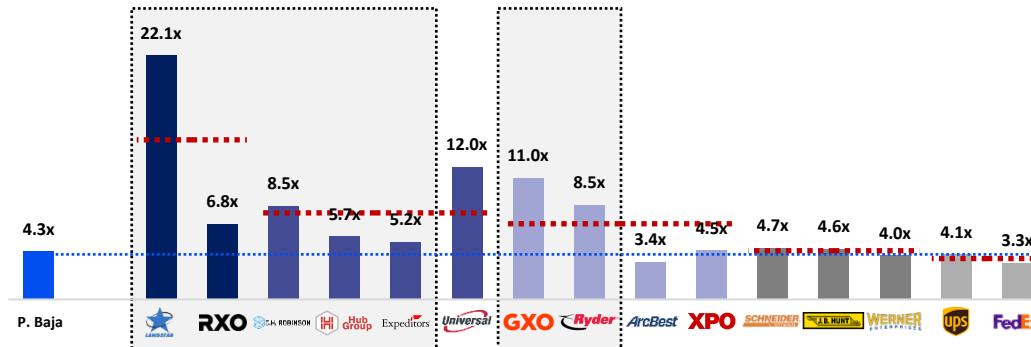
SG&A Burden vs. Asset Intensity Model



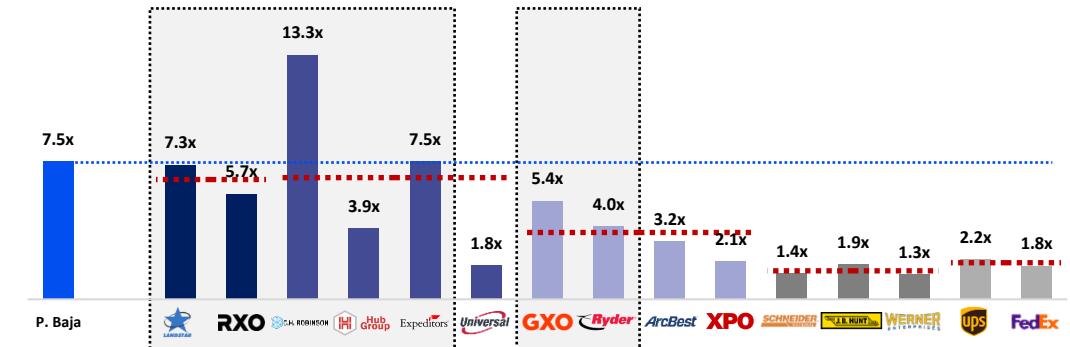


# Appendix: Logistics Players Operating Benchmark

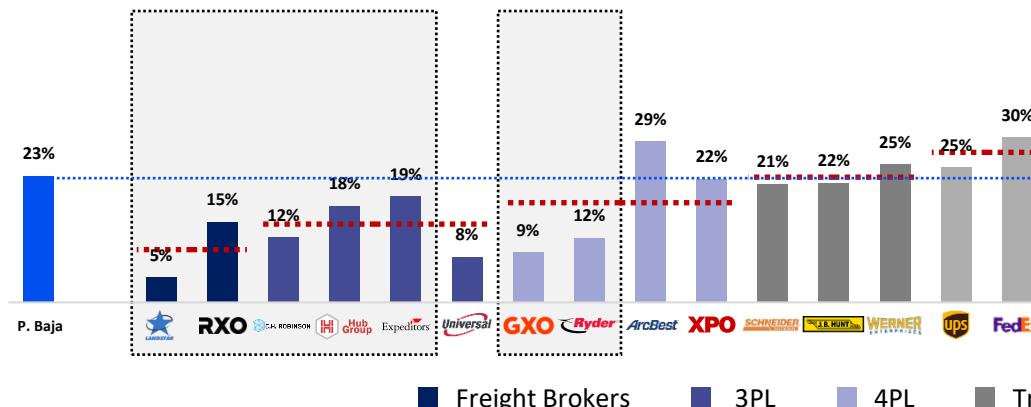
SG&A Turnover<sup>(1)</sup>



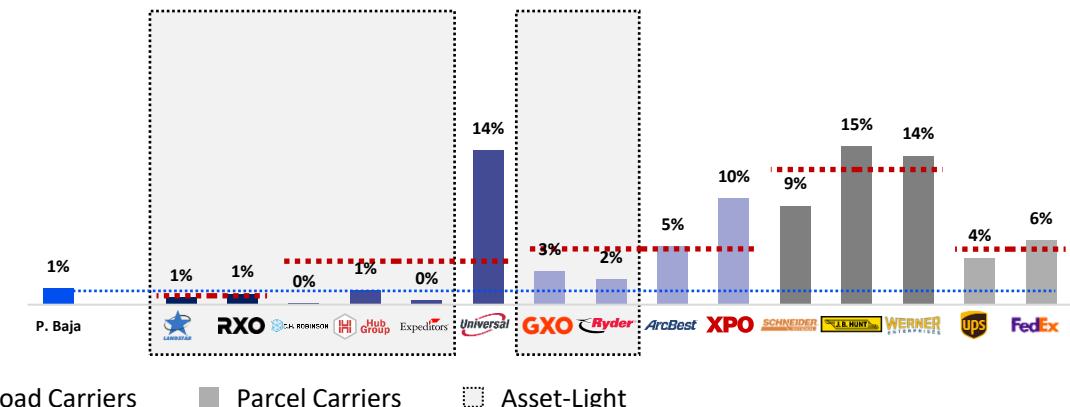
Tangible Capital Turnover<sup>(2)</sup>



SG&A ÷ Sales



CapEx ÷ Sales



Source: public filings, as of most recent full fiscal year except for JB Hunt where 2023 figures are used; as of July, 2025.

Note: For Ryder, pro-forma figures, excludes leasing business.

(1) SG&A Turnover computed as Sales ÷ SG&A.

(2) Tangible Capital Turnover computed as Sales ÷ (PP&E + Net Working Capital).



