

## AFE continues to deliver strong collections and deployment

Financial results for the nine months ended 30 September 2021

16 November 2021

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

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

	Nine months ended 30 September 2021	Nine months ended 30 September 2020	Variance
<b>Gross Attributable Collections</b>	<b>€74.1m</b>	<b>€61.6m</b>	<b>+20.2%</b>
<b>Revenue</b>	<b>€46.4m</b>	<b>€48.9m</b>	<b>-5.0%</b>
<b>Adjusted EBITDA</b>	<b>€54.9m</b>	<b>€37.5m</b>	<b>+46.5%</b>
<b>Total Operating Cost Ratio<sup>1</sup></b>	<b>30.4%</b>	<b>37.7%</b>	<b>-7.3%</b>
<b>Net Debt/Adjusted EBITDA</b>	<b>4.90x</b>	<b>4.48x</b>	<b>+0.42x</b>
<b>84-Month ERC</b>	<b>€502.3m</b>	<b>€476.7m</b>	<b>+5.4%</b>

### Key Highlights:

- The Group delivered €74.1m of gross attributable collections for the nine months ended 30 September 2021, representing a 7.7% or €5.3m outperformance against reforecast targets set in December 2020 (“Dec-20 RF”) and a 20.2% increase on the prior year.
- Positive performance was driven by an active asset management strategy, with key highlights including strong collection activity in Italy as well as collateral sales and amicable resolutions in Spain.
- Q3 deployment was €27.2m at an attractive gross money multiple of 2.2x. Year-to-date deployment, including signed and closed deals embedded in the pipeline, totals €55.5m, with strong further pipeline heading into year-end.
- Adjusted EBITDA of €54.9m year-to-date, represents a 46.5% increase on the prior year, with a total operating cost ratio of 30.4% compared to 37.7% one year ago.
- ERC of €502.3m as at end Q3 is at the highest level since Q1 2020 and growing.
- Net Debt to Adjusted EBITDA continues to trend lower at 4.9x as at quarter-end.

<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 €69.3m as at 30 September 2021 providing capital for deployment as opportunities continue to emerge post-COVID. Net Debt to Adjusted EBITDA continues to trend lower at 4.9x as at 30 September and is expected to drop below 4x by the end of 2021. LTV ratio was 68.9% as at 30 September against RCF covenant of 75% and is expected to decrease to around 67.5% by the end of the year.

### **Justin Sulger**

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

“We are very encouraged by both the continued collections outperformance as well the ability to invest at highly attractive returns.

Despite COVID induced delays, we are now seeing the embedded growth in our predominantly real estate secured back book coming through as anticipated, which is accelerating de-leveraging and driving renewed growth into year-end and beyond.”

### **Teleconference**

At 14.00 hours GMT on 16 November 2021, an audio Conference Presentation will be held on the results for the nine months ended 30 September 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 September 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 investor, investing through complementary Private Equity, Credit and Real Estate strategies across Europe.

Since 2005 the firm has raised €5.2 billion in gross AUM and completed over 100 primary investments across 16 European jurisdictions and India. We operate out of 7 offices in London, Luxembourg, New Delhi, Mumbai, Milan, 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.

Similarly, in both our Credit and Real Estate strategies, we combine specialised in-house investment expertise with an active asset management approach focused on working with best-in-class servicing and operating partners tailored to each investment, using data intelligently throughout the entire investment life cycle.