

XS FINANCIAL

FINANCING FOR ESSENTIAL-USE EQUIPMENT

WHO WE ARE

XS Financial ("XSF") is an independent leasing company **funding mission-critical capex for middle-market businesses**. Backed by **Axar Capital Management and Mavik Capital Management** who have a strong track record of investing in the middle market and hard asset space, XSF delivers capital at scale to complex credits and industries across the US.

Founded in 2017, XSF emerged as the largest equipment lessor for US-based cannabis companies. In late 2024 and in conjunction with the new ownership, XSF expanded its offering to serve middle market companies across a variety of industries and asset types. Our tenured team across credit, finance, and originations possess extensive experience in the non-cannabis equipment finance industry, including **25+ years of buying and selling transactions in the capital markets segment.**

XS VALUE PROPOSITION

- Foster long-term partnerships with Capital Markets teams across the equipment lending industry to be a **reliable buy-side partner.**
- **Streamlined and transparent approval process** to meet our clients and partner's capital needs.
- Open to financing out-of-favor industries: Marine, Firearms, Mining, Energy.
- Client-centric approach with a commitment to being a **long-term, scalable resource.**
- Active capital provider in all market environments.

BUY DESK PARAMETERS

- Middle market and Corporate credit profiles (S&P Equivalent of B to CCC)
- Time in Business- 5+ years
- Public and Private US Based Corporate Obligors with ≥ $50MM+ Revenue
- Emphasis on essential-use, revenue-producing assets

TRANSACTION SIZE

- $5MM - $25MM
- Will consider larger hold sizes based on credit profile

STRUCTURES

Debt only at this time

- Capital Leases
- Loans/EFAs
- Debt Strip of Operating Leases

TERMS & RATES

- 36 - 120 months (term & amortization based on useful life of the equipment)
- Advance rates up to 100%
- Target pricing in the ALS(SOFR) + 450-700+ range

INDUSTRIES & COLLATERAL

- Industry agnostic with a focus on mid-ticket, hard collateral
- Will consider out-of-favor industries incl: mining, energy, brown-water marine, firearms
- Out of Scope: OTR titled vehicles



Jim Bates

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ELFA MEMBER