# Appendix

Breakeven Analysis

# Highly Variable Cost Structure Provides Protection Against Sales Contractions

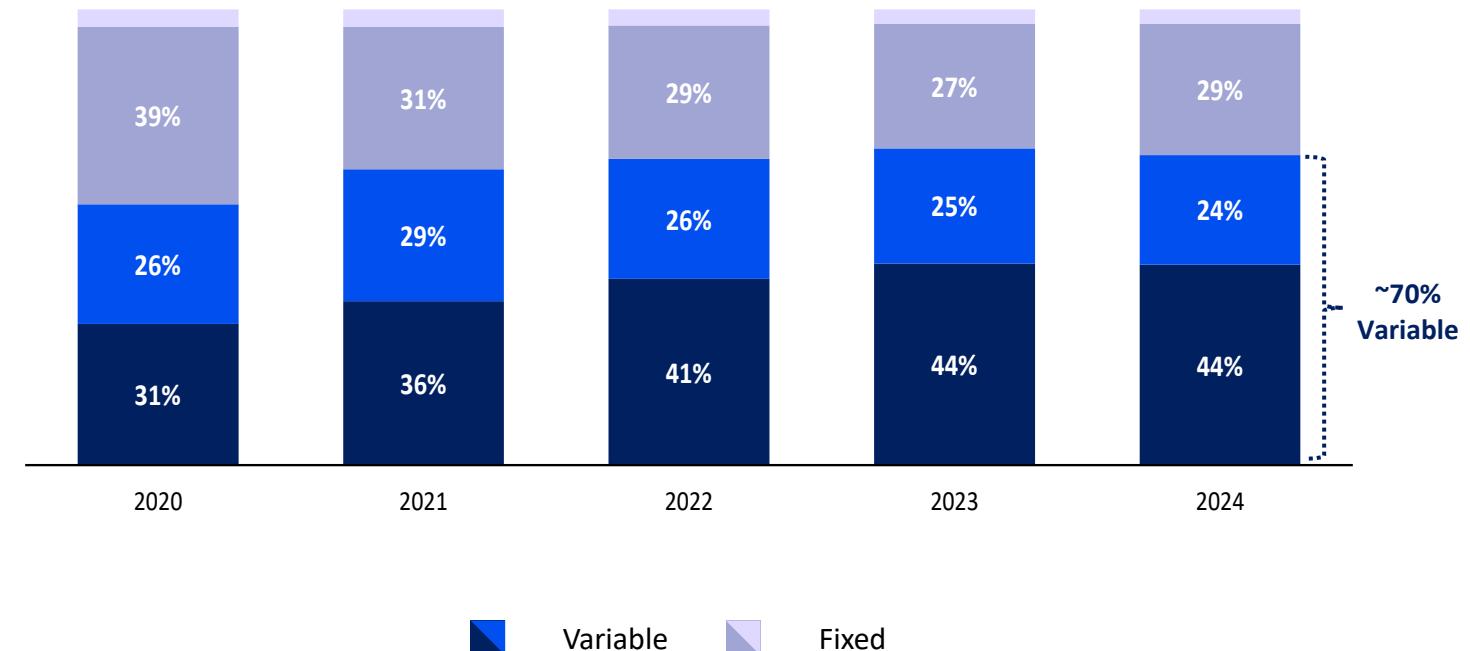


The company has structurally increased its cost flexibility over time, allowing it to better absorb sales volatility

- **70% variable costs** in 2024
  - **44% fully variable** (e.g., forwarding, food COGS, fuel & tolls)
  - **24% semi-variable** (e.g., customs payroll, driver pay, maintenance)
- **30% fixed and semi-fixed costs**
  - Office rent, salaried admin, and core systems

Cost structure naturally **preserves contribution margin during downturns**

## Cost Structure Evolution



**~70% variable costs providing natural margin protection**

# Variable Cost Base Protects Margins Until Severe Sales Decline

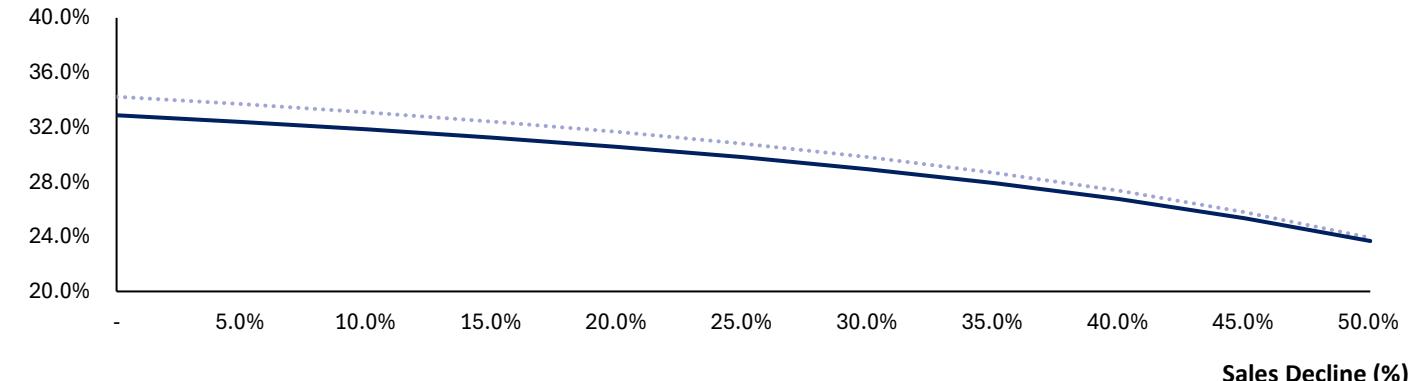


We modeled the impact on margins under varying sales decline scenarios

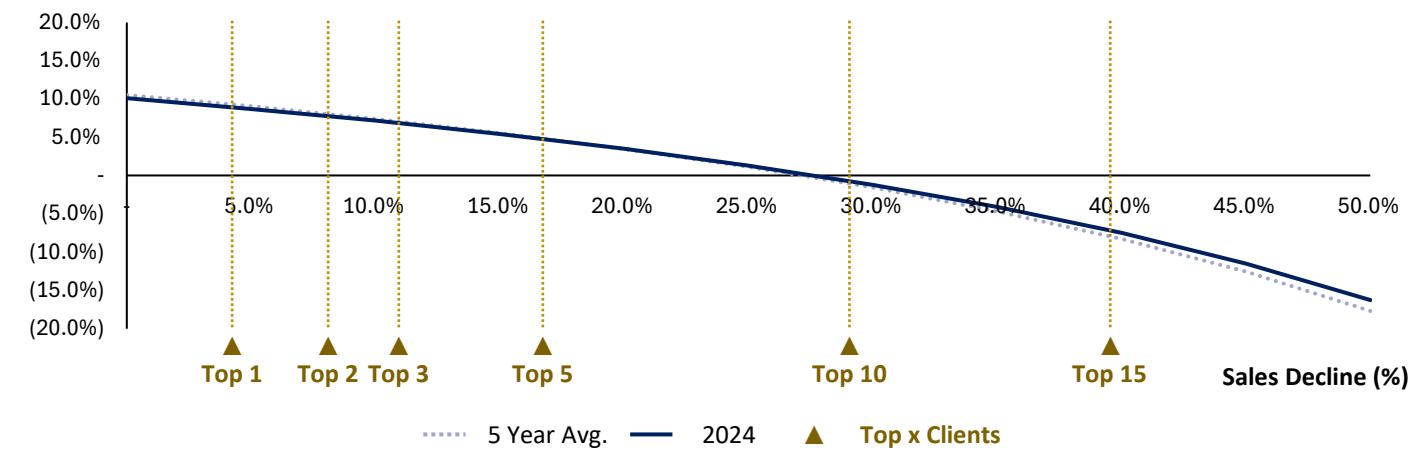
- Contribution Margin **drops ~2pp for each 10% decline in sales**
  - High share of variable and volume-linked costs
  - Remains >30% even at ~25% revenue decline
- Despite low EBITDA margin levels, breakeven reached between ~25%-30%
  - ~4pp for each 10% decline in sales**, with steeper decline beyond breakeven
- Withstands sales compression equivalent to loss of Top 10 clients before breakeven

