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Testo del comunicato

Vedi allegato

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PRESS RELEASE

THE BOD APPROVES HALF-YEAR REPORT AS OF JUNE 30th, 2024

€214 MILLION OF GROSS REVENUES AND €67 MILLION OF EBITDA EX NRIs

STRONG NEW BUSINESS INTAKE OF €7.5 BILLION GBV[1]

POSITIVE FREE CASH FLOW OF €37.6 MILLION IN Q2

REPORTED NET INCOME OF €15M

Gross Book Value (GBV) and Collections

- GBV as of June 30th, 2024, at €118.0[2] billion (slightly increasing by +1.4% in H1)
- Solid new GBV intake driven by new mandate of €3.0 billion, forward flow of €1.5 billion and committed mandates of €3.0 billion (including secondaries), set to reach 2024 target
- Resilient collections at €2.1 billion with lower write off and disposals versus YoY

Income Statement

- Results above expectations with softer revenues compensated by cost containment actions
- Gross Revenues at €213.7 million (-5.7% vs H1 2023)
- Net Revenues at €191.9 million (-6.9% vs H1 2023)
- Initiatives to control operating costs resulted in stable personnel expenses at €92.5 million, despite +15% average salary increases in Italy (renewal of the national collective labour agreement for the credit sector) and positive one-off in HR cost of ca. €6 million in the corresponding period of 2023
- EBITDA ex NRIs at €67.4 million (-17.5% vs H1 2023)
- Reported Net Income of €15.5 million (+€11.2m vs H1 2023)

Cash Flow and Balance Sheet

- Cash Flow from Operations at €19.6 million vs. €23.4 million in H1 2023 with increasing cash conversion
- Solid balance sheet with leverage within target range despite drop in EBITDA
- Net Debt at €479.4 million as of June 30th, 2024 (€517.0 million as of March 31st, 2024)
- Financial Leverage at 2.9x (vs 3.0x as of March 31st, 2024)
- Ample cash position of €110.4 million and €86 million of available lines

[1] Including secondary deals on existing portfolios and forward flows from existing clients
[2] Including €0.3 billion of signed mandated to be onboarded (excluding secondaries)

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Codice Fiscale n° 00390840239 e Partita IVA n° 02659940239 – Capitale Sociale € 41.280.000 interamente versato.

doValue

Rome, August 7th, 2024 – The Board of Directors of doValue S.p.A. (the "**Company**", the "**Group**" or "**doValue**") has approved today the Consolidated Half-Year Report as of June 30th, 2024.

Main Consolidated Results and KPIs

Income Statement and Other Data	H1 2024	H1 2023	Delta
Collections	€2,099m	€2,428m	-13.6%
Collection Rate	4.2%	4.4%	+0.2 p.p.
Gross Revenues	€216.5m	€228.9m	-5.4%
Net Revenues	€194.0m	€207.7m	-6.6%
Operating Expenses	€128.9m	€127.9m	+0.8%
EBITDA including non-recurring items	€65.0m	€79.8m	-18.5%
EBITDA excluding non-recurring items	€67.4m	€81.6m	-17.5%
EBITDA margin excluding non-recurring items	31.5%	36.0%	-4.5 p.p.
Net Income including non-recurring items	€15.5m	€4.3m	>100.0%
Net Income excluding non-recurring items	€6.9m	€18.1m	-61.7%
Capex	€6.6m	€5.4m	+€1.2m

Balance Sheet and Other Data	30-Jun-24	30-Jun-23	Delta
Gross Book Value	€117,710m	€117,205m	+0.4%
Net Debt	€479.4m	€479.0m	+0.1%
Financial Leverage (Net Debt / EBITDA LTM ex NRIs)	2.9x	2.4x	+0.5x

doValue

Gross Book Value

In what has been flagged as a transitional year by the management, with the company enhancing its business development structure and a market still characterized by smaller deals, the Group onboarded approximately €4.5 billion of new Gross Book Value (GBV), comprised of a robust €1.5 billion from forward flows and €3.0 billion from newly acquired mandates. These new mandates span across Italy (€0.3 billion), the Hellenic Region (€1.7 billion), and Iberia (€1 billion). Additionally, the company has secured a new primary mandate in Italy for €0.3 billion and €2.7 billion of secondaries in Greece (with the latter generating revenues from disposals while not increasing the GBV).

The company has focused on developing mandated non-NPL loans including stage 2 credits contributed to Efesto in Italy and new mandates in the granular asset class and early arrears in Spain. This confirms the Group's ability to build productive relationships and secure new contracts in diverse asset classes.

