I. Executive Summary

Introduction

Linzor Capital Partners IV, L.P. ("LCP IV" or the "Fund"), a fund targeting limited partner commitments of $400 million, is being formed by Linzor Partners IV, L.P., the general partner of the Fund (the "General Partner" and, together with its affiliates other than LCP I, LCP II, LCP III and the Fund and its successors in interest, "Linzor", "LCP" or the "Firm") to acquire middle market companies in Latin America. LCP IV will take a regional approach primarily focusing on the markets in Mexico, Chile, Colombia and Peru, operating out of three local offices in Santiago, Chile; Mexico City, Mexico; and Bogotá, Colombia.

The Fund will seek to invest $30 to $80 million of equity in each prospective portfolio investment as a control investor. Linzor intends to invest the Fund using a thematic investment strategy focused on digital transformation, underserved sectors and changing demographics, and resource efficiency, employing the same investment approach executed by the Partners in the Firm's three prior funds, Linzor Capital Partners, L.P. ("LCP I"), a $181.5 million fund that had its final closing in 2007, Linzor Capital Partners II, L.P. ("LCP II"), a $465.4 million fund with a final closing in 2011, and Linzor Capital Partners III, L.P. ("LCP III"), a $621.2 million fund with a final close in 2015.

Organization and Team

Linzor was founded in 2006 by former executives of J.P. Morgan. Tim Purcell, Managing Partner, founded J.P. Morgan Partners Latin America, L.P. ("JPMPLA") in 2000 and managed certain J.P. Morgan balance sheet private equity investments in Latin America as part of the J.P. Morgan Capital Corporation ("JPMCC") portfolio. Carlos Ingham, Partner and Co-Founder, was responsible for managing J.P. Morgan's investment banking business in the Southern Cone (including Chile, Argentina, Uruguay, and Peru) until his departure in 2007. Linzor's third co-founder, Alfredo Irigoin, had worked alongside Tim Purcell at JPMPLA and JPMCC. He was part of the group who managed LCP I and LCP II, and is now a Senior Advisor with respect to LCP III and LCP IV.

LCP IV will be managed by Tim Purcell, Carlos Ingham, Matías Gutierrez, Jean Ide Gerard, Sharon Matthews, and Gerardo Biagi (the "Partners"). All Partners are locals in their respective markets, have complementary skills, and benefit from extensive regional networks having worked their entire careers in the Latin American investment and financial markets. The Partners have an average of 26 years of experience in the region and benefit from extensive networks within the business community while sharing the same institutional discipline and culture developed during their careers at well-known international firms.

Investment Performance[1]

Linzor seeks to achieve consistent returns across its investments through a disciplined approach to private equity investing, which the Firm plans to continue employing with LCP IV. Linzor seeks to limit the incidence of underperforming investments using a set of proven and repeatable strategies, including: a) a broad screening process of investment opportunities with a high proprietary component, b) a thorough due diligence process, c) a prudent use of leverage and disciplined approach to valuation, d) a consistent value creation process combining the Partners' and industry experts' know-how, and e) a clear view of exit paths and valuation potential. The Partners have experience implementing this approach, which is designed to add value at every step of the investment process aiming to generate attractive risk-adjusted returns.

[1] Please refer to the Comprehensive Performance Endnotes in ***Section IV. Investment Performance***.

Since Linzor's founding, the Partners have deployed $948 million in 19 portfolio companies[2] through LCP I, LCP II and LCP III, with an approximate total value of $1,830 million[3] as of June 30, 2022. The Partners' realized track record consists of $348 million of capital invested in nine transactions[4], which have generated gross proceeds of $777 million, achieving a gross multiple of invested capital of 2.5x and a gross IRR of 46%.

Linzor Gross Performance Summary
June 30, 2022
US$ million

Fund	Vintage Year	Fund Size	Number of Investments	Invested Capital (1)	Gross Proceeds (2)	Unrealized Value (3)	Total Value	Gross MOIC (4)	Gross IRR (5)
LCP I	2007	181.5	6	136.2	478.7	42.7	521.4	3.8x	45%
LCP II	2011	465.4	9	372.3	176.7	338.7	515.4	1.4x	5%
LCP III	2016	621.2	7	440.3	259.9	533.6	793.5	1.8x	19%
Total			**22**	**948.7**	**915.2**	**915.0**	**1,830.2**		
Total Realized Deals (11)			**9**	**347.9**	**777.5**	**82.2**	**859.7**	**2.5x**	**46%**

Linzor Net LP Performance Summary
June 30, 2022
US$ million

Fund	Total Contributions (6)			Total Distributions (7)	Terminal Value (8)	Net MOIC (9)	Net IRR (10)	DPI (12)
	Investments	Management Fees	Other Expenses					
LCP I	127.2	16.6	7.6	390.7	33.5	2.8x	31%	258%
LCP II	359.8	69.6	11.3	169.4	325.7	1.1x	2%	38%
LCP III	422.1	79.0	7.4	239.7	471.6	1.4x	11%	47%

Notes:

- Past performance is not indicative of future results.
- Please refer to the Comprehensive Performance Endnotes for the definitions of terms that are followed by a reference number in parenthesis.
- As further described in the Comprehensive Performance Endnotes at the end of this section, Gross Proceeds and Total Distributions are stated gross of Withholding Tax Creditable to LPs, and Unrealized Values are stated gross of provisions for Withholding Tax Creditable to LPs.