**Cost flexibility shields contribution margin in downturns**

Contribution Margin (%) Sensitivity at Diff. Sales Declines



EBITDA Margin (%) Sensitivity at Diff. Sales Declines





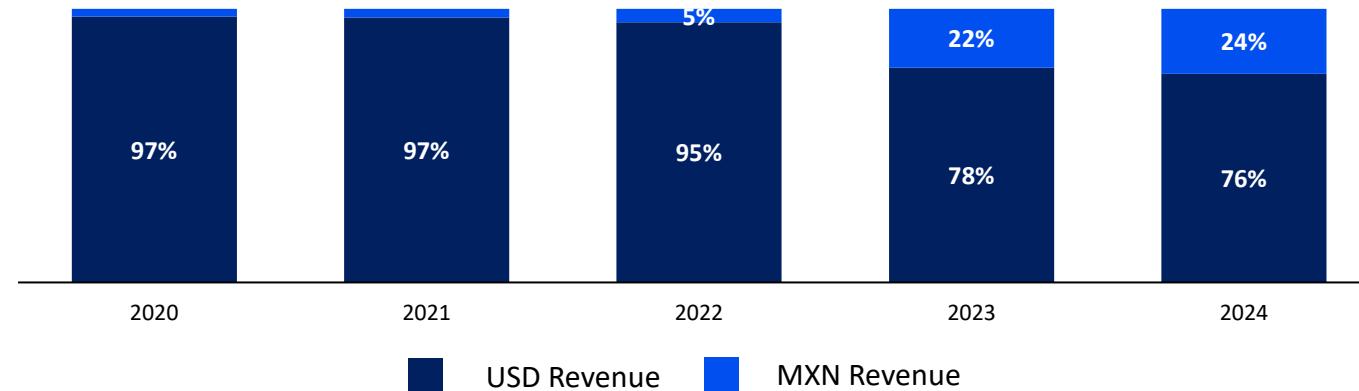
# Fx. Exposure Provides A Natural Hedge

- P. Baja's revenue was historically >95% USD-denominated until 2022
  - In 2023–24, the introduction of the Food Wholesale business introduced MXN revenues (22%-24% share)

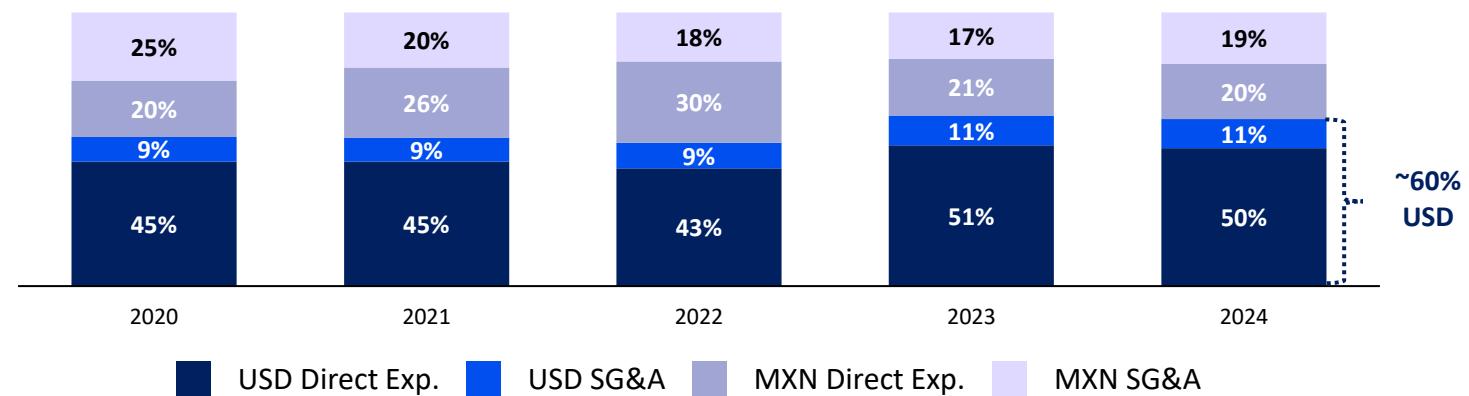
- Cost structure** remained stable at ~50%-60% USD denominated
  - Food Wholesale business increased USD exposure since most products are imported from the US

**Currency mix provides a structural hedge to contribution margins**

Top Line Fx. Exposure Evolution



Cost Structure Fx. Exposure Evolution





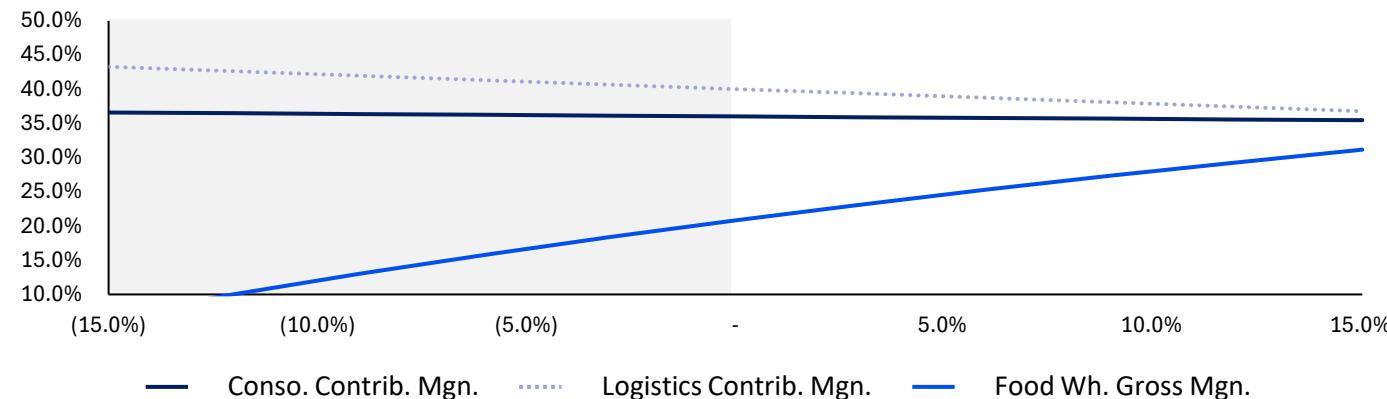
# Margins Remain Resilient Under High Fx. Volatility

