

## AFE continues strong collections performance and increased deployment

Financial results for the six months ended 30 June 2021

7 September 2021

AnaCap Financial Europe S.A. SICAV-RAIF (“AFE” or the “Company”) has today announced the financial results for the six months ended 30 June 2021.

Key financial highlights for period are summarised in the table below:

|   | Six months ended<br>30 June 2021 | Six months ended<br>30 June 2020 | Variance |
|---|----------------------------------|----------------------------------|----------|
| Gross Attributable Collections          | €44.8m                           | €43.6m                           | +2.6%    |
| Revenue                                 | €30.8m                           | €33.2m                           | -7.0%    |
| Adjusted EBITDA                         | €30.1m                           | €27.6m                           | +9.0%    |
| Total Operating Cost Ratio <sup>1</sup> | 33.5%                            | 34.9%                            | -1.4%    |
| Net Debt/Adjusted EBITDA                | 6.06x                            | 4.36x                            | +1.7x    |
| 84-Month ERC                            | €469.8m                          | €478.6m                          | -1.8%    |

### Key Highlights:

- The Group is pleased to report the highest quarter of cash collection post COVID, with collection of €26.2m in Q2 2021, 11.3% up on the prior year.
- Collections were driven by proactive asset management, including the successful sale of a pool of low recovery assets in Italy for ~€4m, representing an example of ongoing initiatives to drive incremental collections from the backbook.
- The Group delivered €44.8m of gross attributable collections against a target of €41.2m for the six months ended 30 June 2021, representing a 9% or €3.6m outperformance against reforecast targets set in December 2020 (“Dec-20 RF”).
- H1 Deployment of €26.5m at June end, with a further €30.9m signed and closed deals embedded in the pipeline, totalling €57.4m in FY21 (59.2% of full year deployment budget).
- Adjusted EBITDA of €30.1m, representing a 9% increase on the prior year and cost to collect ratio down from 22.3% in H1 2020 to 19.3% in H1 2021.

<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.

## **Capital Structure and Liquidity**

The Company had a strong liquidity position of ~€80m as at 30 June 2021 to fund continued growth in deployment as opportunities emerge post-COVID. Net Debt to Adjusted EBITDA trending lower, decreasing from 6.4x to 6.1x since Q1 2021, with a further fall below 4x expected by 2022. LTV ratio of 71.8% at Q2 end against RCF covenant of 75%.

**Justin Sulger**

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

“We are very encouraged by both the continued outperformance against our prudent COVID reforecasts as well the ability to capitalise on a very attractive and growing pipeline.

The Company continues to make significant progress in its aim to further diversify across a broader range of predominantly secured asset types at higher returns than available in recent years.

Together, we expect this to continue to drive growth and de-lever the business into 2022.”

## **Teleconference**

At 14.00 hours BST on 7 September 2021, an audio Conference Presentation will be held on the results for the six months ended 30 June 2021. 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) invests in a diverse range of primarily non-performing debt and non-core assets across Europe. AFE has broad based expertise spanning unsecured and secured, consumer, SME and corporate debt as well as real estate. 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 2009, AnaCap's credit business has raised €2.6bn in gross AUM and completed over 80 investments across 13 European jurisdictions and India. The platform operates out of 7 offices in London, Luxembourg, Madrid, Lisbon, Milan, New Delhi and Mumbai.

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 which enables AnaCap to harness highly granular data and intelligence rapidly into actionable information, and AnaCap Global Services ("AGS"), our team of over 50 data and investment analysts providing lift and support to the European business.

In Credit, our active asset management approach focuses on using data intelligently to enhance recoveries and provide servicing solutions on credit loan portfolios and executing value-add strategies to enhance real estate assets.