doValue

Consolidated Interim Report
at September 30, 2024

Registered Office: Viale dell'Agricoltura, 7 - 37135 Verona
Share capital **€41,280,000.00 fully paid-up**

Parent Company of the doValue Group
Registered in the Company Register of Verona, Tax I.D. no. 00390840239 and VAT no. 02659940239
www.doValue.it

CONTENTS

GOVERNING AND CONTROL BODIES

BOARD OF DIRECTORS

Chairman	ALESSANDRO RIVERA
CEO	MANUELA FRANCHI
Directors	ELENA LIESKOVSKA(2) COSTANTINE (DEAN) DAKOLIAS FRANCESCO COLASANTI(2) JAMES CORCORAN(2) FOTINI IOANNOU(1) CAMILLA CIONINI VISANI(3) CRISTINA ALBA OCHOA(4) ISABELLA DE MICHELIS DI SLONGHELLO(2) GIUSEPPE PISANI(4)

BOARD OF STATUTORY AUDITORS

Chairman	CHIARA MOLON(5)
Statutory Auditors	MASSIMO FULVIO CAMPANELLI(6) PAOLO CARBONE(6)
Alternate Auditors	SONIA PERON MAURIZIO DE MAGISTRIS

AUDIT FIRM **EY S.p.A.**

Financial Reporting Officer DAVIDE SOFFIETTI

At the date of approval of this document

(1) Chairman of the Appointments and Remuneration Committee
(2) Member of the Appointments and Remuneration Committee
(3) Chairman of the Risks, Related Party Transactions and Sustainability Committee
(4) Member of the Risks, Related Party Transactions and Sustainability Committee
(5) Chairman of Supervisory Committee, pursuant to Italian Legislative Decree 231/2001
(6) Member of Supervisory Committee, pursuant to Italian Legislative Decree 231/2001

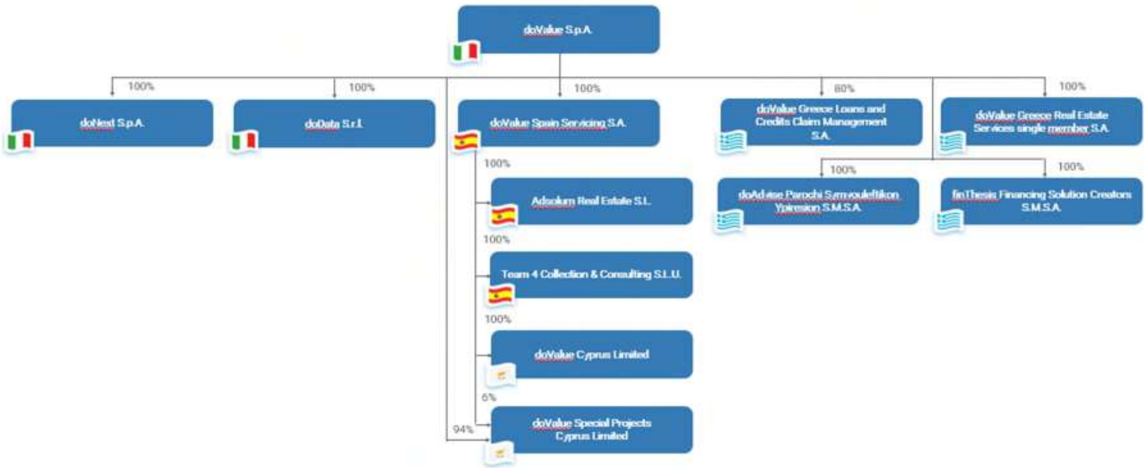
GROUP STRUCTURE

With more than 20 years of experience and approximately €117 billion of assets under management, the doValue Group is the main operator in Southern Europe in the management of credit and real estate assets deriving from non-performing loans.

The doValue Group offers to its customers, both banks and investors, services for the management of non-performing loans (NPL), unlikely to pay (UTP), early arrears and performing loans. The doValue Group is also active in the management and development of real estate assets deriving from non-performing loans (real estate owned, REO).