We modeled the impact on margins under varying real exchange rate scenarios

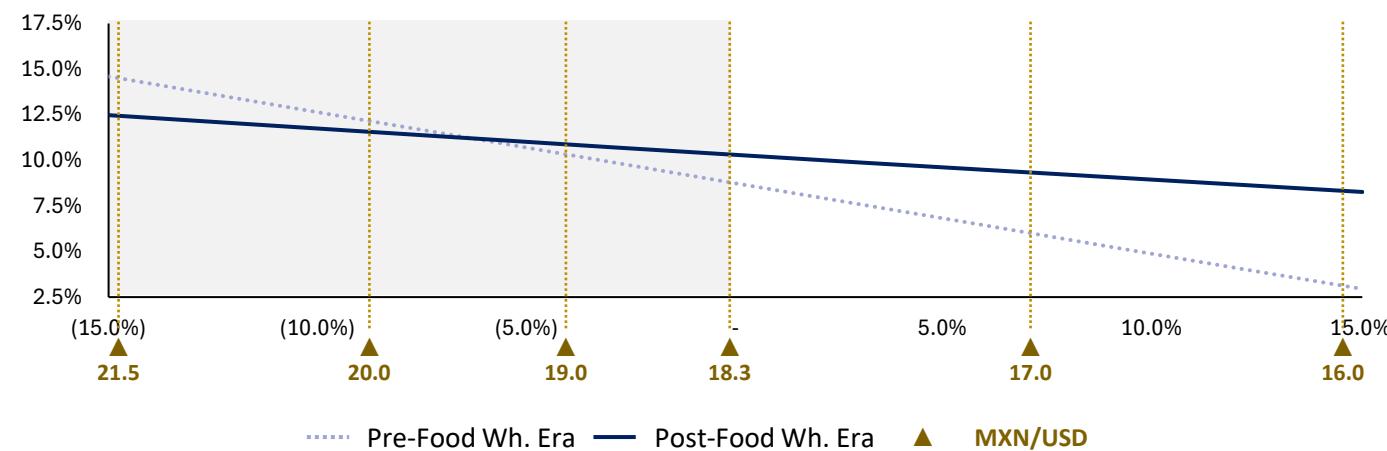
- Contribution margin changes <2pp across a ±15% Fx. range
  - Operational core remains hedged
  - Driven by matching currency mix in revenue and direct costs
- EBITDA margin shows greater sensitivity to Fx. swings
  - SG&A is 63% MXN-denominated, increasing margin pressure as MXN strengthens

**Food Wholesale launch reduced Fx volatility impact on margins**

Contribution Margin Sensitivity at Diff. Real Fx. Appreciation / (Dep.)



EBITDA Margin Sensitivity at Diff. Real Fx. Appreciation / (Dep.)





# Resilient Margins Under Sales and Fx. Pressure

We modeled the joint impact on 2024 EBITDA margin under different Fx and sales decline scenarios

- At 18.3 MXN/USD (2024 Avg.), breakeven holds with a ~30% sales drop
  - Equivalent to loss of Top 10 clients
- At 16.0 MXN/USD (10Yr Min), breakeven holds with ~20–25% drop
  - Equivalent to Top 7 clients
- At 24.4 MXN/USD (10Yr Max), breakeven holds with ~35% drop
  - Equivalent to Top 14

**EBITDA can withstand simultaneous adverse FX and volume shocks**

## 2024 EBITDA Margin Joint Sensitivity

		-	(5.0%)	(10.0%)	(15.0%)	(20.0%)	(25.0%)	(30.0%)	(35.0%)	(40.0%)	(45.0%)	(50.0%)	
		Top 1	Top 2	Top 3	Top 5	Sales Decline (%)							
MXN/USD	10Yr Max	24.4	13.6%	12.3%	10.9%	9.3%	7.5%	5.5%	3.2%	0.5%	(2.6%)	(6.3%)	(10.7%)
	23.4	13.1%	11.8%	10.4%	8.8%	7.0%	4.9%	2.6%	(0.1%)	(3.2%)	(7.0%)	(11.4%)	
	5Yr Max	22.6	12.7%	11.4%	9.9%	8.3%	6.5%	4.4%	2.0%	(0.7%)	(3.9%)	(7.6%)	(12.2%)
	21.7	12.2%	10.9%	9.4%	7.8%	5.9%	3.9%	1.5%	(1.3%)	(4.5%)	(8.3%)	(12.9%)	
	21.0	11.8%	10.4%	9.0%	7.3%	5.4%	3.3%	0.9%	(1.9%)	(5.1%)	(9.0%)	(13.6%)	
	20.3	11.3%	10.0%	8.5%	6.8%	4.9%	2.8%	0.4%	(2.5%)	(5.7%)	(9.6%)	(14.3%)	
	Now	19.6	10.9%	9.5%	8.0%	6.3%	4.4%	2.3%	(0.2%)	(3.0%)	(6.3%)	(10.2%)	(14.9%)
	19.0	10.5%	9.1%	7.6%	5.9%	3.9%	1.8%	(0.7%)	(3.6%)	(6.9%)	(10.9%)	(15.6%)	
	2024 Avg.	18.4	10.1%	8.7%	7.1%	5.4%	3.5%	1.3%	(1.2%)	(4.1%)	(7.5%)	(11.5%)	(16.3%)
	17.9	9.6%	8.2%	6.7%	4.9%	3.0%	0.8%	(1.8%)	(4.7%)	(8.1%)	(12.1%)	(16.9%)	
Min	5Yr Min	17.3	9.2%	7.8%	6.3%	4.5%	2.5%	0.3%	(2.3%)	(5.2%)	(8.6%)	(12.7%)	(17.6%)
	16.8	8.8%	7.4%	5.8%	4.1%	2.1%	(0.2%)	(2.8%)	(5.7%)	(9.2%)	(13.3%)	(18.2%)	
	16.4	8.4%	7.0%	5.4%	3.6%	1.6%	(0.7%)	(3.3%)	(6.3%)	(9.8%)	(13.9%)	(18.8%)	
	10Yr Min	16.0	8.0%	6.6%	5.0%	3.2%	1.2%	(1.1%)	(3.7%)	(6.8%)	(10.3%)	(14.5%)	(19.5%)

