

**PRIVATE CAPITAL INVESTMENTS
INDUSTRIAL & BUSINESS CONSULTING**



“ Catapulting Business Opportunities ”

May 2020



COMPANY OVERVIEW

Introduction

AdL Holdings www.adlholdings.com, based in the San Antonio, Texas area (US), with operations in Puebla, Mexico, is an investment-oriented firm dedicated to land, develop and business-walk opportunities in Small-Medium Enterprises (SMEs) and Small Businesses.

Business Lines

- **PRIVATE CAPITAL INVESTMENTS**

Strategic partnerships with US and Mexican Small Businesses in demand for expanding working capital, funding new projects, strengthening the balance sheet or make acquisitions.

- **INDUSTRIAL & BUSINESS CONSULTING**

Advisory and consulting services, business & market intelligence and corporate strategy for companies in the Automotive Supply Industry in North America, Europe and Asia.



MAIN CUSTOMERS



Industrial Automation System Solutions
- Puebla, Mexico.
www.vector-automation.com



Leading Leaf Spring Supplier - European OEM Auto Industry
- Izmir, Turkey.
www.olguncelik.com.tr/EN/index.php



Imports, Marketing & Distribution of acorn-fed Iberian Ham & Sausages
- Puebla, Mexico.
www.jamonbellotero.com



Neapolitan Cuisine & Specialties – Italian Food Chain
- Puebla, Mexico.
www.labellapizza.com.mx



MAIN CUSTOMERS



Grilled Meat Tacos Restaurant & Food Trucks
- Puebla, Mexico.

www.facebook.com/Taquitos-TITO-1711829219113864/



Hotel Boutique, Caribbean Sea
- Playa del Carmen, Mexico

www.cocoscabanas.com

La Blanca

Bakery Specialties, Traditional Stone-Oven Products
- Puebla Mexico

www.panaderialablanca.com



Investment Strategy

- High potential market share, new products introduction & access to new markets.
- Rapid growth and high returns on capital employed.
- Willing to take advice on business & market intelligence, corporate & partnership strategy.
- Finding the right opportunity set that has a low-enough entry point.
- Non-majority company shares, nor controlling influence over the management/operations.



PRIVATE CAPITAL INVESTMENTS

Main Targets

- Businesses with a Debt-to-EBITDA ratio of less than 0.5. Liquidity to pay back in the short-run.
- Cash-starved businesses, potential leaders in a niche market. “Invest-grow-divest” strategy.
- Businesses in need of \$100K USD or less, for expanding working capital, funding new projects, strengthening the balance sheet or make acquisitions.
- Annual sales from \$50K USD up to \$300K USD.
- No start-ups, businesses with at least 2 years in operation (black numbers).

Industries

- Industrial – Automation equipment solutions (machine vision, robotics, machinery)
- Energy – Oilfield services (industrial equipment and trucking services)
- Food Production & Bakery – wholesale (distribution, new equipment, sourcing)
- Restaurants – Non-franchise (facilities expansion, new equipment, new branches)
- Hospitality – Boutique Hotels (facilities upgrading, revamping and renovation, expansion)
- Others – Attractive business plans, profitable enough to share earnings & repay investment.



PRIVATE CAPITAL INVESTMENTS

Financial Outcome on Recent Investments

- In 2020-Q1, the **Return on Investments** in the **Restaurant Industry** is showing **positive results, allowing a 54% average Annual Return.**
- Along 2019-2020, investments in the **Automation Industry** are averaging a **33.6% Annual Return.**
- In early 2020, as part of a **New Deal with our Iberian Ham & Sausages Imports customer**, a 3-year contract was signed in order to complete a mayor product purchase from a Spanish producer. This investment in the **Food Distribution Industry** will provide a **25.8% average Annual Return.**
- At the beginning of 2020, as a result of a **New Investment with our Grilled Meat Tacos Restaurant customer**, funds were allocated to: **Relocate the main branch and Open up a brand new branch in a neighboring regional market to meet unattended demand.**



Industrial

- Sharing know-how platform and value added advisory services - Auto Supply Industry
- 17 years of overseas Management experience in North America, Europe and Asia.
- Market and Business Intelligence, Competitiveness Assessments (market, players, growth opportunities and threats).

