Private equity DXA Investments funds a game-changing one-stop-shop logistics model. Modern Logistics

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New York City, Feb 27, 2020 (Issuewire.com) - Innovative Entrepreneur Seeks to Transform Brazil's Logistics Sector

Oscar Decotelli is batting a thousand. That might be an understatement. Last year, the private equity fund that Decotelli co-founded in 2012, DXA Investments, reached the $200 million mark in money under management with a yield of 23 percent in net internal rate of return over the past five years. In addition, the companies in which DXA has invested grew by an average of 67 percent per year and created more than 500 jobs.

Mr. Decotelli, 40, is the Managing Partner and CEO of DXA Investments, a partnership that manages investments for a select group of accredited high net worth investors, with 75 percent of assets under management from the US. He brings over 20 years of experience in the hedge fund and private equity area. He has a distinguished track record of generating business expansion and managing international investments, and increasing portfolio assets and company profits at each stage of his career. He is a skilled risk manager and has extensive experience in underwriting corporate financial transactions. Mr. Decotelli received an MBA from the Getúlio Vargas Foundation in 2002 and a Bachelor's Degree in

Economics from the Pontifical Catholic University of Rio de Janeiro. A native of Rio de Janeiro, Mr. Decotelli is a natural fit for DXA in its pursuit of alternative investments that are targeted at small and medium-sized companies in South America, and Brazil in particular. With his finger on the pulse of the region, he has developed an enviable ability to identify high-return opportunities which have yet to be apparent. The firm manages investments via hedge funds and private equity from its headquarters in Rio de Janeiro and offices in New York.

Mr. Decotelli is bullish on the investment prospects in Brazil. In 2015, he spearheaded a substantial investment position by DXA in Modern Logistics, an innovative São Paulo-based logistics concern. Modern Logistics is at the forefront of creative, private sector-driven logistics that embraces new and different solutions to aggressively take on one of Brazil's most enduring and daunting problems – that of overcoming the country's challenges of distance and geography to efficiently move goods to market. In Mr. Decotelli's mind, the inability of Brazil's government to adequately address the country's poor infrastructure must now give way to private sector solutions that directly address the technical difficulties and high levels of investment required for Brazil to consolidate control over its vast regions and economic centers along its coast. Mr. Decotelli also notes that similar companies such as Amazon in the US were able to leverage off an existing infrastructure, which is not the case in Brazil. Modern Logistics seeks to significantly mitigate this. Indeed, Mr. Decotelli calls private infrastructure one of the biggest opportunities of the decade ahead and his interest in Modern Logistics fits perfectly with his investment theme.

Modern Logistics' pursuit of a new concept in logistics integrates a multimodal operation consisting of a private fleet of cargo aircraft (the only supply-chain provider to have one), a network of 14,000 integrated trucks, and warehouses servicing more than 200 cities across Brazil. The company plans to aggressively expand its air cargo fleet to 35 to 40 aircraft over the next five years. These operations are supported by administrative, financial, tax and accounting management that together provide speed, quality, safety, and cost reduction for its customers. Moreover, Modern Logistics' model allows the company to tailor shipping to client requirements and also eliminate intermediaries that materially streamline shipping. In addition, the model provides for a significantly greater range of distribution across the country, well beyond what was previously possible. Modern Logistics aims to be the "one-stop-shop" for logistics in Brazil, a market valued at US$280 billion. Currently, the company serves more than 90 clients from various sectors including smartphones, biotech, automotive, electronics, and financial.

Modern Logistics is the brainchild of entrepreneur Gerald B. Lee, a former airline executive who has extensive experience in the growth and management of successful start-up ventures. Previously, Mr. Lee co-founded Azul Airlines, Brazil's third-largest carrier, where he created the company's corporate structure, negotiated and closed a US$235 million initial investment and acquired financing for the new company. Prior to starting Azul, Mr. Lee was an executive with JetBlue Airways.

The timing for couldn't be better for Messrs. Decotelli and Lee as they guide Modern Logistics through an increasingly positive investment operating environment in Brazil. Historically low-interest rates are spurring an unprecedented reallocation of cash into local equity funds while there are positive signs of returning foreign investment participation. Mr. Decotelli notes that Brazil's economic growth is rebounding amid growing investor confidence as government reforms go forward, while elsewhere in the world, investors are increasingly saddled with negative yields and equity investments with little upside potential. By contrast, Brazil offers local investment alternatives for international investors looking for multiples on their money, particularly in sectors related to consumer demand and entrepreneurship. In the bigger picture, DXA sees Brazil, not as a macro play, but representing a golden opportunity for investors who do their homework to find local opportunities that are not readily apparent.

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