P. Baja remains above breakeven even under a 10-Yr Fx low and a 25% sales drop



# Appendix

Valuation & Exit Considerations



## Appendix: Public Companies Comparables

### EV/EBITDA Multiple Evolution (x)

25.0x

20.0x

15.0x

10.0x

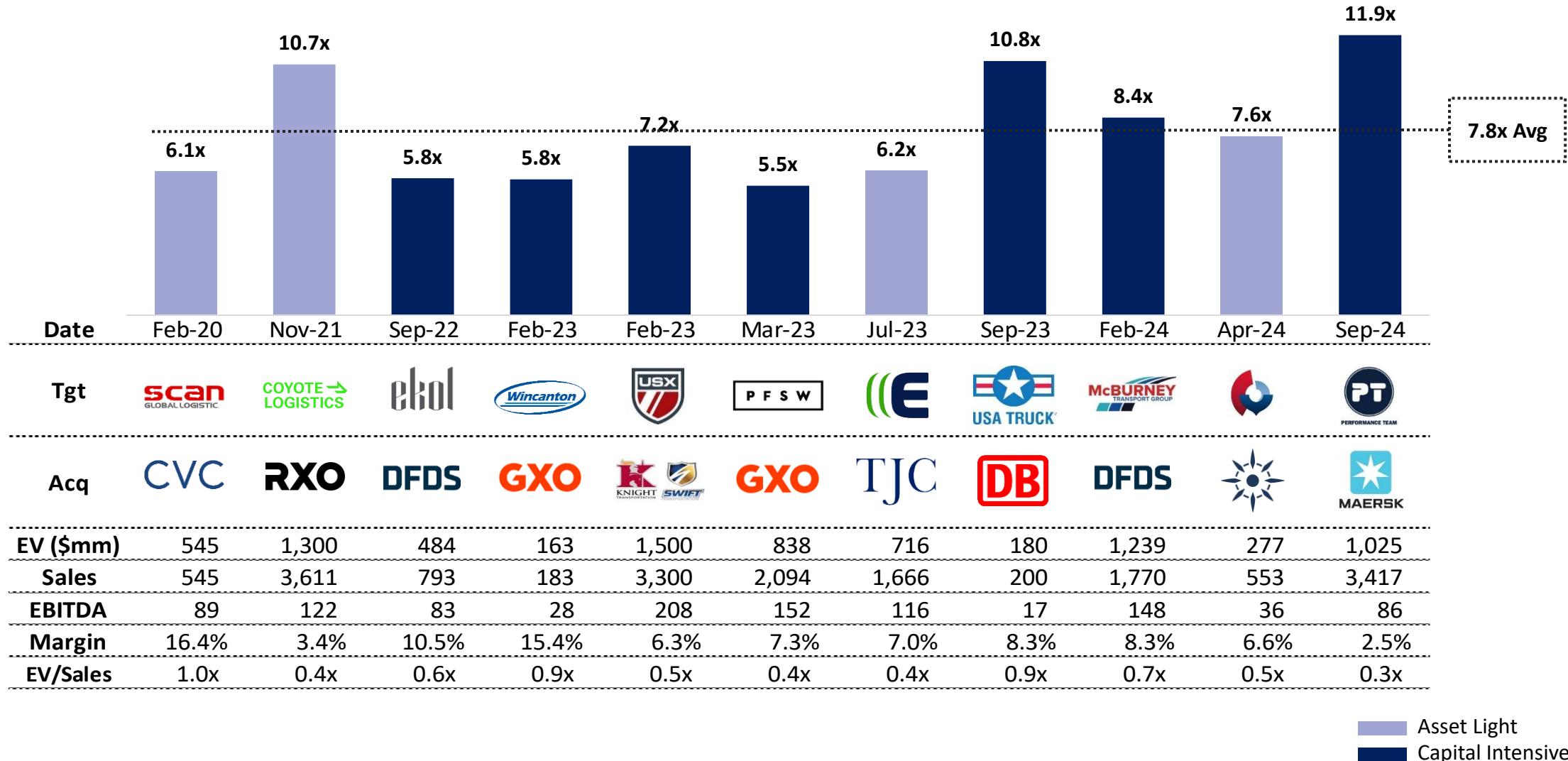
5.0x

2017 Q4  
2018 Q1  
2018 Q2  
2018 Q3  
2018 Q4  
2019 Q1  
2019 Q2  
2019 Q3  
2019 Q4  
2020 Q1  
2020 Q2  
2020 Q3  
2020 Q4  
2021 Q1  
2021 Q2  
2021 Q3  
2021 Q4  
2022 Q1  
2022 Q2  
2022 Q3  
2022 Q4  
2023 Q1  
2023 Q2  
2023 Q3  
2023 Q4  
2024 Q1  
2024 Q2  
2024 Q3  
2024 Q4  
2025 Q2



Current	3 Yr Avg.	5 Yr Avg.	7 Yr Avg.
14.7x	13.2x	12.9x	12.9x
14.4x	15.4x	14.4x	13.5x
9.5x	9.7x	10.4x	10.3x
8.4	10.2x	10.9x	10.8x
8.4x	7.1x	7.7x	6.7x
4.2x	5.9x	6.1x	6.0x

