

## Private Debt Fund - Aktiva Financiación Estructurada

### Market Opportunity

Currently, the market for Corporate Finance in Colombia presents several opportunities for improvement as a result of high concentration in supply and demand for credit. In addition to that, there is low bank penetration, credit instruments are highly standardized and there is little flexibility in the guarantees and barriers to access capital markets. This presents a great business opportunity through innovative solutions that solve many of the market failures.

There are more than 2,500 companies that fit the investment thesis, with double digit Ebitda values, high growth potential, and debt structures for more than USD \$ 17 billion. The problem is that they do not have adequate financial instruments to finance their growth plans.

### Investment thesis

Fund's objective is investing in companies that match the following features:

- Annual sales between USD \$6,700,000 and \$50,000,000.
- Medium and long term capital needs.
- No dilution
- Expansion stage and growth potential.
- Likelihood of setting guarantees and alternative payment sources.
- Willingness to host advisory and follow up from the fund team.

**Use of resources:** fund medium and mature companies in expansion stage under the following scenarios:

- ✓ Industrial relocation
- ✓ Internationalization
- ✓ Installed capacity increase
- ✓ Inorganic growth

### General terms – Sub-Debt growth

▪ <b>Type of fund:</b>	Private debt fund
▪ <b>Target size:</b>	USD \$33 Million
▪ <b>Fund duration:</b>	10 years
▪ <b>Investor redemption:</b>	From month 13
▪ <b>Target return:</b>	16% - 18% net E.A.
▪ <b>Geographic focus:</b>	Colombia / Multisectorial
▪ <b>General Partner:</b>	Aktiva Asset Management
▪ <b>Fund manager :</b>	Fiduciaria Corficolombiana
▪ <b>Manager fee:</b>	0.21% on balance.
▪ <b>General Partner fee:</b>	1.75% annual of the average managed fund size and a carry of 20% on the preferred return.
▪ <b>Number of investees:</b>	Between 10 and 15 companies

### Fund Description

**PD Aktiva Financiación Estructurada** is an investment fund incorporated as Private Debt Fund under Colombian control, monitored by Superintendencia Financiera.

The Fund is a closed investment vehicle for long-term compartments and aimed at investing in Colombian companies with high growth potential via structured instruments (debt and quasi-equity).

The fund was created as an advanced and innovative solution, which allows investors to access an alternative asset and offers companies a new source of intelligent funding. Also, for those companies that are willing to be advised by an expert team. This maximizes the chances of achieving the objectives of growth and profitability of companies.

General Partner is Aktiva Asset Management and Fiduciaria Corficolombiana is the fund manager.

### Features of the instrument

Structured credit offers companies the opportunity to acquire capital resources which are classified as debt but possess many of the favorable characteristics of Equity.

Structured credit has two components, fix and variable. The variable is related to the performance of the company and it is charged for the advisory that the fund provides.

The fund intervenes in one or more of the following aspects of the companies:

- ✓ Corporate governance
- ✓ Financial and/or capital structure
- ✓ Business Strategy and Sustainability

All the operations have colaterals (guarantees and payment sources) and covenants to mitigate credit risk.

### Why invest in this Fund?

- Attractive and predictable returns.
- Investment uncorrelated with the stock market.
- Effective financial instrument in the current market.
- Structured investments designed to mitigate risk exposure.
- Ease of liquidation and clear exit strategies.
- Periodic cash flows.
- General partner's wide and deep experience in the underlying asset.
- Innovative tool that drives business development.

# Private Debt Fund - Aktiva Financiación Estructurada

## General Partner- Aktiva

Aktiva is a smart financial solutions platform for companies in Colombia, that was founded in 2011 by a group of experts in Business Financing instruments. The solutions designed by Aktiva are known for their flexibility, adaptability to companies' needs and they are complemented by our thorough financial advice and guidance.

