

Newspaper Article

Diviso plans to keep growing with the purchase of microfinancial institutions

They foresee predominance of megaenterprises and small boutique business in the financial sector, and the disappearance of median institutions. Maj Invest participation is 18.5% in Diviso

Diviso Financial Group has been in the last years one of the more active players in the acquisition of microfinancial entities and is planning to continue with this type of transactions to impulse growth.

In 2014, they bought Financiera Nueva Vision and this year finalized the acquisition of caja rural Cajamarca. Both enterprises have been incorporated to the group financial entity, Credinka, who counts with more than 100,000 borrowers.

"We are growing not only increasing our operations, but also through mergers and acquisitions", emphasize Luis Baba Nakao, president of Diviso Board.



The market of financial intermediation of tomorrow will be that of megaenterprises and small boutique business; all the median size enterprises might as well disappear, he commented.

"We are settling on the future market. We are interested in still growing through this acquisition process. Hopefully new opportunities will arise", he said.

In addition to financiera Credinka, Diviso has one stockbroker (Diviso Bolsa), one investment fund management company (SAF) and manages 16 funds (between mutual funds and investment funds).

The next step is to open an insurance company that will focus on the segment of the underserved population, said Baba Nakao. The organization request of the insurance company is in process in the SBS (regulator), he concluded.

New partner

The aggressive expansion plan Diviso has for its business requires also a strong capital increase, according to the executive. In that way, he emphasized the recent incorporation of its new partner in its shareholders group.

Maj Invest, an asset management company of Danish origin, that manages US\$8,000 million, made an investment, through two of their private equity funds, in Diviso.

In this way, the Danish Microfinance Partners fund invested in Financiera Credinka and has a participation of 10% in the financial entity. Likewise, the Maj Invest Financial Inclusion Fund

II invested in Diviso and has a participation of 18.5% in the financial group. These incorporations were celebrated with the ‘campanazo’ (bell ceremony) in Lima Stock Exchange.

Strategy

Both funds are focused in financial inclusion, commented Kasper Svarrer, Maj Invest partner. He specified that the money of these funds comes from pension funds and family offices, mainly from Denmark, but also from the rest of Europe.

“According to our investment strategy, we take minority positions, we don’t seek to take control. But what we look for the best companies that, as Diviso, have a good management team and a clear growth strategy”, he expressed. “We expect to work with Diviso for the next five to ten years, accompanying them and working together to develop this strategy and achieve goals”, he added.



To this date, Diviso’s equity reaches US\$100 million.

Baba Nakao estimated that there are big investment opportunities in the financial system due to low banking and poor insurance penetration.

Lima will be a hub for regional investments to Maj Invest

The headquarters of the fund management Maj Invest are in Copenhagen, Denmark, but also has regional offices in Indonesia and Vietnam. Recently, they opened an office in Lima, that will function as a hub for regional investments.



“An office in Lima was opened because we believe that there are investment opportunities in Peru, but also is a regional office, from which we will manage all our investments in South America”, said Kasper Svarrer, Maj Invest partner.

They don’t discard other investments in the financial sector in Peru, in addition to the one they made in Diviso.” But we have to be very careful with the things we look to invest and make sure that they won’t generate a conflict of interest or competition problems with Diviso”, he said.

Online article

Lima Stock Exchange (BVL): Danish investment fund Maj Invest invested in Diviso

Maj Invest Financial Inclusion Fund II is a Danish investment fund with presence in three continents. Diviso has more than ten years of presence in the Peruvian capital market y participates with 10% of ownership in the Lima Stock Exchange and Chile Commodity Exchange.

With the traditional ‘campanazo’ (bell ceremony) of the Lima Stock Exchange, DIVISO Financial Group welcomes Maj Invest Financial Inclusion Fund II K/S, a private equity fund managed by Maj Invest, a Danish asset management company that has around US\$ 7,500 million AUM, who became owner of 18.5% Diviso’s shares in June this year.

The ceremony had the presence of Kasper Svarrer, Maj Invest partner, who came from Denmark to this celebration and the inauguration of Maj Invest office in Lima, which will operate as a regional office.

“According to our investment strategy, we look for the best companies and the best management with a clear growth strategy. We don’t seek to take control, just contribute and expand with capital so the institution can grow and we can work as a team towards the future. This is what we found in Diviso”, maintained Svarrer.

Currently Diviso participates with the 10% of ownership in the Lima Stock Exchange and Chile Commodity Exchange. Besides, along with its new partner, Diviso reaffirms its commitment with the markets in rural areas of the country, taking financial products and financial services to the “new Peruvian population” as it’s being done in other emerging markets

“Maj doesn’t have operations just in Denmark, but also in India, China and Vietnam. They are investing in operations similar to ours, they have a vast network and global experience. They are partners that contribute with knowledge and experience enhancing our institution”, pointed Luis Baba, president of Diviso Board

Diviso is a national financial group whose presence in the sector is constituted by Credinka, Diviso Fondos and Diviso Bolsa, which are regulated by the Superintendencia del Mercado de Valores (SMV) and the Superintendencia de Banca, Seguros y AFP (SBS).

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