In addition, the doValue Group offers a broad set of ancillary services (master legal services, due diligence services, data management services and master servicing activities).
The shares of the doValue Group have been listed on Euronext Milan since 2017. In addition, doValue has been admitted to the STAR segment of Euronext Milan in 2022.

The following chart shows the structure of the Group at September 30, 2024, and reflects the organic and external growth and diversification of doValue over 20 years of operations.



doValue: a story of growth and diversification

GBV		
€77 bn	2017	Listing on Borsa Italiana (now Euronext Milan)
€82 bn	2018	doBank enters the Greek servicing market and announces the acquisition of Altamira Asset Management, active in Spain, Portugal and Cyprus
€132 bn	2019	doBank renounce to its banking license and takes on the name doValue, completes the acquisition of Altamira (today doValue Spain) and becomes market leader in Southern Europe doValue announces the acquisition of Greek servicer FPS Loans and Credits Claim Management
€158 bn	2020	doValue completes the acquisition of FPS (today doValue Greece) and becomes market leader in Greece doValue has completed the issue of its first bond
€150 bn	2021	doValue signs an agreement for the investment in a stake of c.10% in Brazilian fintech company QueroQuitar doValue completes the issuance of its second bond doValue acquires an approximately 15% stake in Irish proptech company BidX1
€120 bn	2022	doValue admitted to the STAR segment of Euronext Milan Expiry of the contract with Sareb and off-boarding of its €21 bn portfolio
€116 bn	2023	doValue completes the acquisition of Team 4 in Spain to boost its SMEs business unit Successful onboarding of Sky Portfolio in Cyprus New CEO appointed Manuela Franchi doValue has been upgraded from MSCI ESG Research and Moody's Analytics. Respectively from "AA" to Leader "AAA" and from "Limited" to "Robust"
€117 bn	2024	New business plan announced, focusing on competitive strengths and diversification beyond servicing doValue has entered into a binding agreement for the acquisition of Gardant, thereby consolidating its position in the Italian market Achieved more than €8 billion in GBV from new business (including forward flows contracts) in the first nine months of the year, exceeding the annual target of €8 billion

DIRECTORS' INTERIM REPORT ON THE GROUP

The summary results and financial indicators are based on accounting data and are used in management reporting to enable management to monitor performance.
They are also consistent with the most commonly used metrics in the relevant sector, ensuring the comparability of the figures presented.

The Group's business

The doValue Group provides credit and real estate asset management services to banks and professional investors.
doValue's services are remunerated under long term contracts based on a fee structure that includes fixed fees based on the volume of assets under management and fees based on the performance of servicing activities, such as collections from NPL receivables or the sale of customers' real estate assets; within the same activity, ancillary services may also be offered, the remuneration of which is linked to the type of service provided.

The Group provides services in the following categories:

NPL Servicing	The administration, management and recovery of loans utilising in court and out-of-court recovery processes for and on behalf of third parties for portfolios mainly consisting in non-performing loans. Within its NPL Servicing operations, doValue focuses on corporate bank loans of medium-large size and a high proportion of real estate collateral
Real Estate Servicing	The management of real estate assets on behalf of third parties, including: (1) Real estate collateral management: activities to develop or sell, either directly or through intermediaries, real estate assets owned by customers originally used to secure bank loans; (2) Real estate development: analysis, implementation and marketing of real estate development projects involving assets owned by customers; and (3) Property management: supervision, management and maintenance of customers' real estate assets, with the aim of maximising profitability through sale or lease
UTP Servicing	Administration, management and restructuring of loans classified as unlikely-to-pay, on behalf of third parties, with the aim of returning them to performing status; this activity is primarily carried out by the doNext subsidiaries pursuant to Art. 106 of the Consolidated Banking Act (financial intermediary) and doValue Greece, pursuant to Greek Law 4354/2015 (NPL Servicer under the license and supervision of the Bank of Greece)
Early Arrears and Performing Loans Servicing	The management of performing loans or loans past due by less than 90 days, not yet classified as non-performing, on behalf of third parties
Ancillary Services	These include: (1) Due Diligence: services for the collection and organisation of information in data room environments and advisory services for the analysis and assessment of loan portfolios for the preparation of business plans for Collection and Recovery activities; (2) Master Servicing and Structuring: administrative, accounting, cash management and reporting services in support of the securitisation of loans; structuring services for securitisation transactions as well as performing the role of authorised entity in securitisation transactions; and (3) Master Legal: management of legal proceedings at all levels in relation to loans, mainly non-performing, managed by doValue on behalf of third parties