Small Business

- Open to commit investments in businesses showing positive output signs of potential growth.
- Shoulder-to-shoulder with customers (advisory project & investment plan).



EXPERIENCE

Global Deal-Making

- Global experience: over 17 years in North America, Europe & Asia.
- Business for diverse Industries: Automotive, Automation, Pharmaceutical, Energy, Food Production & Distribution, Restaurant, Bakery and Hospitality.
- Setup & Management of Commercial & Technical offices in such regions.
- Contracts with businesses & companies in Mexico, USA, Western and Eastern Europe: Germany, France, UK, Spain, Russia, Czech Republic, Turkey, etc.
- Business Door-Openers in China.
- Servicing Global OEM customers in the Auto Industry: Mercedes Benz, Renault-Nissan, BMW, Ford, GM-Opel.
- Strategic Partnerships, Sales, Technical Development and Sourcing
- Company Liaison activities: Customers-Headquarters-Production Plants
- Cooperation Agreements, Corporate Strategies, Competitive Assessments.
- Market & Business Intelligence, Due Diligences: landing and developing Global Programs.



EXPERIENCE

Financial Strengths

- 2 decades of experience: Finance area – Small Business, Auto Industry & Financial Services.
- Strong Treasury & Controlling Management background – Small Business & Industrial Manufacturing.
- Servicing over 25 customers, annual sales: \$450M USD.
- Budgeting & Forecasting know-how: Business Plans & Manufacturing Sites.
- Variance-walks: Budget vs. Actual Output Results.
- Finance & Controlling procedures: reducing material, overhead, overtime, scrap & freight costs.
- Doubtful accounts & Customer discrepancies, Purchasing Agreements.
- Kick-off, Development & Approval of inventories - Multi-production Locations.
- Launching of Small Business & Production Plants - Green-field projects.
- Compliance with Financial and Operative audits.
- Implementation & Monitoring internal controls & procedures (Sarbanes-Oxly)

Main Achieved Projects

2013-2020

- Growth capital investments in a Tech company of Industrial Automation Solutions, Financial support for awarding contracts, equipment and machinery purchases and company cash flow improvements for projects completion and delivery.
- Funding of new Projects, Investments in diverse Industries: Automation, Automotive, Pharmaceutical, Oil Field Services, Poultry, Food Production Imports & Distribution, Restaurant, Bakery, Hospitality & Furniture, with over 25% average consolidated annual returns.

2012

- Elaboration of an advanced Competitiveness Assessment for providing advisory services related to Market and Business Intelligence to our European Automotive Supplier customer. This contribution supported our customer to enhance its market share and reaffirm its main player position in the European Auto Supply industry. As a result, our customer reached the highest level of production in its history with double digit growth along 2012.

2009-2011

- Awarded as Tier 1 supplier and first time ever designated as Global lead-design for a major North American OEM program in the Auto Industry. This platform was launched and assembled in Europe, NA & China. Commercial & technical development: Purchasing (Germany), Engineering (UK), Design, Testing & Manufacturing (Turkey).



REFERENCES

Main Achieved Projects

2008-2011

- Development of Market Access Strategy in Europe for a Mexican Company, by generating the first ever sales in Europe through awarding supply programs from a major European OEM in Auto Industry, achieving export volume sales in the range of \$4.5M USD/year (10-year contracts worth \$45M USD).

2005-2010

- Initiative, Design & Development of a supply contract agreement of suspension components for the Auto Industry in Europe in partnership with a Czech company (EUR 30M/year turnover).
- Business Cooperation with a Russian company, through a TAA (Technical Assistance Agreement), to provide sales access and supply auto components to foreign Western European brands in the local market. This green-field project included the very initial steps, from scouting, study of infrastructure and production equipment, due-diligence, tech-financial-business assessment & logistics, for selecting the manufacturing site.

2004-2007

- Kick-off & launch of a state-of-the-art program for a Premium OEM in the Auto Industry, by entering and competing in the European market (tech & commercial, quality, logistics, contracts, etc.).
- Pre-emptive program avoiding a part quality recall by an Auto Supplier in Graz, Austria (\$2M USD Savings).