Linzor currently manages three private equity funds, all of which have completed their respective investment periods. Seven remaining investments in LCP I and LCP II are undergoing active sale processes at various stages, including one that has been signed and is awaiting regulatory approvals. Linzor expects to complete the exit of the remaining LCP I and LCP II portfolio companies in the next 12

[2] Total number of investments in table below is 22 because two investments are shared between funds and another investment consisted of the acquisition of the LBO debt of another portfolio company.
[3] Includes gross proceeds plus Unrealized Value as of June 30, 2022. Does not include co-investments. Gross proceeds includes all proceeds received from all investments up to and including June 30, 2022, including dividends, interest income, and sale proceeds. Withholding Tax Creditable to LPs, as long as the related tax credit is usable by at least one LP, is also included. Withholding Tax Creditable to LPs represents taxes withheld in certain jurisdictions, which generate tax credits of the same amount that are usable by at least one LP as a result of the structure of the investment. Linzor makes no assurances that future investments will generate such credits, or if generated, that such credits will be usable by a particular LP. For realized investments denominated in a foreign currency, except as otherwise noted, the cash flow amounts for each investment are converted from the applicable local currency to U.S. dollars at the actual exchange rate transacted
[4] LCP I: SCF, Hoyts, Cruz Blanca, Colfondos, and TIP (partially realized). LCP II: TIP (partially realized), Onest, Devlyn, R2 Energy. LCP III: Mundo

to 18 months. LCP III has six remaining investments; the oldest is shared with LCP II and the most recent one closed in January 2022. LCP III also has reserves for potential follow-on investments.

Investment Strategy

LCP IV will look to employ a thematic investment strategy coupled with the same successful approach executed by the Partners in prior funds, leveraging best practices and extensive relationships established through the management of their historical portfolios.

Summary of Investment Focus

Geographic Focus	Latin America ex-Brazil (Chile, Mexico, Colombia, and Peru as main target markets)
Market Segment	Middle Market
Investment Type	Buyouts, Growth Equity
Investment Style	Control, Co-Control
Target Enterprise Value	$75 to $400 million
Investment Themes	» Digital transformation » Underserved sectors & changing demographics » Resource efficiency

The Fund intends to invest in middle market companies in Latin America excluding Brazil, principally in Mexico, Chile, Colombia and Peru. Linzor continues to believe the middle market provides a broad set of opportunities from which to generate attractive returns. The Fund will seek investment opportunities consistent with the strategy executed in LCP I, LCP II and LCP III, looking to invest between $30 million and $80 million of equity in target companies that have an enterprise value between $75 million and $400 million. The Fund will primarily pursue control investments in these companies, as this approach allows Linzor to actively manage strategic plans, potential exit windows, management incentive plans, and operational and expansion initiatives that are key to driving returns.

Linzor will focus on three main investment themes for LCP IV, where the Partners see the most attractive growth opportunities: (i) digital transformation, (ii) underserved sectors and changing demographics, and (iii) resource efficiency. Linzor plans to invest LCP IV in companies that address one or more of these themes, each of which involves what Linzor views as a compelling ESG and impact thesis that enhances the value and mitigates the risk of the portfolio.

Current Investment Environment

Linzor believes that the current context is generating the conditions for attractive investment opportunities in Latin America over the coming cycle. While the region and overall market environment require investment discipline and a focus on return generation through operational value creation, Linzor believes the following factors make private investments in Latin America a compelling investment opportunity at present:

» Private equity investments made after periods of volatile economic conditions have historically produced high returns. For example, US private equity investments in the period following the burst of the dot-com bubble (2001-2004) averaged gross returns of 28.5%, compared to 9.1% for the preceding four years (1997-2000).[5] Similarly, the US private equity investments made during the four years following the subprime mortgage crisis (2009-2012) earned an average gross IRR of 27.1%, compared to the average of 13.1% for the preceding period (2005-2008).[6] Latin America was significantly affected by the COVID-19 pandemic, generating the conditions for a robust recovery during the LCP IV investment cycle.

» Latin America holds an estimated 40% of global copper reserves and approximately two-thirds of the world's lithium reserves, two minerals that will play a vital role in the electrification process required for the global energy transition to low-carbon alternatives.[7] Linzor expects that strong demand for these commodities will keep their prices high over the coming years, with positive repercussions for the commodity-exporting economies in its target markets.

» The "demographic dividend", which has been in full swing in the region for the past 30 years, is expected to continue increasing the size of the workforce and household income, favoring the expansion of the middle class. This emerging middle class continues to have unmet needs in areas such as financial services, education, healthcare, and connectivity, due to the low penetration of those services in Latin America relative to more developed markets.

» Short-term economic and political uncertainty in the target countries creates attractive investment opportunities that would not be available in other periods or would be available at higher prices. This climate motivates sellers (for example, multinational corporations and family businesses) and reduces competition among prospective buyers (e.g., other financial sponsors, family offices). Linzor's highly selective investment strategy in sectors and types of companies allows it to navigate political risk, while its strong focus on ESG factors helps to further mitigate country-specific risks.

» The global environment and the domestic uncertainties have depreciated the target countries' currencies, leaving them well below their long-term real average levels. This provides attractive entry points for investors who assess their returns in US dollars.

» Lastly, private capital penetration as a percentage of GDP is relatively low in the target economies[8], and Linzor believes it is one of the few experienced institutional players investing in the region. As a result, Linzor expects to be able to originate more proprietary transactions (without competition from other potential buyers) and to make investments at lower valuation multiples than at other times when the region received more attention from international players.

[5] Cambridge Associates, Private Equity Benchmarks (September 30, 2021)
[6] Cambridge Associates, Private Equity Benchmarks (September 30, 2021)
[7] Brookings Institute
[8] Global Private Capital Association (GPCA)