doValue, in its capacity as Special Servicer, has received the following ratings: "**RSS1- / CSS1-**" by Fitch Ratings (confirmed in December 2023), and "**Strong**" by Standard & Poor's (confirmed in April 2024), which are the highest ratings assigned to Italian operators in the sector. They have been assigned to the Company since 2008, before any other operator in this sector in Italy. doNext, as a Master Servicer, received an MS2+ rating from Fitch Ratings in February 2023, which is an indicator of high performance in overall Servicing management capability.

In July 2020, doValue received the Corporate credit rating **BB with** "**Stable**" **outlook** from Standard & Poor's and Fitch. This rating has been confirmed by both agencies in relation to doValue's senior bonds issued with an original nominal value of €265.0 million and €300.0 million with maturity in 2025 and 2026, respectively.
The rating was confirmed in June 2024 by both Fitch and Standard & Poor's, both with "Stable" outlook.

Group Highlights

The tables below show the main economic and financial data of the Group extracted from the related condensed Financial Statements, which are subsequently presented in the section of the Group Results at September 30, 2024.

(€/000)

Key data of the consolidated income statement	**9/30/2024**	**9/30/2023 Restated**	**Change €**	**Change %**
Gross Revenues	316,704	335,154	(18,450)	(5.5)%
Net Revenues	284,785	304,637	(19,852)	(6.5)%
Operating expenses	(192,633)	(189,302)	(3,331)	1.8%
EBITDA	92,152	115,335	(23,183)	(20.1)%
EBITDA margin	29.1%	34.4%	(5.3)%	(15.4)%
Non-recurring items included in EBITDA	(3,635)	(79)	(3,556)	n.s.
EBITDA excluding non-recurring items	95,787	115,414	(19,627)	(17.0)%
EBITDA margin excluding non-recurring items	30.5%	34.4%	(3.9)%	(11.4)%
EBT	12,587	5,062	7,525	148.7%
EBT margin	4.0%	1.5%	2.5%	n.s.
Profit (loss) for the period attributable to the Shareholders of the Parent Company	10,341	(25,667)	36,008	(140.3)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	4,819	(14,202)	19,021	(133.9)%

(€/000)

Key data of the consolidated balance sheet	**9/30/2024**	**12/31/2023**	**Change €**	**Change %**
Cash and liquid securities	90,509	112,376	(21,867)	(19.5%)
Intangible assets	454,701	473,784	(19,083)	(4.0%)
Financial assets	41,945	46,167	(4,222)	(9.1%)
Trade receivables	174,544	199,844	(25,300)	(12.7%)
Tax assets	87,027	99,483	(12,456)	(12.5%)
Financial liabilities	653,785	684,570	(30,785)	(4.5%)
Trade payables	63,209	85,383	(22,174)	(26.0%)
Tax Liabilities	56,771	65,096	(8,325)	(12.8%)
Other liabilities	37,597	57,056	(19,459)	(34.1%)
Provisions for risks and charges	26,451	26,356	95	0.4%
Group Shareholders' equity	**57,371**	**53,031**	**4,340**	**8.2%**

In order to facilitate an understanding of the doValue Group's performance and financial position, a number of alternative performance measures ("Key Performance Indicators" or "KPIs") have been selected by the Group, in compliance with the guidelines issued by ESMA dated October 5, 2015 (ESMA/2015/1415) and CONSOB Communication No. 0092543 dated December 3, 2015. These KPIs are summarised in the table below.