# Appendix: Selected Private Transaction Comparables



# Appendix: Buyer Universe



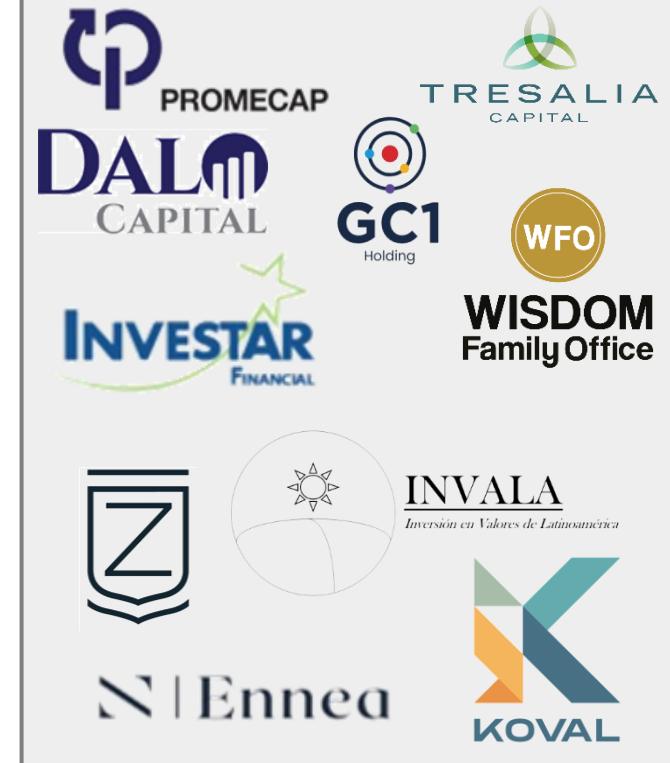
## Strategic Buyers

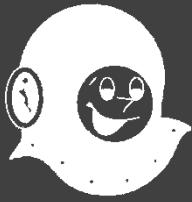


## Private Equity Firms



## Family Offices

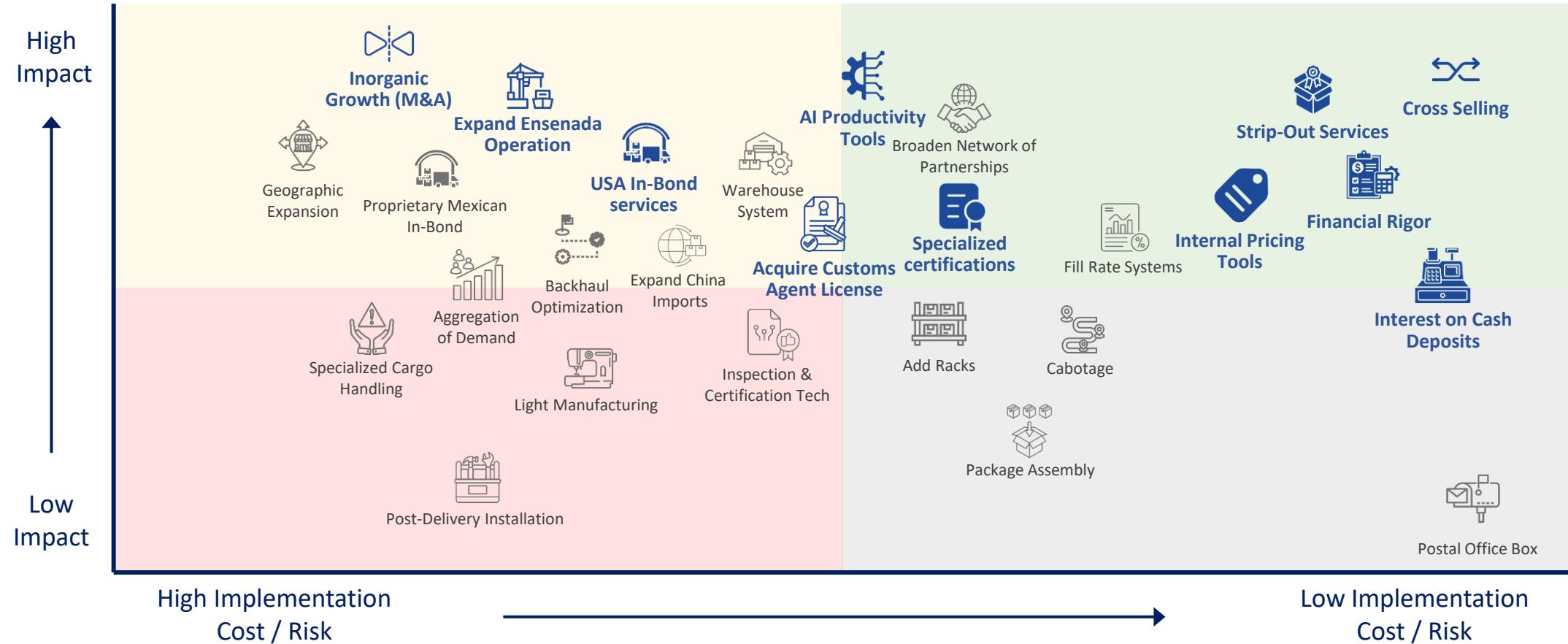




# Appendix

Value Creation Supporting Materials

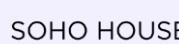
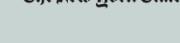
# Strategic Landscape: Full Set of Value Creation Levers



Highlighted initiatives reflect the strategic pillars of growth and margin expansion. USA In-Bond Services and Customs Agency License are currently in process.



# Appendix: Baja California Luxury Tourism Ecosystem

Established Operators	Ongoing Growth from Established Brands	New Projects Sponsors	The World Is Watching Baja's Rise	Südcaliforniano®
 <b>GRAND VELAS</b>   <b>WALDORF ASTORIA® HOTELS &amp; RESORTS</b>   <b>THE GRAND MAYAN™</b>   <b>VELAS RESORTS, MEXICO</b>   <b>TABOO RESTAURANT • BEACH CLUB</b>   <b>HKS</b>   <b>IBEROSTAR HOTELS &amp; RESORTS</b>   <b>FAUNA</b>  Olson Kundig	 <b>RIU HOTELS &amp; RESORTS</b>   <b>Barceló HOTELS &amp; RESORTS</b>   <b>FOUR SEASONS</b>   <b>One&amp;Only</b>   <b>VIDANTA®</b>   <b>MARRIOTT HOTELS - RESORTS - SUITES</b>   <b>CONRAD HOTELS &amp; RESORTS™</b>   <b>HILTON</b>   <b>GARZA BLANCA</b>   <b>SORDO MADALENO</b>   <b>Studio Paolo Ferrari</b>   <b>PARK HYATT™</b>   <b>Montage</b>   <b>Irongate</b>   <b>PUEBLO BONITO BEYOND HOSPITALITY</b>   <b>RAFFLES HOTELS &amp; RESORTS</b>   <b>THE RITZ-CARLTON</b>   <b>ST REGIS</b>   <b>OLARENA</b>   <b>GRUPPO ROSANEGRAGRA</b>   <b>PUEBLO BONITO BEYOND HOSPITALITY</b>   <b>ĀMAN</b>   <b>SOHO HOUSE</b>   <b>chable</b>   <b>Hollywood Reporter</b>   <b>Golfweek</b>	 <b>NORWEGIAN CRUISE LINE</b>   <b>ROYAL CARIBBEAN</b>   <b>SIX SENSES CON DAO</b>   <b>CARNIVAL</b>   <b>Solmar HOTELS &amp; RESORTS</b>   <b>NATIONAL GEOGRAPHIC</b>   <b>Forbes</b>   <b>ĀMAN</b>   <b>SOHO HOUSE</b>   <b>Hollywood Reporter</b>   <b>Golfweek</b>	 <b>The New York Times</b>  <i>"The 52 places traveler: in Los Cabos, beaches abound, but so does generosity"</i>   <b>IN MEXICO</b>  <i>"Puerta Cortés: La Paz's newest residential destination"</i>   <b>EL ECONOMISTA</b>  <i>"La Paz: the rising powerhouse of business tourism"</i>   <b>SANDIEGORED.com</b>  <i>"Baja California Sur is ranked as the second top travel destination in the world"</i>   <b>Robb Report</b>  <i>"A pair of high-end residential developments are preparing La Paz for its moments in the sun "</i>   <b>DEPARTURES</b>  <i>"Effortless Elegance: Planning a Short-Notice Trip to Baja California"</i>	 <b>Südcaliforniano®</b>  <i>"Foreign investment in Baja California Sur grew more than 21% in 2019"</i>   <b>@BCSnoticias</b>  <i>"In 2020, more than 6.2 billion pesos were invested exclusively in tourism projects in La Paz and Los Cabos"</i>   <b>Robb Report</b>  <i>"A pair of high-end residential developments are preparing La Paz for its moments in the sun "</i>   <b>DEPARTURES</b>  <i>"Effortless Elegance: Planning a Short-Notice Trip to Baja California"</i>

# High Impact Hospitality and Real Estate Projects Across Baja California



**Costa Palmas**

**1,500 acres** development  
**+USD \$1.6B project** by Irongate (Jason Grosfeld).  
**Sea of Cortez.** Four Seasons (currently operating) and Amanvari (opening in 2025).  
 300 slip marina, golf course, and **residences ranging \$2M to \$20M USD.**



**Quivira**

**1,850 acres** development by Grupo Pueblo Bonito (Ernesto Coppel)  
**Initial +USD \$130M Investment**  
 4 resorts, golf course, and over 1,200 rooms  
 St. Regis Los Cabos (2024), **4 km private beach.**



**Puerto Los Cabos**

**2,224 acres** development  
 Mexico's largest private marina, two golf courses  
**+USD \$200M invested** by Grupo Questro (Sánchez Navarro family).  
 Zadún (Ritz-Carlton Reserve and Residence) and JW Marriott. **Over 1,200 residences**, St. Regis underway



**Rancho San Lucas**

**+850 acres** oceanfront development  
 Initial investment of **+USD \$250M** by Grupo Solmar (Bulnes family).  
 Golf course, resorts, and luxury villas  
 Currently expanding under the unique "Farm & Beach" concept.



**Puerta Cortés**

**1,350 acres** development  
 Featuring a mega yacht marina, a Gary Player golf course, and luxury residences.  
 Includes Hotel Indigo and the upcoming Chablé Resort (+USD \$90M).  
**By Fondo Ascendancy**



**Dunna**

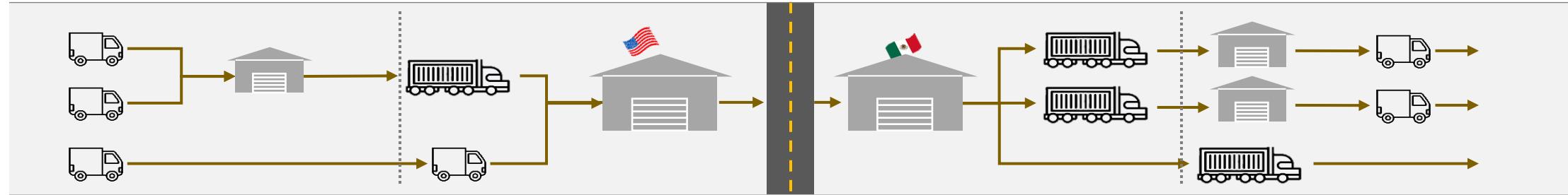
Luxury development in Costa Azul featuring **153 residences** (starting at \$900K USD) and a five-star hotel.  
**Initial USD \$150-200M by Sordo Madaleno.**  
 Designed by architects behind Ritz-Carlton and St. Regis; presales underway, construction begins in 2025.