As of June 30th, 2024, the Gross Book Value (GBV) stands firmly at €117.7 billion, slightly higher compared to the figures of December 31st, 2023, and March 31st, 2024. This steady performance is a testament to the strong and proactive management strategies of the Group highlighted in our last 2024-2026 plan, which sets an annual target for new business (including forward flows) of €8.0 billion (on track to be reached).

Income Statement

The operational and financial results for H1 2024 are overall in line with management expectations, with better-than-expected EBITDA. Despite deteriorating macroeconomic conditions, as reflected in several surveys covering both manufacturing and services, the Group managed to contain the impact on its collection rate, delivering €2.1 billion in collections to its customers.

Collections for H1 2024 totalled a substantial €2.1 billion, a decline of -13.5% compared to H1 2023. This decline was relatively better compared to the corresponding GBV trajectory. Collections in Italy for the period stood at €757 million, in the Hellenic Region at €845 million, and in Iberia at €497 million. The Collection Rate deteriorated by -0.2 percentage points to 4.2% as of June 30th, 2024, compared to Q1 2024, due to delays in implementing the new operating model in Italy and lower disposals in Greece.

In H1 2024, doValue recorded Gross Revenues of €213.7 million, a decline of -5.7% compared to the €226.5 million recorded in H1 2023. Servicing Revenues, amounting to €164.5 million in H1 2024, showed a decline of -7.6% compared to H1 2023 (€177.9 million), mainly driven by negative performance in Iberia (-26.9%) and slower activity in Italy (decline of -4.1%) and the Hellenic Region (-2.9%). The decline in Servicing Revenues was more pronounced in the REO segment in Spain (-37.4% Year-on-Year) due to pressure on real estate prices. UTP revenues stood at €17.0 million, a drop of -25%, mainly attributable to lower collections in Greece.

Revenues from co-investments remained stable at €0.8 million in H1 2024, consistent with H1 2023. Ancillary Revenues contributed €31.4 million, growing +25.0% YoY. As part of the 2024-2026 plan to further diversify revenue streams, the contribution of Ancillary Revenues to total revenues increased from 11.1% to 14.7%.

Outsourcing Fees for the NPL business decreased both in absolute terms (by -21.4%) and as a percentage of Gross Revenues (from 4.8% in H1 2023 to 4.0% in H1 2024), reflecting the insourcing of some business processes. Overall, the impact of outsourcing fees on total gross revenues increased from 9.0% to 10.2% due to higher ancillaries.

Net Revenues, amounting to €191.9 million, declined by -6.9% compared to €206.1 million in H1 2023. Operating Expenses remained stable at €124.6 million for H1 2024 (€124.5 million in H1 2023) but increased as a percentage of Gross Revenues to 58% (from 55% in H1 2023). It is noteworthy that in Q1 2023, costs were positively impacted by an extraordinary component related to the release of provision following the resignation of the previous CEO (approximately €6 million). Excluding this component, operating costs in 2024 are lower by the corresponding amount. Cost discipline was notable in Spain (-16.4%) as the company continues its restructuring process to maintain profitability.

EBITDA excluding non-recurring items decreased by -17.5% YoY to €67.4 million (from €81.6 million in H1 2023), resulting in a margin decline of 4.5 percentage points YoY. The comparison with 2023 is negatively impacted by a positive component in 2023 of €6 million related to the release of provisions for variable compensation of the former CEO. At the regional level, EBITDA in the Hellenic Region, excluding non-recurring items (€53.4 million, -9.9% YoY, 49% margin), was impacted by lower NPL and UTP revenues, though the region is close to its EBITDA margin target of 50%. Disposals concentrated in the second half are expected to significantly impact regional EBITDA both in absolute and relative terms. In Italy, EBITDA stood at €21.4 million (26.8% margin, excluding group costs). In Spain, delays in ramping up new contracts prevented EBITDA from swinging into positive territory (-€0.7 million).

Net Income excluding non-recurring items stands at a profit of €6.9 million in H1 2024, compared to a positive result of €18.1 million in H1 2023. The decline is primarily related to the lower EBITDA (down by €14.3 million Year-on-Year), counterbalanced by lower D&A. Including non-recurring items, Net Income stands at €15.5 million, compared to a positive result of €4.3 million in H1 2023. The non-recurring items below EBITDA for H1 2024 mainly refer to provisions for redundancies (approximately €8.4 million, mostly related to Spain) and positive components related to the Arbitration with Altamira Asset Management S.L. (€20 million in taxes and €2.7 million in financial income).

