

## AnaCap Financial Europe delivers stronger than expected collections and robust liquidity

Financial results for the nine months ended 30 September 2020

17 November 2020

AnaCap Financial Europe S.A. SICAV-RAIF (“AFE” or the “Company”) has today announced the financial results for the nine months ended 30 September 2020.

Key financial highlights for the nine months ended 30 September 2020 are summarised in the table below:

	Nine months ended 30 September 2020	Nine months ended 30 September 2019	Variance
<b>Gross Attributable Collections</b>	€61.6m	€79.6m	-22.5%
<b>Revenue</b>	€48.9m	€59.6m	-18.0%
<b>Adjusted EBITDA</b>	€37.5m	€55.3m	-32.2%
<b>Total Operating Cost Ratio <sup>1</sup></b>	37.7%	29.2%	+850 bps
<b>Net Debt/Adjusted EBITDA</b>	4.48x	3.70x	+0.78x
<b>84-Month ERC</b>	€476.7m	€554.5m	-14.0%

### Key Highlights:

- Stronger than expected collections performance in Q3 2020 with Gross Attributable Collections of €18.0m v. €15.3m per reforecast completed in June 2020, an 17.7% outperformance
- Resilience to COVID-19 driven market changes as AFE’s Master Servicing platform and core servicing partners continue to operate effectively
- €2.2m capital deployed in Q3 2020 as AFE’s low operating cost model allows AFE to remain selective and patient with deployment
- Strong liquidity position with €99m of cash and undrawn RCF, leaving AFE well positioned to capitalise on emerging market opportunities

<sup>1</sup> Total operating cost ratio represents the ratio of total operating expenses (excluding non-recurring costs and foreign exchange gains/losses) divided by Gross Collections.

**Justin Sulger**

**Partner, Head of Credit at AnaCap Financial Partners**

“We have been hugely impressed by the dynamic response and effectiveness of both our AFE Asset Management team as well as all of our servicing partners since the onset of the COVID-19 crisis. Collections in Q3 continued the trend seen in Q2, again outperforming the prudent view taken early on in the crisis.

Whilst we are mindful of economic headwinds to come, we are also beginning to see market pricing adjustments which reflect these economic realities. As such, we expect to significantly increase new capital deployment heading into year end and throughout 2021. This patient approach has allowed us to focus on existing portfolio performance and build up substantial liquidity of almost €100m for emerging new opportunities.”

#### **Teleconference**

At 14.00 hours GMT on 17 November 2020, an audio Conference Presentation will be held on the results for the nine months ended 30 September 2020. For further details please visit the AFE website at: [www.anacapfe.com](http://www.anacapfe.com)

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## NOTES TO EDITORS

### **AnaCap Financial Europe ([www.anacapfe.com](http://www.anacapfe.com))**

AnaCap Financial Europe S.A. SICAV-RAIF (AFE) is a debt purchaser which invests in a diverse range of primarily non-performing debt across Europe. AFE has broad based expertise spanning unsecured and secured, consumer, SME and corporate debt. AFE was established on 28 June 2017 and acquired a portfolio of assets from existing AnaCap Credit Funds on 21 July 2017. AFE benefits from the wide network and extensive track record in origination, underwriting and servicing that AnaCap has developed since 2005 across the European financial services sector.

### **AnaCap Financial Partners ([www.anacapfp.com](http://www.anacapfp.com))**

AnaCap is a leading specialist mid-market private equity investor, investing through complementary Financial Services Private Equity and Credit strategies.

Since 2005 the firm has raised €5.1 billion in gross AUM and completed over 85 primary investments across 15 European jurisdictions and India. We operate out of 6 offices in London, Luxembourg, New Delhi, Mumbai, Madrid and Lisbon.

Our name, AnaCap, defines our investment approach: 'Analytics before Capital'. Our investment decisions are founded on a disciplined, operational and data-driven investment approach with support from [Minerva](#), our digital proprietary intelligence platform.

Leveraging our deep expertise as Financial Sector investors, owners and operators, we are an active investor and generate value in Private Equity through our intense operational engagement model and carefully calibrated M&A programmes. In Credit, our active asset management approach focuses on using data intelligently to enhance recoveries and provide servicing solutions.