### General Partner Team

#### Álvaro Lobo Urquijo

Economist at the University of Antioquia. He has served as the Chief Financial Officer at Aliadas CFC, Financial Manager and President of Dann Regional. He is currently a partner and the President at Aktiva Servicios Financieros. Expert in Risk Management and financial planning with 28 years of experience

#### José Ibarra Nadjar

MBA from IE BUSINESS SCHOOL and professional in Finance from Universidad Externado. He has worked in the area of Risk with Grupo Aval, as a Portfolio Manager at ING, and as an International Sales Manager at Larrain Vial in Chile and Colombia. Currently, he is a Partner and Manager of Aktiva's Private Debt Fund.

#### Pablo Santos Ramón

Economist from EAFIT University and a specialist in Structured Finance for companies, with studies in Private Equity and Strategic Marketing. Expert in the structuring of alternative financial instruments to leverage business growth, with 10 years of experience in the Financial sector and extensive experience in Financial Innovation and Business Structuring. He is currently a Partner and VP of Business Development at Aktiva.

#### Jorge Hernán Mejía

Economist, specialised in Credit and Finance. He has served as the Vice President of Business Premier Credit, Vice President Banca de Inversion at Trapeza Investments, Card National Manager, Credit and Risk Manager GNB Sudameris Bank, Corporate banking expert in the areas of business management and planning with 28 years of experience.

#### Eduardo Salazar Yusti

Electrical Engineering and Systems majoring in Telecommunications and Digital Signal Processing from the University of Texas. He has over 15 years of experience in consulting, business strategy and innovation processes in different companies. He is also a partner at Aktiva and he is an active Board member at UltraSerfinco, Agrofuturo, Everfit, Fundacion Cardiovascular and Aktiva.

## General Partner Track Record – Aktiva

### Team with extensive experience, reputation and knowledge:

- More than 70 years of accumulated experience in Corporate Finance operations and Structured Credit
- USD \$0.9 billion in Corporate Finance transactions carried out directly by the Management team.
- More than 23 top companies in Colombia accompanied with business growth strategies

### Company strengths:

- Company structure with a corporate governance structure and strong technical support.
- 5 years in high impact initiatives for corporate finance market, generating an innovative business model.
- More than USD \$23 million awarded with smart debt instruments to 30 mature companies with high growth potential.
- Support and alliances with institutions such as Proantioquia, Andi, Innpulsa and RutaN.

### Contacto:

Jose Ibarra Nadjar - Manager PD Aktiva Financiación Estructurada  
(+571) 7323535  
(57) 316 4737468  
[jose.ibarra@aktiva.com.co](mailto:jose.ibarra@aktiva.com.co)  
[www.aktiva.com.co](http://www.aktiva.com.co)

## Fund investment committee

The committee is comprised of 4 members, 3 independent members and a representative of the management team.

### Independent members:

- **Leonardo Hincapié:** Banker with 35 years of experience in the Financial sector. He has served as VP Finance, VP Credit and Risk at Grupo Bancolombia. He has been a member on the Board of Protección, Fiduciaria Bancolombia and Sufi. He currently participates on the Board of Deceval and Interactuar. He is also a consultant in Finance companies, teaching Capital Market Issues.
- **Camilo Botero:** Finance expert with 18 years of experience. Extensive experience in structuring and executing transactions. He has served as the Director of Corporate Finance at Grupo Nutresa, Senior Director for Investment Banking with Bancolombia and Investment Director at Suvalor. He is currently a partner at Veronorte and participates as a member of the Investment Committee of the BTG Pactual Property Fund and the Central Trust Board
- **Jorge Mejía:** Economist, specialised in Credit and Finance. He has served as the Vice President of Business Premier Credit, Vice President Banca de Inversion at Trapeza Investments, Card National Manager, Credit and Risk Manager GNB Sudameris Bank, Corporate banking expert in the areas of business management and planning with 28 years of experience.
- **Carlos Arango:** Risk Management expert with 15 years of experience in the Financial sector. He has been a Manager and Vice-President in Investment and Investment Banking at Grupo Santander Colombia, Barclays Capital, ING and Vinco.