Cash Flow and Balance Sheet

Cash flow from operations demonstrated resilient performance in H1 2024, standing at €19.6 million, marking a decline of just €3.8 million compared to H1 2023, despite a drop in reported EBITDA of €14.8 million compared to H1 2023. Cash conversion at the operating level improved significantly thanks to net working capital containment measures and the normalization of other asset and liability items (which includes redundancies to improve operational leverage). This substantial growth in cash flow generation is attributed to enhanced management of net working capital, despite lower EBITDA. The company expects most of the cash flow generation to be concentrated in the second half of the year due to higher EBITDA and seasonality in payments.

As of June 30th, 2024, net debt stood at €479.4 million, significantly down from €517.0 million recorded at the end of March 2024. Net debt to LTM EBITDA, excluding non-recurring items, was at a level of 2.9x as of June 30, 2024, down from 3.0x as of March 31, 2024.

In addition, as of June 30th, 2024, doValue demonstrated solid liquidity with €110.4 million of cash on its balance sheet and approximately €86 million of undrawn credit lines as of August 2024.

Update on business activity

Since the beginning of 2024, doValue has been active on several fronts across the three regions in which it operates, below is a summary of all the main initiatives and key mandates in the first 6 months of the year.

- **New €300 million contract in sub-performing loans:** on July 16th, the Company announced to have increased its assets under management following the transfer of UTP loan portfolios with a Stage 2 component and a GBV of €300 million. The assets will be contributed by three leading Italian banks to the Efesto Fund. The portfolios are mainly composed of secured positions and/or loans guaranteed by Mediocredito Centrale. The completion of the transfer is expected by the end of October 2024.

- **Disposal of Portuguese operations**: on July 24, 2024, doValue Spain close the sale of 100% of the shares of doValue Portugal to a vehicle controlled by the Swedish asset manager Albatris.

- **S&P and Fitch confirm "BB" rating and "Stable" outlook in the wake of Gardant deal announcement:** on June 19th, the Company communicated that also following the announcement of the binding agreement for the acquisition of Gardant, S&P Global Ratings and Fitch Ratings had both affirmed the Company's Issuer Credit Rating and Issuer Default Rating to "BB" with a "Stable" outlook. These confirmation actions reflect the expectation that Gardant successful integration will enable doValue to reduce leverage.

- **Successful recovery of ca. €23 million related to past tax claims:** on June 11th, the Company announced that the High Court of Justice in Madrid has ruled in its favor, rejecting Altamira Asset Management Holding S.L.'s attempt to overturn a previous decision that required it to make a payment to doValue in the broader context of the arbitration between doValue S.p.A. and Altamira Asset Management Holding related to a tax claim. Thanks to this decision, doValue Group has recorded a financial gain of €22.7 million, which has positively impacted the Net Income for the first half of the year by ca. €0.28 per share.

- **Binding agreement to acquire 100% of the share capital of Gardant S.p.A.:** following the announcement made on March 21st, on June 7th the Company announced to have entered into a binding agreement with Tiber Investments S.à r.l., an affiliate of funds advised by Elliott Advisors (UK) Limited and other minority shareholders, to acquire 100% of the entire issued share capital of Gardant S.p.A., for a total consideration worth (i) a cash consideration of €230 million (including Gardant's net financial position) and (ii) new shares of doValue, resulting in a 20% stake in doValue. The Company further announced to have secured financing commitment papers for c. €500 million aimed at funding the Acquisition and refinancing the 2025 senior secured notes, as well as providing additional liquidity which will support the repayment of the 2026 senior secured notes through available cash and future cash flow generation.

- **Signing of new servicing agreement for ca. €1 billion GBV in Greece:** on May 10th the Company announced the signing and onboarding of two new servicing agreements by its subsidiary dovalue Greece. The first agreement, "Project Amoeba", involves managing a portfolio of secured, unsecured, retail, and corporate non-performing loans (NPLs) worth approximately €800 million GBV with a top tier investor. The second agreement, "Project Heliopolis II", signed with the EOS Group, a leading global credit specialist, involves managing a portfolio of NPLs worth approximately €202 million GBV.

- **Partnership with Cardo AI:** on May 7th, in a joint statement, the Company and fintech Cardo S.r.l., specialised in the development of technologies for structured finance, announced a strategic partnership for effective and proactive Stage 2 management.

- **Approval of the new Industrial Plan 2024-2026, 'Unlocking New Frontiers':** On March 21st, 2024, during the Capital Markets Day, the Company announced the launch of its 2024-2026 Business Plan, which envisages the further strengthening of doValue's competitive strengths beyond servicing, such as independence, high-quality contracts and customers, diversification into adjacent segments and leadership in Southern Europe. The 2024-2026 plan is based on 5 pillars: (1) Customer-focused approach to improve origination and preserve the core business, (2) Growth and diversification beyond servicing, (3) Re-engineering the operating model to achieve an industry-leading level of efficiency (4) Focus on technology and innovation (5) Promoting an inclusive culture, attracting and training talent and building a sustainable financial system. Targets for operating results to 2026: (i) Market share in Southern Europe at 15-20%, (ii) At least €8 billion new assets under management per year (AUM), (iii) Achievement of approximately 35-40% non-NPL revenues, (iv) Total cost/revenue efficiency at 61%, (v) >30% automation in funding, (vi) Financial leverage in the range of 2.1-2.3x, (vii) Leading sustainability positioning.