# Appendix

US – Mexico Cross Border Considerations

# The Logistics Process Overview



**1**

## First Mile

- Client that wants to import merchandise places sales order
- Third party vendors provide logistics services
  - Merchandise has to be **sourced and shipped** to transshipment facility
- Process can be coordinated by **client, distributors or 3PL service providers**

**2**

## Inspection

- Merchandise is **received in transshipment warehouse**
- Merchandise is prepared for border crossing:
  - **Physical inspection**
  - **Value-added services**
  - **Cargo consolidation**
- Merchandise is sent to border crossing

**3**

## Crossing

- **Import documentation** is prepared
- **Duties are paid**
- Merchandise **crosses the border**
- **10%** of all crossings are subject to **customs inspection**
- Merchandise is sent to a distribution center, directly to the client or to a bonded warehouse

**4**

## Last Mile

- Merchandise is **delivered and unloaded**, depending on clients' needs:
  - Distribution centers
  - Client's facility
  - Bonded warehouse

# Appendix: P. Baja Certifications Portfolio



**Certifications are critical** in logistics and obtaining a comprehensive and relevant set is a **key differentiator**.

**Project Baja** stands out as a reliable and capable logistics partner due to its comprehensive certification suite.

- Cross-Border Compliance:**  
Seamless operations across Mexico and the U.S.
- Operational Excellence:**  
Adherence to international logistics standards.
- Quality Assurance:** High-value certifications that signal reliability and expertise.



## CTPAT (Customs Trade Partnership Against Terrorism)

Recognizes the company as a low-risk logistics operator, reducing inspection likelihood at U.S. ports of entry.



## FAST (Free and Secure Trade)

Program for expedited processing of low-risk commercial shipments from Mexico and Canada into the U.S. via dedicated border lanes.



## FMCSA

U.S. permit (FMCSA) for Mexican companies to operate beyond U.S. commercial border zones. Allows cross-border services into the U.S.



## Permiso Federal de Carga (SCT)

Required for providing general freight transportation services on public roads in Mexico.



## OEA (Authorized Economic Operator)

Enhances supply chain security in Mexico and provides operational benefits under international standards



## OP-1 (MX)

Allows certified Mexican carriers to operate beyond U.S. border zones and deliver cross-border services.



## USDA Certification

Ensures compliance with U.S. agricultural standards for the safe handling and transport of food-related goods.



## Distintivo H

Mexican certification for hygienic food handling, granted to logistics operations meeting strict sanitary standards.

# Certification-Driven Prevention of Illicit Trade



## Risk Level

	 CTPAT™ YOUR SUPPLY CHAIN'S STRONGEST LINK.	 FAST Free And Secure Trade
	<b>HIGH RISK PRACTICE</b> (Immediate Revocation or Severe Suspension)	<ul style="list-style-type: none"> <li>🔥 Tampered seals or unauthorized access</li> <li>🔥 No supply chain risk assessment</li> <li>🔥 False or incomplete compliance information</li> </ul>
	<b>MEDIUM RISK PRACTICE</b> (Suspension if Not Corrected Promptly)	<ul style="list-style-type: none"> <li>⚠️ Outdated supply chain risk review</li> <li>⚠️ Missing inspection logs</li> <li>⚠️ Poor supplier/carrier checks</li> </ul>
	<b>GOOD PRACTICE</b> (Not strictly required, highly recommended)	<ul style="list-style-type: none"> <li>✓ Train staff on smuggling risks</li> <li>✓ Use cameras in critical areas</li> <li>✓ Run internal security audits</li> <li>✓ Report all irregularities to authorities</li> <li>✓ Keep full documentation</li> </ul>
		<ul style="list-style-type: none"> <li>🔥 Contraband or undeclared goods in cargo</li> <li>🔥 Ineligible driver approved</li> <li>🔥 Failure to report incidents to CBP</li> </ul>
		<ul style="list-style-type: none"> <li>⚠️ Missing required border paperwork</li> <li>⚠️ Unresolved minor infractions</li> <li>⚠️ Driver information not updated</li> </ul>
		<ul style="list-style-type: none"> <li>✓ Certify all drivers</li> <li>✓ Inspect cargo before crossing</li> <li>✓ Avoid route deviations</li> <li>✓ Monitor vehicles with GPS</li> <li>✓ Strict compliance with FAST lane rules</li> </ul>

P. Baja fully complies with CTPAT and FAST standards, safeguarding uninterrupted cross-border operations



# Southern Baja Import Alternatives. | Landed Cost Comparison



- A Freight & Handling**
  - Air is faster & more expensive
  - Sea is slower & cheaper
  - Truck is the cheapest, but entails paying US premiums elsewhere
- B In-Bond 0.5–5.0%**  
Bond to bypass US duty
- C US-Made Product**
  - US-made products are pricier than Chinese ones
- D Everyone pays it**  
16.0% applied on Merch. Value.
- E China pays both, US doesn't (only CPF)**
  - GID 10.0%<sup>(1)</sup>
  - CPF 1.0%
- F Baja Provided Service<sup>(2)</sup>**
  - Manages the shipment end-to-end (after it enters Mx) until the goods arrive.

(1) GID: General Import Duty | CPF: Customs Processing Fee

(2) 10%-13% fee on Merch Value including all charges before Mexican Tariffs.

