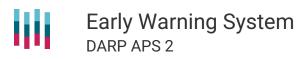
Early Warning System

IFC-38692 DARP APS 2

Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	В
Voting Date	2018-05-30
Borrower	APS HOLDING SA
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Equity
Investment Amount (USD)	\$ 131.23 million
Project Cost (USD)	\$ 376.17 million



Project Description

This project invests in a regional distressed asset resolution platform, and finances an equity investment in APS Holding, a regional distressed asset servicing and management company. By investing in assets that are being sold as a result of financial distress, the IFC aims to mobilize capital from the private sector, provide liquidity for new lending, and support banks to restructure balance sheets in the aftermath of the financial crisis.

Investment Description

• International Finance Corporation (IFC)

FC proposes to become an anchor investor in the Platform as well as to acquire a minority equity participation in APS. IFC's proposed minority equity investment in APS will be up to EUR 6.75m.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- APS Holding a.s. (Financial Intermediary)
- APS INVESTMENTS SARL (Financial Intermediary) is owned by APS Holding (Parent Company)

Private Actor Relationship

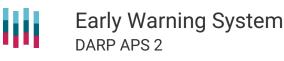
There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

For this project, IFC is partnering with an existing client, APS Holding S.A. (APS Holding S.A. and/or any of its subsidiaries as "APS"). Established in 2004 in the Czech Republic, APS has 14 years of experience in underwriting, advising and servicing portfolios of distressed assets across the ECA region. APS has more than 750 full time employees with operations in 11 countries across Europe. To date, APS has underwritten and serviced 80 distressed asset portfolios and currently manages assets with a total nominal value of more than €5.5 billion. APS is wholly owned by Mr. Martin Machon, Chairman, CEO and cofounder.



Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/