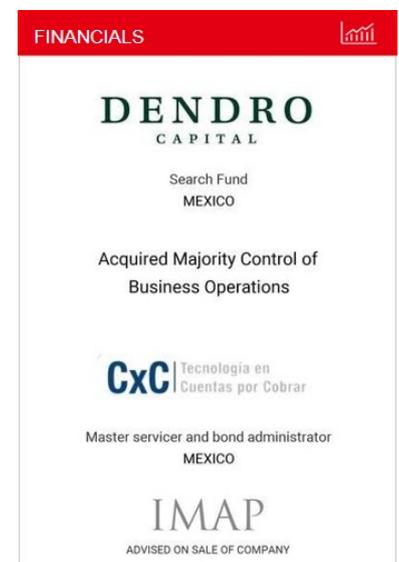




Dendro Capital, a Mexico-based search fund, invests in Tecnología en Cuentas por Cobrar

Deal Highlights

- Dendro Capital (“Dendro”) acquired an 80% stake in Tecnología en Cuentas por Cobrar (“TCxC”). IMAP Mexico advised on the sale.
- TCxC is the leading master servicing company in the Mexican public and private structured finance market. It also provides auditing services and valuations for trade receivables.
- By the end of 2017, TCxC managed a portfolio valued at over \$1.8 billion, having managed over 425,000 individual transactions.
- Dendro is a private fund manager and pioneer among search funds in Mexico.
- TCxC’s business model fit well with Dendro’s investment criteria, especially because of its interesting growth potential in the Mexican market.
- Dendro Capital was seeking to buy a company which was a leader in a niche market, with high growth potential, a strong EBITDA margin and low CAPEX requirements. TCxC was an ideal fit.
- This transaction will strengthen the Company’s growth potential and corporate governance, allowing it to consolidate its leadership position in the Mexican market.



Market Outlook

- The total structured debt market in Mexico amounted to \$38 billion in 2017. This is the highest amount of outstanding debt recorded in Mexico.
- In the last 5 years, 61% of the total structured debt market consisted of transactions issued without a Master Servicer. This gap between transactions with and without master servicing represents the main short term growth opportunity for TCxC.
- Since 2013, TCxC has had the highest market share in terms of number of transactions in Mexico (45%).

Valuation Summary

- There are few comparable companies in the Mexican market. Similar transaction valuations range between 6x and 7x EBITDA.
- The deal value was not disclosed. The implied EBITDA multiple was 6.3x.

IMAP Approach

- IMAP Mexico acted as the exclusive financial advisor for TCxC in the transaction with Dendro Capital.
- The team leveraged its relationships with fund managers and other market players to identify several interested parties. Through collaboration with IMAP Colombia and IMAP UK, TCxC was introduced to several potential international buyers.
- Due to the Company’s leading role in a niche market, several local investors were interested, which led to a very competitive process.
- IMAP Mexico managed to obtain several offers and negotiated the best value for the owner.

Client Comment

Fernando Casares, Owner and CEO, Tecnología en Cuentas por Cobrar:

“From my point of view, finding a buyer for a company operating in a niche market is very complicated and Serfidor knew how to locate not only several interested bidders, but also managed to finalize several offers that finally led to a successful transaction.”

IMAP Transaction Advisors



Gilberto Escobedo
Partner
IMAP Mexico
gilberto.escobedo@imap.com



Gabriel Millán
Partner
IMAP Mexico
gabriel.millan@imap.com

IMAP has closed deals worth more than \$4.0 billion in the Financial Services sector since 2015

FINANCIALS 	FINANCIALS 	FINANCIALS 	FINANCIALS 	FINANCIALS 
 Acquired 100% of Business Operations  IMAP <small>ADVISED ON PURCHASE OF COMPANY</small>	 Acquired 100% of Business Operations  IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired Majority Control of Business Operations  IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired Minority Stake  IMAP <small>ADVISED ON PURCHASE OF COMPANY</small>	 Acquired 100% of Business Operations  IMAP <small>ADVISED ON PURCHASE OF COMPANY</small>

IMAP is an International Mergers and Acquisitions Partnership with more than 350 M&A advisors and a presence in 39 countries. IMAP has closed over 2,100 transactions valued at \$90 billion in the last 10 years and is consistently ranked among the world’s top ten M&A advisors for mid-market transactions (Thomson Reuters). IMAP advises primarily mid-sized companies and their shareholders on sales and acquisitions on a global scale, providing clients with entrepreneurial, unbiased advice and successfully helping them achieve their objectives.