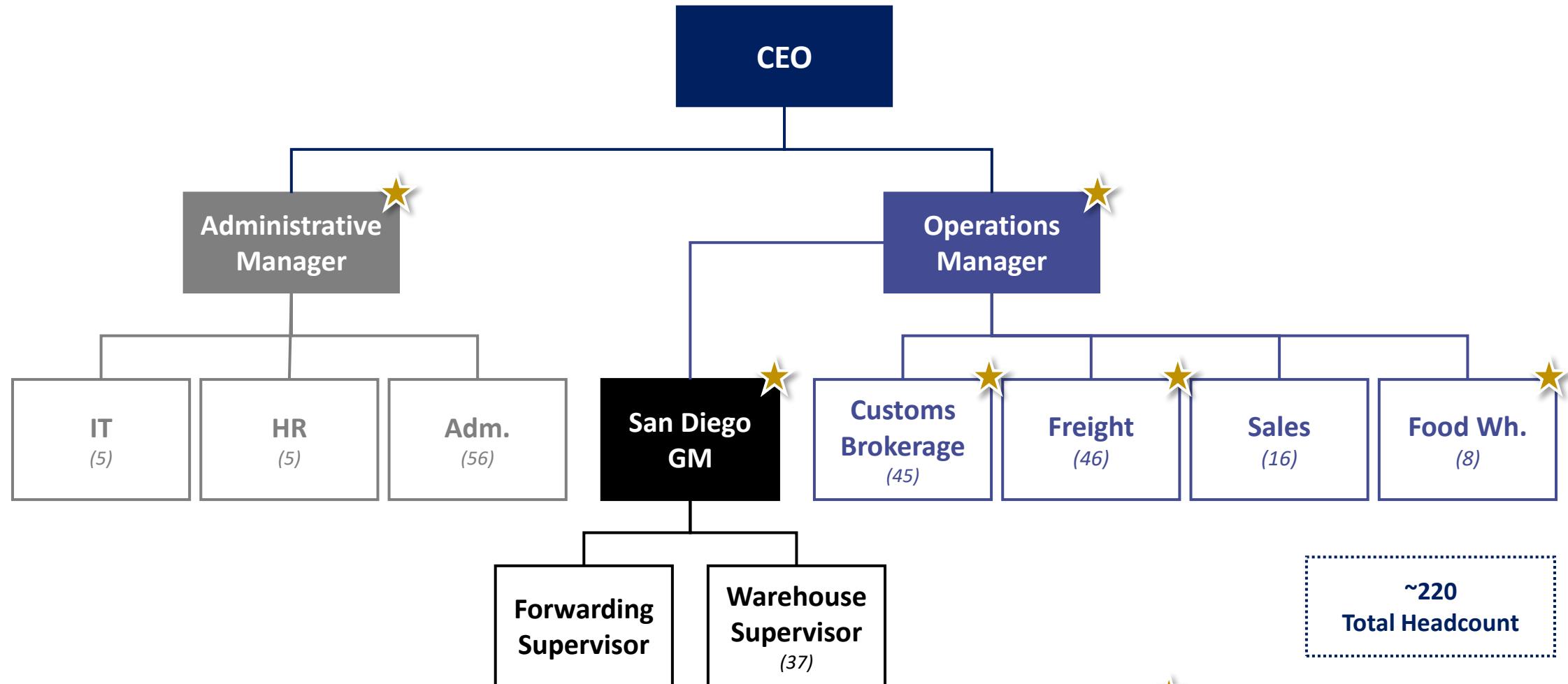
(3) (Tijuana); Ens (Ensenada); SBC (Southern Baja California)



# Appendix

Corporate Structure and Governance

# Appendix: Organizational Structure & Key Personnel

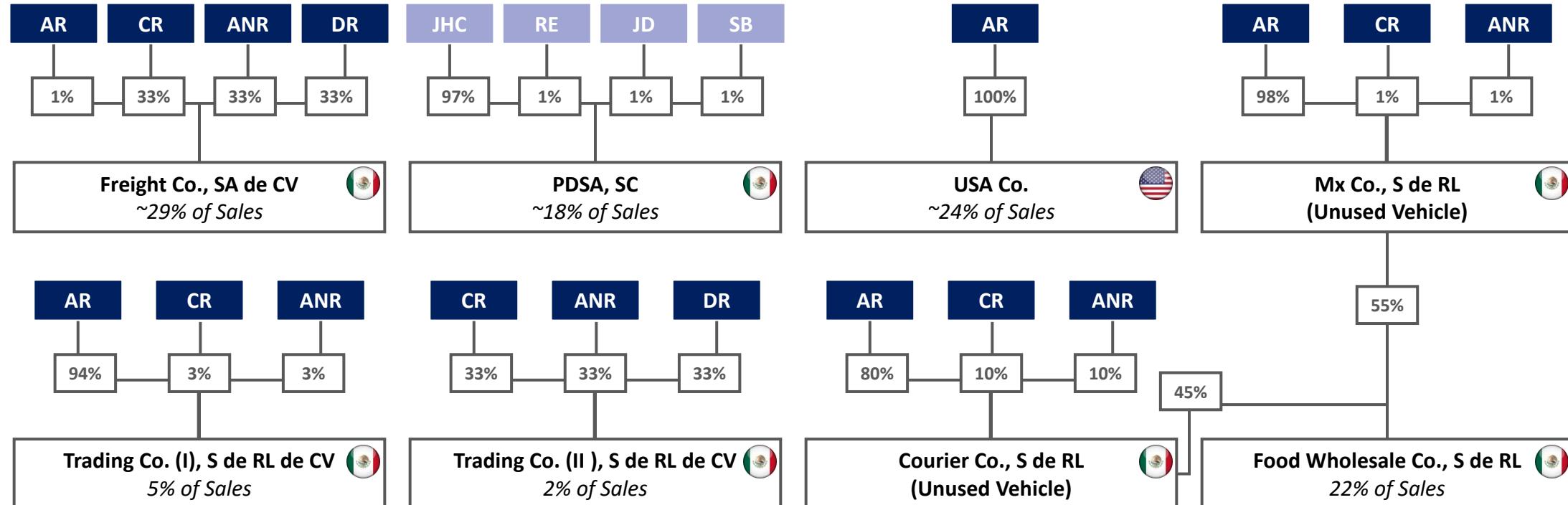




## Appendix: Key Personnel Bios

General Manager	<ul style="list-style-type: none"><li>• 34 years at Project Baja (since 1989)</li><li>• <b>In charge of day-to-day operations;</b> supports strategic decisions alongside the Executive Director.</li></ul>
Administrative Manager	<ul style="list-style-type: none"><li>• Joined P. Baja in 2002.</li><li>• <b>Oversees financial operations,</b> including accounting and cash flow management.</li></ul>
General Manager SD	<ul style="list-style-type: none"><li>• 28 years of experience in <b>food imports and regulatory compliance.</b></li><li>• <b>Leads San Diego operations.</b></li></ul>
Transshipment Supervisor	<ul style="list-style-type: none"><li>• 25 years at P. Baja.</li><li>• <b>Manages shipments and U.S. import compliance</b> for merchandise at the San Diego warehouse.</li></ul>
Freight Supervisor	<ul style="list-style-type: none"><li>• 29 years with P. Baja.</li><li>• Coordinates <b>freight logistics and border crossing operations.</b></li></ul>
Sales Supervisor	<ul style="list-style-type: none"><li>• Joined in 2014.</li><li>• <b>Leads a team of saleswoman and manages key accounts in Baja California Sur.</b></li></ul>
Customs Brokerage	<ul style="list-style-type: none"><li>• More than 15 years in Project Baja</li><li>• Oversees <b>import documentation and regulatory compliance</b>, with deep expertise in cross-border requirements.</li></ul>
Food Wholesale	<ul style="list-style-type: none"><li>• Joined in 2022 to <b>lead Food Wholesale operations.</b></li><li>• Manages <b>wholesale distribution and food imports in Los Cabos.</b></li></ul>

# Appendix: Shareholders and Ownership Structure



**Immediate Family**  
**AR**: Owner CEO  
**CR**: Family Shareholder  
**ANR**: Family Shareholder  
**DR**: Family Shareholder

**Other Shareholders**  
**JHC**: General Manager  
**RE**: Commercial Partner  
**JD**: Commercial Partner  
**SB**: Commercial Partner



**ENTREVO**  
CAPITAL

