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Oggetto : doValue's Group announces significant  
progress in AI implementations and next  
phase of doTransformation

*Testo del comunicato*

Vedi allegato.

## PRESS RELEASE

### DOVALUE'S GROUP ANNOUNCES SIGNIFICANT PROGRESS IN AI IMPLEMENTATIONS AND NEXT PHASE OF DOTRANSFORMATION

Rome, July 18<sup>th</sup>, 2023 - doValue, the leading European player in the management and valuation of credit and real estate assets, today announced the achievement of significant milestones of several key projects developed by its innovation lab and the next phase of its doTransformation plan, a critical initiative presented at the last 2022 Capital Market Day.

"The promise of AI has always been clear to us at doValue, and we are now proud to share how this technology is delivering concrete results across our operations, with tangible impact on our KPIs and P&L," said George Kalogeropoulos, Group COO. These progresses are the result of the decision to streamline IT operations with a "glocal" approach aimed at building centralised IT capabilities across geographies to support local transformation plans within a cross-fertilization and cross-country framework. The Transformation, IT & Ops teams from our five countries have been working relentless together in these months, sharing business ideas and new use cases that have rapidly transitioned from a brainstorming phase into workable Proof of Concepts, and shortly to live tools used across the whole organization.

**Predictive Analytics.** After several trials, we are now ready to introduce AI-powered NPL repayment prediction models. These models (for NPLs, UTPs, and REOs) are set to strengthen our frontline and increase portfolio recoverability, identifying in advance positions with the highest probability of reaching extrajudicial agreement or generating a collection within a given timeframe. Extrajudicial Agreements are a key lever to increase and front-load revenues from GBV with lower costs and higher profitability (lower legal expenses benefiting both the investors and the servicer). As a data-driven servicer, doValue has always leveraged on strong datasets and a quantitative approach to design the best recovery strategy for each portfolio. However, recent developments and available tools in machine learning have allowed us to elevate our quantitative analysis. As these predictive analysis will be deployed extensively for all our portfolio and asset classes, doValue estimates potential savings around 8%-11% on servicing costs, and a 4% increase in the annual recovery rate per asset manager.

**Text Mining.** Following a successful and very promising pilot in 2022, doValue has now fully deployed a text mining search engine in Italy. This platform will significantly boost the productivity of asset managers who often deal with old scanned PDF documents to process credit files. The text mining platform can carry out text searches within every kind of file, automatically recognize and classify documents and extract key data from credit files. The technology has already analysed 11 million documents in Italy and is now a key tool for our asset managers who leverage text mining capabilities daily, saving on average 35-40% of the time to look up key information necessary to work out NPL files. As with other innovation projects, the plan is to deploy the platform in other countries, increasing the impact on cost savings.

**AI Chatbot Agent / Debt Portal.** Enhancing our digital offering and self-service capabilities especially for the early arrears and UTP services is on the top of our agenda. We are in the middle of our journey to implement an AI-powered Chatbot to provide improved and personalized customer experience. This tool will serve as a primary touchpoint for debtors related to consumer financing, available 24/7, ready to answer queries, provide real-time information,

and guide users through various processes at their own pace. The introduction of the AI Chatbot to our frontline operations serves two key purposes. First, it significantly enhances our customer engagement, providing immediate and personalized self-service capabilities with the effect of saving customers' time but also allowing them to interact with doValue on their terms, increasing overall customer satisfaction. Moreover, the Chatbot strengthens our operational efficiency by managing both inbound and outbound communication, freeing up valuable time for our human personnel and allowing them to focus on more complex tasks, thereby contributing more significantly to our debt recovery efforts.

The Chatbot Agent will underpin a debt collection portal which will introduce a self-service platform, enabling doValue to change its approach in the recovery process, managing the customer of a company rather than a debtor of a loan. The overall solution will first be deployed to doValue Greece, managing a substantial amount of unsecured consumer receivables and early arrears and later to other geographies especially for granular UTPs.

**Smart Automation** –From. The introduction of Robotics Process Automation (RPA) and Business Process Modelling (BPM) tools allow for enhanced operational efficiency by streamlining processes and minimizing manual effort. It enables faster cycle times, which in turn boosts productivity. By reducing errors through automated data capture and validation, it also improves accuracy enhancing the quality and reliability of the data handled every day. The first pilot in Spain has enabled the successful restructuring of processes, consolidating 308 current flows into 20-25 efficient processes, affecting multiple areas such as Loan Admin, Claims, Reputational Risk Management. Meanwhile doValue Greece is leading the roadmap of RPAs adoption, mainly in the areas of loan administration, legal operations and customer service with an average cost reduction of ~9% for the respective processes.

**ChatGPT (OpenAI) Integration** - Since the launch of ChatGPT, doValue has closely monitored the breakthroughs in generative AI and has thoroughly assessed the possible improvements and benefits of this technology to our day-to-day operations. Thanks to our Azure Infrastructure, we are now intensively accessing ChatGPT technology through Azure OpenAI Service in a cost-effective way, experimenting interesting use cases. For example, leveraging on OpenAI capabilities, the text mining platform could answer complex queries on extensive credit files, strengthen our legal operations and to seamlessly manage volume fluctuations; our doVams software platform to manage NPL could use OpenAI API to automatically generate loan approval documents to be submitted to investors or banks. Our successful pilot studies on OpenAI solutions suggest an imminent integration into the Group that optimizing costs and offering unprecedented service capabilities.

As we continue to move forward, doValue remains committed to constant innovation and transformation. These initiatives, as part of the next phase of doTransformation strategy, serve as our concerted efforts towards better serving our customers and creating value for our shareholders through improved collection operations. doValue's relentless pursuit of technological advancements demonstrates our determination to lead the way in the sector and set new standards for operational efficiency and customer satisfaction.

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doValue is the main operator in Southern Europe in the field of credit and real estate management for banks and investors. With more than 20 years of experience and approximately €120 billion of assets under management (Gross Book Value) across Italy, Spain, Portugal, Greece and Cyprus, doValue Group's activities contribute to the economic growth by promoting the sustainable development of the financial system. With its 3,200 employees, doValue offers an integrated range of services: management of Non-Performing Loans (NPL), Unlikely To Pay (UTP), Early Arrears, and performing credit, management of real estate, master servicing, data processing and other ancillary services for credit management. The shares of doValue are listed on the STAR segment of Euronext Milan (EXM). In 2022, the Group reported Gross Revenues of €558 million and EBITDA excluding non-recurring items of €202 million.

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