- **Signing of servicing contract in Greece for €0.5 billion with Attica Bank:** on March 5th, the Company announced the stipulation of a new servicing contract for the management of a portfolio of NPL receivables in Greece by doValue Greece and originated by Attica Bank, for a total GBV of €0.5 billion, which in turn is part of a de-securitised portfolio. The portfolio has been onboarded.

Update on Gardant acquisition

The Gardant transaction is progressing, with key regulatory filings and related activities, with the Bank of Italy, Consob, FDI and other national central banks/relevant authorities ongoing.

An Extraordinary General Meeting (EGM) has been called for September 11th, 2024, to address essential resolutions to enact the transaction such as a reverse stock split, the introduction of new by-laws, an increased number of Board of Directors (BoD) members, a rights issue accompanied by a reserved capital increase for the sellers of Gardant.

The reverse stock split will result in the issuance of one new share for every five existing shares.
Prior to closing, the sellers of Gardant will receive, through a cashless transaction, zero-coupon convertible notes, which will automatically convert into newly issued doValue shares corresponding to 20% of the company.

The rights issue, contingent upon of the acquisition of Gardant, will commence 1 business day after the acquisition of Gardant and will be for an amount of €150 million. The rights issue is backed by anchor shareholders Fortress, Bain, and Elliott for approximately €82.5 million and by a pre-underwriting agreements from banks for the remaining €67.5 million.

Outlook

The macroeconomic outlook for all major developed economies deteriorated sharply in Q2, despite ongoing improvements in inflation. The latest job report from the USA has triggered recession fears, while economic surveys are at their lowest levels. After a strong start to the year, the PMI survey data for July indicates a significant slowdown in Eurozone business activity.

The 2024-2026 plan envisages very limited flows of new money. However, the current macroeconomic environment points to recession fears and higher NPLs in the market. The latest EBA updates show the first positive net NPL inflow in 10 years, indicating a reversal of the cycle, that is why the new business for the Group has been above expectations.

The pipeline of potential servicing mandates for 2024-2025 across Southern Europe is currently estimated by doValue to be around €38 billion.

Overall, doValue's business is underpinned by long-term contracts which, even in a weak market environment for NPL transactions, guarantee a consistent revenue stream. In the medium term, the business could be further boosted by positive factors, including banks' implementation of strict regulations aimed at promoting a very proactive approach in the management of non-NPL loans as well as banks' consolidated tendency to outsource servicing activities.

The Group's collection activity was partially impacted by the weaker economic environment, with a lower collection rate, especially in Spain. This year is characterized as a transition period in which doValue is engaged in reshaping the operating model within the context of a still weak NPL markets and investing to foster and accelerate the diversification process towards non-NPL revenues. In this context the guidance has been updated to reflect a potential shift in closing of secondary sales and a soft collection environment. Specifically gross revenues are expected to be within €460-480 million range versus the previous €480-490 million target. As new business intake has been strong, the target of €115bn GBV has been confirmed. Thanks to significant cost containment measures which have proved already effective in 1H, the EBITDA is expected to land at €155-165 million versus previous €160-170 million guidance. Cash flow generation is in line with CMD estimates. Net leverage will be 2.8-3.0x vs. 2.7-2.8x, in line with company's financial policy and one of lowest in the sector.

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Webcast conference call

The financial results for H1 2024 will be presented on Thursday, August 8th, 2023, at 12:00 pm CEST in a conference call held by the Group's top management.

The conference call can be followed via webcast by connecting to the Company's website at www.dovalue.it or the following URL: https://87399.choruscall.eu/links/dovalue240808.html

As an alternative to webcast, you can join the conference call by calling one of the following numbers:

- ITALY: +39 02 8020902
- UK: +44 2030595875

The presentation by top management will be available as from the start of the conference call on the www.dovalue.it site in the "Investor Relations/Financial Reports and Presentations" section.

Certification of the Financial Reporting Officer

Davide Soffietti, in his capacity as Financial Reporting Officer responsible for preparing corporate accounting documents, certifies – pursuant to Article 154-bis, paragraph 2, of Legislative Decree 58/1998 (the Consolidated Financial Intermediation Act) – that the accounting information in this press release is consistent with the data in the accounting documentation, books and other accounting records.