News

2020

Q1

- Despite of economic downfall concerns due to the global health crisis, we continued to believe on and support small businesses. Our customer Taquitos TITO received an additional financial shot to complete the relocation of its main branch.
- A spectacular investment was allocated with Jamones Extremadura www.jamonbellotero.com, company in the business of Imports, Marketing and Distribution of Sausages and Iberian Ham. This capital shot ensures its cash flow commitments during 2020.
- AdL Holdings agreed a new Growth Capital Investment with its new client Taquitos TITO, in order to finance the construction, setup and start of operations of its new branch in Puebla, strengthening its expansion plan.
- A new investment deal was reached with its new customer La Bella Pizza www.labellapizza.com.mx, important player in the Gastronomic Industry of Wood Fired Pizzas & Pastas in Puebla. This investment supported its cash flow to start operations in a new branch.
- AdL Holdings landed an extended investment with its client Vector Automation www.vector-automation.com, Industrial Automation Solutions supplier, as to increase its cash flow during the delivery of a project for the Automotive industry.

News

2019

Q4

- We struck a new investment deal with our customer Vector Automation www.vector-automation.com, Industrial Automation Solutions supplier. This contract funded the delivery of current and incoming projects.
- AdL Holdings landed an additional investment with its client Jamones Extremadura www.jamonbellotero.com, company in the business of Imports, Marketing and Distribution of Spanish 100% acorn-fed Iberian Ham and Sausages. This provided Growth Capital to support its cash flow during the last quarter of the year.

Q2

- We continued investing Growth Capital in our client Jamones Extremadura. This time, to expand its working capital and manage to finance its cyclical imports of Sausages and Matured Hams.
- AdL Holdings announced a Private Equity Investment with its client Jamones Extremadura. The capital was used to enhance the company's cash flow and to finance its most recent imports project of Sausages and Matured Hams.



LATEST DEVELOPMENTS

News

2018

Q4

- A new investment in Vector Automation www.vector-automation.com, Automation Solutions supplier to the Pharmaceutical Industry. This investment allowed our partner to commit further projects around the corner.
- Importaciones Ibericas Magallanes www.jamonbellotero.com, extended its investment contract with AdL Holdings as to expand its working capital for the following months. This move allowed its champion brand Jamones Extremadura to finish the final lap of the year at full speed.

Q3

- In a turnaround strategy, AdL Holdings shielded its investments from: the USD-MXN Exchange Rate as the Mexican Peso kept on appreciating, and Volatile Stocks as they were overvalued. A well analyzed move that provided solid rock certainty to our investors.
- The investment vehicle of AdL Holdings made smart moves to shield from Economic Trends, including the US-China & US-EU Tax Wars and the USD-MXN Exchange Rate downfall. As a result, Asian and Europe Equity Funds were dumped, while redirecting increased Investments on Tech , Discretionary Consumption & Industrials of US Equity Funds.



LATEST DEVELOPMENTS

News

2018

- AdL Holdings completed an investment with its partner Vector Automation www.vector-automation.com, holding its commitment of funding new Tech projects for bringing forward Industrial Automation Solutions.

Q2

- In May 2018, AdL Holdings made a new investment with its customer Jamones Extremadura www.jamonbellotero.com, Mexican company based in Puebla, in the business of imports, commercialization and distribution of whole legs of acorn-fed Iberian ham from Spain. This time, a deal for purchasing 2.8 Tons of Italian imported cheese was made.
- AdL Holdings landed a new deal with its longstanding customer Vector Automation, in order to provide funding for ongoing projects in the Automation Industry.

Q1

- Despite of many investors walking out of the room due to the Markets Sell-Off, AdL Holdings continued to believe US, European & Asian Equity Funds in Tech, Industrial and Materials, will have a strong rebound by mid-2018.



LATEST DEVELOPMENTS

News

2017

Q4

- Our newest client, Jamones Extremadura www.jamonbellotero.com just completed a 100% Return of Investment with AdL Holdings after 6-month successful in-business period. We appreciate the opportunity of partnering, and look forward to support further investments next year!
- After 2 years in business, our longstanding partner Trattoria Familiare / Addumari was successfully able to complete the Return of Investment, released back in September 2015. Once again, our investment partnership in the Restaurant Industry has proven right and profitable!
- Strategic move, including a reoriented investment path, dumping shares of US companies dedicated to financial services, discretionary consumption, health care and energy; while reinvesting heavily in US, European & Asian equity funds based on IT, Industrial and Materials.

