

AnaCap Financial Europe S.A. SICAV-RAIF reports strong Q4 21 performance

Financial results for the twelve months ended 31 December 2021

22 March 2022

AnaCap Financial Europe S.A. SICAV-RAIF (“AFE” or, together with its consolidated subsidiaries, the “Company”) has announced today final audited results for the 12 months ended 31 December 2021.

Summarised below are key financial highlights for the 12 months ended December 2021.

	Year Ended 31 December 2021	Year Ended 31 December 2020	Variance
Total Attributable Collections	€131.5m	€86.6m	51.8%
Adjusted EBITDA	€99.1m	€53.2m	86.4%
Core Collection Cost Ratio	26.1%	38.0%	-11.9%
Net Debt/Adjusted EBITDA	3.58x	6.21x	-2.63x
84-Month ERC	€531.1m	€472.5m	12.4%

Key Highlights:

- The Company delivered €131.5m of total attributable collections for the 12 months ended 31 December 2021, up 51.8% from the prior year, primarily driven by proactive asset management by our Asset Solutions team as well as the re-opening of the courts following the easing of COVID-19 lockdown measures in our core markets.
- Seasoned, predominantly secured back book driving strong, increasing cash flow as markets continue to re-open post the onset of COVID and associated delays.
- Portfolio acquisitions, or deployment, also returned to normalised levels at €100.1m in 2021 at an attractive average 1.9x GMM across a range of secured asset types, primarily driven by the increase in our portfolio acquisitions in direct real estate that reached €93.7m in 2021.
- Signed and closed deals to date already embeds ~€50.8m of 2022 deployment.
- Adjusted EBITDA of €99.1m for the twelve months ended 31 December 2021, representing an 86.4% increase on the prior year, primarily driven by the increase of our total attributable collections for the period and our relatively low fixed cost and mostly variable cost structure.
- Strength of flexible low fixed cost operating model reflected by continued improvement to Adjusted EBITDA, with core collection cost ratio of 26.1% in 2021 vs 38.0% in 2020.
- Net Debt to Adjusted EBITDA continues to trend lower, reaching 3.6x at year-end 2021, in the range of long-term target leverage ratio of 3.5 to 4.0x.

Capital Structure and Liquidity

The Company had a strong liquidity position of €42.1m as at 21 March 2022, providing significant capital for deployment as opportunities continue to emerge post-COVID. Net Debt to Adjusted EBITDA continues to trend lower at 3.6x as at 31 December 2021 and is expected to be below 3.5x by the end of 2022.

Justin Sulger

Partner, Head of Credit at AnaCap Financial Partners

“We are very pleased with the strong and accelerating performance delivered in 2021. This not only underlined the resilience of the Company’s predominantly secured portfolio but drove even faster than anticipated de-leveraging to back in line with long term target. We continue to see strong embedded collections expected from our seasoned back book as well as a growing pipeline emerging post-COVID at attractive risk-adjusted returns, driving renewed growth into year-end and beyond.”

Teleconference

At 14.00 hours GMT on 22 March 2022, an audio Conference Presentation will be held on the results for the twelve months ended 31 December 2021. For further details please visit the AFE website at:

www.anacapfe.com

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NOTES TO EDITORS

AnaCap Financial Europe (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)

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.