The interim financial results for 2024 as of June 30th, will be made available to the public at the Company's headquarters and at Borsa Italiana, as well as on the website www.dovalue.it in the "Investor Relations / Financial Reports and Presentations" section by the statutory deadlines.

doValue

We inform you that doValue S.p.A. has adopted the simplified rules provided for in Articles 70, paragraph 8, and 71, paragraph 1-bis, of the Consob Issuers Regulation no. 11971/1999, subsequently amended, and has therefore exercised the option to derogate from compliance with the obligations to publish the information documents provided for in Articles 70, paragraph 6, and 71, paragraph 1, of that Regulation on the occasion of significant mergers, spin-offs, capital increases through the contribution of assets in kind, acquisitions and sales.

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The Board of Directors of doValue S.p.A. (the "**Company"** or "**doValue**"), which met today, resolved, inter alia, to convene the Extraordinary and Ordinary Shareholders' Meeting on 11 September 2024, on a single call.

The notice of the Extraordinary and Ordinary Shareholders' Meeting will be published within the terms of the law on the Company's website at www.dovalue.it, within the section Governance - "Shareholders' Meeting 11 September 2024", made available at the "eMarket Storage" mechanism at www.emarketstorage.it and at the registered office.

The convening notice will also be published in excerpts in the daily newspaper Il Sole 24 Ore on 09 August 2024.

The Company - in compliance with the provisions of Article 11 of Law No. 2 of 5 March 2024 ("DDL Capitali") - has decided to avail itself of the option to provide that the Shareholders' Meeting shall be attended exclusively by the Appointed Representative pursuant to Article 135-undecies of Legislative Decree No. 58/98, without any physical participation on their part.

The Extraordinary Shareholders' Meeting will be called upon to resolve on:

1. Proposal to grant the Board of Directors an authorization to increase the share capital, in divisible form, for cash, for a maximum total amount of Euro 150,000.000.00, including any share premium, through the issue of ordinary shares, with no par value, having the same characteristics as the ordinary shares in circulation, to be offered with pre-emptive rights to those entitled thereto pursuant to Article 2441, paragraph 1, of the Italian Civil Code. Consequent amendment of Article 5 of the Articles of Association. Related and inherent resolutions.
2. Proposal to grant the Board of Directors, pursuant to Article 2420-ter of the Italian Civil Code, to issue the Convertible Bond onto ordinary shares up to 20% of doValue's share capital with consequent increase of the share capital with exclusion of option right pursuant to art. 2441, paragraph 5, of the Italian Civil Code; consequent amendment of the Articles of Association. Related and inherent resolutions.
3. Reverse Stock Split of the ordinary shares of doValue S.p.A. in the ratio of 1 new ordinary share with regular dividend entitlement for every 5 existing ordinary shares; related amendments to the Articles of Association; related and inherent resolutions.
4. Amendments to Article 13 and 14 of the Articles of Association; related and inherent resolutions.
5. Proposal to introduce the possibility of holding Shareholders' Meetings by means of exclusive participation through the so-called "appointed representative" and amendment on the reporting rules by the delegated bodies to the Board of Directors. Amendments to Articles 7, 8, 9 e 15 of the Articles of Association; related and inherent resolutions.

The Ordinary Shareholders' Meeting:

1. Increase in the number of Directors from 11 to 13; appointment of two Directors and remuneration; related and inherent resolutions.

   1.1 Increase in the number of Directors from 11 to 13;
   1.2 Appointment of two Directors;
   1.3 Determination of remuneration: proposal to increase the total annual gross remuneration attributable by the Board of Directors to all directors from Euro 1,135,000 to Euro 1,275,000;

2. Adoption of the TERP adjustment of the number of shares for all cycles (LTI 2022-24; 2023-25; 2024-26) as a consequence of the market capital increase.

At the same time as the publication of the notice of call, the notice will be made available to the public - at the registered office, subject to appointment, and on the Company's website www.dovalue.it, within the Governance section - "Shareholders' Meeting 11 September 2024", as well as at the "eMarket Storage" mechanism and available at www.emarketstorage.it.

The full text of the proposed resolutions and the reports of the Board of Directors relating to the items on the agenda and all related documentation will be made available, within the terms and according to the procedures indicated by law, at the Company's registered office, on the Company's website www.dovalue.it, within the section Governance - "Shareholders' Meeting 11 September 2024", as well as at the "eMarket Storage" mechanism and available at www.emarketstorage.it.