Q3

- Entered into a PE & VC Agreement with CICE BUAP (Centro de Innovación y Competitividad Empresarial) as to provide shoulder-to-shoulder training to start-ups, in-growth projects and small businesses/companies, through specialized business consulting and market intelligence for propelling the commercialization of entrepreneurs' goods and services.



LATEST DEVELOPMENTS

News

2017

Q2

- Closed a deal with its new customer Jamones Extremadura www.jamonbellotero.com, Mexican company based in Puebla, in the business of imports, commercialization and distribution of whole legs of acorn-fed pure breed (Iberico ham) from Spain. This investment supports the "on-time, on budget" imports of sausages and mature hams into Mexico.
- Successfully announced incremental investment in the Automation Industry. A "cash shot" was provided to our longstanding partner Vector Automation www.vector-automation.com as to move forward with projects in the pipeline, smoothing the path with suppliers and customers.

Q1

- Confident in the US and Mexican internal economies growth along this year. However, in order to shield from any potential transnational downturn, we designed a tailored USD-to-USD & Peso-to-Peso investing strategy. This will hedge our investors from potential negative impact on exposed border deals.



LATEST DEVELOPMENTS

News

2016

Q3

- AdL Holdings increased its investment share with its longstanding partner Vector Automation www.vector-automation.com, automation equipment supplier to the Pharmaceutical Industry. This financial shot will support the accomplishment of several technical service projects in Europe and Mexico. **Significance:** This deal allows AdL Holdings to get back in strategic business, paving the way for incoming investment opportunities along 2016.
- The process of recapitalization and capital consolidation from a main customer was successfully completed, allowing for next moves and investments into more profitable businesses.

Q2

- AdL Holdings reached another deal in the Construction Industry in Puebla.
- Our executive team was in San Antonio and South Texas to oversee one of the most important retroactive deals in the company history.
- An extended restructuring contract was agreed with one of our main investors. This move will allow our current recapitalization investment strategy to be put in place along this year.



LATEST DEVELOPMENTS

News

2016

Q1

- AdL Holdings Annual Shareholders meeting took place in March 11th, 2016 in Las Vegas, NV.
- AdL Holdings agreed an early-partial return of investment from its longstanding partner Addumari by Trattoria Familiare. This agreement endorses our commitment to support customers based on a flexible-ROI-policy, edging traditional private capital partnerships.

2015

Q4

- As part of a turnaround strategy, AdL Holdings completed its divestment process from Nebano Mobiliario, in order to consolidate capital and strength cash flow.
- AdL Holdings had the chance to visit Audi's assembly facilities in Ingolstadt. It was impressive how body assembly lines ran fully automated. This state-of-the-art technology was also laid out at its newest facility in Puebla, MX.
- Venture scouting was performed in Ingolstadt, Germany by the AdL Holdings team, where more than 400 independent bakeries were up and running, as to better understand the dynamics and trends of a mature small business market.



LATEST DEVELOPMENTS

News

2015

Q3

- AdL Holdings struck another deal with current partner Nebano Mobiliario, expanding its working capital to achieve better purchasing conditions with suppliers. This financial shot secured on-time delivery to customers.
- AdL Holdings and Addumari reached an agreement to extend its contract for an additional term, allowing further cooperation in the Restaurant Industry, pouring additional funds to improve cash flow in this business.
- AdL Holdings closed a deal with a new partner in the Construction Industry in Puebla. Fresh Investment was placed as to expand working capital for completing a road construction project in in Puebla. Significance: With this move, AdL Holdings stepped in to a new business segment, diversifying investment and opening the door for future construction projects in the region.

Q2

- As part of our investment due diligence process, the AdL Holdings team made an on-site visit to its potential partner Weingut Lilian at the Constance Lake in south Germany. The main focus was to understand the Wine Industry, from its very first steps until getting the final product.
- Our executive team attended the Expo Milano 2015 on May 15th, 2015. As part of a strategic decision for expanding our business scope, AdL Holdings rounded-up meetings with investors and entrepreneurs in Europe during May 2015.



CONTACT

Business Development

- Financial Arm & Investment platform for short/medium-term value growth. Divesting investments after development and maturity have been reached.
- Investment, restructuring and turnaround experience and proven ability to grow business.
- Professionalism conducting domestic & international deals, taking companies to the next level.

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