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doValue Group is a European financial services provider offering innovative products along the entire credit lifecycle, from origination to recovery. With more than 20 years of experience and approximately 116 billion gross assets under management (Gross Book Value) as of 31 December 2023, operates in Italy, Spain, Greece and Cyprus. doValue Group contributes to economic growth by fostering sustainable development of the financial system and offers an integrated range of credit management services: servicing of Non-Performing Loans (NPL), Unlikely To Pay (UTP), Early Arrears, Performing Loans, Master Legal, Due Diligence, financial data processing and Master Servicing activities. doValue's shares are listed on Euronext STAR Milan (EXM) and, in 2023, the Group reported Gross Revenue of €486 million and EBITDA excluding non-recurring items of €179 million.

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doValue

CONDENSED INCOME STATEMENT (€ '000)

Condensed Income Statement	6/30/2024	6/30/2023	Change €	Change %
Servicing Revenues:	184,328	202,961	(18,633)	(9.2)%
o/w: NPE revenues	160,525	175,294	(14,769)	(8.4)%
o/w: REO revenues	23,803	27,667	(3,864)	(14.0)%
Co-investment revenues	775	748	27	3.6%
Ancillary and other revenues	31,448	25,504	5,944	23.3%
Gross revenues	**216,551**	**229,213**	**(12,662)**	**(5.5)%**
NPE Outsourcing fees	(5,781)	(7,359)	1,578	(21.4)%
REO Outsourcing fees	(4,944)	(5,511)	567	(10.3)%
Ancillary Outsourcing fees	(11,858)	(8,371)	(3,487)	41.7%
Net revenues	**193,968**	**207,972**	**(14,004)**	**(6.7)%**
Staff expenses	(94,380)	(94,621)	241	(0.3)%
Administrative expenses	(34,545)	(33,517)	(1,028)	3.1%
o.w. IT	*(13,347)*	*(14,809)*	*1,462*	*(9.9)%*
o.w. Real Estate	*(2,293)*	*(2,623)*	*330*	*(12.6)%*
o.w. SG&A	*(18,905)*	*(16,085)*	*(2,820)*	*17.5%*
Operating expenses	**(128,925)**	**(128,138)**	**(787)**	**0.6%**
EBITDA	**65,043**	**79,834**	**(14,791)**	**(18.5)%**
EBITDA margin	**30.0%**	**34.8%**	**(4.8)%**	**(13.8)%**
Non-recurring items included in EBITDA	(2,317)	(53)	(2,264)	n.s.
EBITDA excluding non-recurring items	**67,360**	**79,887**	**(12,527)**	**(15.7)%**
EBITDA margin excluding non-recurring items	**31.5%**	**34.9%**	**(3.4)%**	**(9.6)%**
Net write-downs on property, plant, equipment and intangibles	(29,835)	(32,637)	2,802	(8.6)%
Net provisions for risks and charges	(12,267)	(12,856)	589	(4.6)%
Net write-downs of loans	17	897	(880)	(98.1)%
EBIT	**22,958**	**35,238**	**(12,280)**	**(34.8)%**
Net income (loss) on financial assets and liabilities measured at fair value	(296)	(1,350)	1,054	(78.1)%
Net financial interest and commissions	(11,806)	(15,386)	3,580	(23.3)%
EBT	**10,856**	**18,502**	**(7,646)**	**(41.3)%**
Non-recurring items included in EBT	(11,639)	(12,726)	1,087	(8.5)%
EBT excluding non-recurring items	**22,495**	**31,228**	**(8,733)**	**(28.0)%**
Income tax for the period	8,649	(11,415)	20,064	n.s.
Profit (Loss) for the period	**19,505**	**7,087**	**12,418**	**n.s.**
Profit (loss) for the period attributable to Non-controlling interests	(4,011)	(2,806)	(1,205)	42.9%
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**15,494**	**4,281**	**11,213**	**n.s.**
Non-recurring items included in Profit (loss) for the period	8,480	(13,713)	22,193	n.s.
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(82)	(1,132)	1,050	(92.8)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	**6,932**	**16,862**	**(9,930)**	**(58.9)%**
Profit (loss) for the period attributable to Non-controlling interests excluding non-recurring items	4,093	3,938	155	3.9%
Earnings per share (in Euro)	**0.20**	**0.05**	**0.15**	**n.s.**
Earnings per share excluding non-recurring items (Euro)	0.09	0.21	(0.12)	(57.9)%

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CONDENSED BALANCE SHEET (€ '000)

Condensed Balance Sheet	6/30/2024	12/31/2023	Change €	Change %
Cash and liquid securities	110,397	112,376	(1,979)	(1.8)%
Financial assets	43,599	46,167	(2,568)	(5.6)%
Property, plant and equipment	45,094	48,678	(3,584)	(7.4)%
Intangible assets	459,584	473,784	(14,200)	(3.0)%
Tax assets	86,965	99,483	(12,518)	(12.6)%
Trade receivables	191,030	199,844	(8,814)	(4.4)%
Assets held for sale	1,938	16	1,922	n.s.
Other assets	60,401	51,216	9,185	17.9%
Total Assets	**999,008**	**1,031,564**	**(32,556)**	**(3.2)%**
Financial liabilities: due to banks/bondholders	589,782	588,030	1,752	0.3%
Other financial liabilities	69,889	96,540	(26,651)	(27.6)%
Trade payables	66,357	85,383	(19,026)	(22.3)%
Tax liabilities	63,421	65,096	(1,675)	(2.6)%
Employee termination benefits	8,367	8,412	(45)	(0.5)%
Provisions for risks and charges	27,014	26,356	658	2.5%
Liabilities held for sale	2,239	-	2,239	n.s.
Other liabilities	53,567	57,056	(3,489)	(6.1)%
Total Liabilities	**880,636**	**926,873**	**(46,237)**	**(5.0)%**
Share capital	41,280	41,280	-	n.s.
Reserves	15,274	35,676	(20,402)	(57.2)%
Treasury shares	(9,348)	(6,095)	(3,253)	53.4%
Profit (loss) for the period attributable to the Shareholders of the Parent Company	15,494	(17,830)	33,324	n.s.
Net Equity attributable to the Shareholders of the Parent Company	**62,700**	**53,031**	**9,669**	**18.2%**
Total Liabilities and Net Equity attributable to the Shareholders of the Parent Company	**943,336**	**979,904**	**(36,568)**	**(3.7)%**
Net Equity attributable to Non-Controlling Interests	55,672	51,660	4,012	7.8%
Total Liabilities and Net Equity	**999,008**	**1,031,564**	**(32,556)**	**(3.2)%**

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CONDENSED CASH FLOW (€ '000)

Condensed Cash flow	6/30/2024	6/30/2023	12/31/2023
EBITDA	65,043	79,834	175,345
Capex	(6,647)	(5,444)	(21,361)
EBITDA-Capex	**58,396**	**74,390**	**153,984**
as % of EBITDA	90%	93%	88%
Adjustment for accrual on share-based incentive system payments	(518)	(5,267)	(5,853)
Changes in Net Working Capital (NWC)	(10,212)	6,261	(10,673)
Changes in other assets/liabilities	(28,038)	(51,967)	(58,301)
Operating Cash Flow	**19,628**	**23,417**	**79,157**
Corporate Income Tax paid	(9,060)	(14,160)	(27,595)
Financial charges	(12,350)	(11,734)	(23,329)
Free Cash Flow	**(1,782)**	**(2,477)**	**28,233**
(Investments)/divestments in financial assets	1,445	792	2,599
Equity (investments)/divestments	(373)	-	(21,520)
Tax claim payment	400	-	-
Treasury shares buy-back	(3,421)	-	(2,115)
Dividends paid to minority shareholders	-	-	(5,000)
Dividends paid to Group shareholders	-	(47,455)	(47,992)
Net Cash Flow of the period	**(3,731)**	**(49,140)**	**(45,795)**
Net financial Position - Beginning of period	(475,654)	(429,859)	(429,859)
Net financial Position - End of period	(479,385)	(478,999)	(475,654)
Change in Net Financial Position	**(3,731)**	**(49,140)**	**(45,795)**

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ALTERNATIVE PERFORMANCE INDICATORS

KPIs	6/30/2024	6/30/2023	12/31/2023
Gross Book Value (EoP) - Group	117,710,226	117,204,531	116,355,196
Collections of the period - Group	2,099,450	2,428,243	4,947,493
LTM Collections / GBV EoP - Group - Stock	4.2%	4.4%	4.6%
Gross Book Value (EoP) - Italy	67,774,603	70,931,264	68,241,322
Collections of the period - Italy	757,456	868,444	1,661,168
LTM Collections / GBV EoP - Italy - Stock	2.4%	2.4%	2.5%
Gross Book Value (EoP) - Iberia	12,146,099	11,770,670	10,861,946
Collections of the period - Iberia	497,137	602,966	1,136,157
LTM Collections / GBV EoP - Iberia - Stock	9.0%	9.5%	11.0%
Gross Book Value (EoP) - Hellenic Region	37,789,524	34,502,597	37,251,928
Collections of the period - Hellenic Region	844,857	956,833	2,150,168
LTM Collections / GBV EoP - Hellenic Region - Stock	6.1%	6.8%	7.0%
Staff FTE / Total FTE Group	42.1%	45.8%	42.0%
EBITDA	65,043	79,834	175,345
Non-recurring items (NRIs) included in EBITDA	(2,317)	(53)	(3,355)
EBITDA excluding non-recurring items	67,360	79,887	178,700
EBITDA margin	30.0%	34.8%	36.1%
EBITDA margin excluding non-recurring items	31.5%	34.9%	37.2%
Profit (loss) for the period attributable to the shareholders of the Parent Company	15,494	4,281	(17,830)
Non-recurring items included in Profit (loss) for the period attributable to the Shareholders of the Parent Company	8,562	(12,581)	(19,665)
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	6,932	16,862	1,835
Earnings per share (Euro)	0.20	0.05	(0.23)
Earnings per share excluding non-recurring items (Euro)	0.09	0.21	0.02
Capex	6,647	5,444	21,361
EBITDA - Capex	58,396	74,390	153,984
Net Working Capital	124,673	103,243	114,461
Net Financial Position	(479,385)	(478,999)	(475,654)
Leverage (Net Debt / EBITDA excluding non-recurring items LTM)	2,9x	2.4x	2.7x

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SEGMENT REPORTING (€ ’000)

Condensed Income Statement (excluding non-recurring items)	First Half 2024			
	Italy	Hellenic Region	Spain	Total
Servicing revenues	56,069	101,503	23,860	181,432
o/w NPE Revenues	*56,069*	*88,107*	*15,749*	*159,925*
o/w REO Revenues	-	*13,396*	*8,111*	*21,507*
Co-investment revenues	775	-	-	775
Ancillary and other revenues	22,973	6,976	1,523	31,472
Gross Revenues	**79,817**	**108,479**	**25,383**	**213,679**
NPE Outsourcing fees	(2,817)	(2,386)	(530)	(5,733)
REO Outsourcing fees	-	(2,368)	(1,811)	(4,179)
Ancillary Outsourcing fees	(11,444)	-	(389)	(11,833)
Net revenues	**65,556**	**103,725**	**22,653**	**191,934**
Staff expenses	(37,207)	(39,181)	(16,134)	(92,522)
Administrative expenses	(13,789)	(11,060)	(7,207)	(32,056)
o/w IT	*(5,125)*	*(5,127)*	*(2,884)*	*(13,136)*
o/w Real Estate	*(731)*	*(1,044)*	*(501)*	*(2,276)*
o/w SG&A	*(7,933)*	*(4,889)*	*(3,822)*	*(16,644)*
Operating expenses	**(50,996)**	**(50,241)**	**(23,341)**	**(124,578)**
EBITDA excluding non-recurring items	**14,560**	**53,484**	**(688)**	**67,356**
EBITDA margin excluding non-recurring items	**18.2%**	**49.3%**	**(2.7)%**	**31.5%**
Contribution to EBITDA excluding non-recurring items	**21.6%**	**79.4%**	**(1.0)%**	**100.0%**

Condensed Income Statement (excluding non-recurring items)	First Half 2024 vs 2023			
	Italy	Hellenic Region	Spain	Total
Servicing revenues				
First Half 2024	56,069	101,503	23,860	181,432
First Half 2023	60,100	108,662	34,199	202,961
Change	*(4,031)*	*(7,159)*	*(10,339)*	*(21,529)*
Co-investment revenues, ancillary and other revenues				
First Half 2024	23,748	6,976	1,523	32,247
First Half 2023	22,004	2,781	1,467	26,252
Change	*1,744*	*4,195*	*56*	*5,995*
Outsourcing fees				
First Half 2024	(14,261)	(4,754)	(2,730)	(21,745)
First Half 2023	(11,229)	(4,543)	(5,469)	(21,241)
Change	*(3,032)*	*(211)*	*2,739*	*(504)*
Staff expenses				
First Half 2024	(37,207)	(39,181)	(16,134)	(92,522)
First Half 2023	(35,915)	(36,995)	(21,711)	(94,621)
Change	*(1,292)*	*(2,186)*	*5,577*	*2,099*
Administrative expenses				
First Half 2024	(13,789)	(11,060)	(7,207)	(32,056)
First Half 2023	(12,977)	(10,730)	(9,757)	(33,464)
Change	*(812)*	*(330)*	*2,550*	*1,408*
EBITDA excluding non-recurring items				
First Half 2024	14,560	53,484	(688)	67,356
First Half 2023	21,983	59,175	(1,271)	79,887
Change	*(7,423)*	*(5,691)*	*583*	*(12,531)*
EBITDA margin excluding non-recurring items				
First Half 2024	18.2%	49.3%	(2.7)%	31.5%
First Half 2023	26.8%	53.1%	(3.6)%	34.9%
Change	*(9)p.p.*	*(4)p.p.*	*1p.p.*	*(3)p.p.*

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