(€/000)

KPIs	9/30/2024	9/30/2023 Restated	12/31/2023
Gross Book Value (EoP) - Group	116,678,422	117,768,420	116,355,196
Collections of the period - Group	3,120,585	3,398,809	4,947,493
LTM Collections / GBV EoP - Group - Stock	4.2%	4.5%	4.6%
Gross Book Value (EoP) - Italy	66,945,228	68,710,519	68,241,322
Collections of the period - Italy	1,088,228	1,163,734	1,661,168
LTM Collections / GBV EoP - Italy - Stock	2.4%	2.5%	2.5%
Gross Book Value (EoP) - Iberia	11,429,688	11,230,354	10,861,946
Collections of the period - Iberia	736,813	835,620	1,136,157
LTM Collections / GBV EoP - Iberia - Stock	9.7%	9.6%	11.0%
Gross Book Value (EoP) - Hellenic Region	38,303,506	37,827,547	37,251,928
Collections of the period - Hellenic Region	1,295,544	1,399,455	2,150,168
LTM Collections / GBV EoP - Hellenic Region - Stock	5.8%	7.0%	7.0%
Staff FTE / Total FTE Group	41.9%	42.6%	42.0%
EBITDA	92,152	115,335	175,345
Non-recurring items (NRIs) included in EBITDA	(3,635)	(79)	(3,355)
EBITDA excluding non-recurring items	95,787	115,414	178,700
EBITDA margin	29.1%	34.4%	36.1%
EBITDA margin excluding non-recurring items	30.5%	34.4%	37.2%
Profit (loss) for the period attributable to the shareholders of the Parent Company	10,341	(25,667)	(17,830)
Non-recurring items included in Profit (loss) for the period attributable to the Shareholders of the Parent Company	5,522	(11,465)	(19,665)
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	4,819	(14,202)	1,835
Earnings per share (Euro)	0.67	(1.62)	(0.23)
Earnings per share excluding non-recurring items (Euro)	0.31	(0.90)	0.02
Capex	12,332	9,160	21,361
EBITDA - Capex	79,820	106,175	153,984
Net Working Capital	111,335	110,620	114,461
Net Financial Position	(494,509)	(485,512)	(475,654)
Leverage (Net Financial Position / EBITDA excluding non-recurring items LTM)	3.1x	2.9x	2.7x

LEGENDA

Gross Book Value EoP: indicates the book value of the loans under management at the end of the reference period for the entire scope of the Group, gross of any potential write-downs due to expected loan losses.

Collections for period: used to calculate fees for the purpose of determining revenues from the servicing business, they illustrate the ability to extract value from the portfolio under management.

LTM collections Stock/GBV (Gross Book Value) EoP Stock: the ratio between total gross LTM collections on the Stock portfolio under management at the start of the reference year and the end-period GBV of that portfolio.

Group Staff FTE/Total FTE: the ratio between the number of employees who perform support activities and the total number of full-time employees of the Group. The indicator illustrates the efficiency of the operating structure and the focus on management activities.

EBITDA and Profit (loss) of the period attributable to the Shareholders of the Parent Company: together with other relative profitability indicators, they highlight changes in operating performance and provide useful information regarding the Group's financial performance. These data are calculated at the end of the period.

Non-recurring items: items generated in extraordinary operations such as corporate restructuring, acquisitions or disposals of entities, start-up of new businesses or entry into new markets.

EBITDA and Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items: are defined as EBITDA and Profit (loss) for the period attributable to core operations, excluding all items connected with extraordinary operations such as corporate restructuring, acquisitions or disposals of entities, start-up of new businesses or entry into new markets.

EBITDA Margin: obtained by dividing EBITDA by Gross Revenues.

EBITDA Margin excluding non-recurring items: obtained by dividing EBITDA excluding non-recurring items by Gross revenues.

Earnings per share: calculated as the ratio between net profit for the period and the number of outstanding shares at the end of the period.

Earnings per share excluding non-recurring items: the calculation is the same as that for earnings per share, but the numerator differs from net profit for the period excluding non-recurring items net of the associated tax effects.

Capex: investments in property, plant, equipment and intangibles.

EBITDA – Capex: calculated as EBITDA net of investments in property, plant and equipment and intangibles. Together with other relative profitability indicators, it highlights changes in operating performance and provides an indication on the Group's ability to generate cash.

Net Working Capital: this is represented by receivables for fees invoiced and accruing, net of payables to suppliers for invoices accounted for and falling due in the period.

Net Financial Position: this is calculated as the sum of cash, cash equivalents and highly-liquid securities, net of amounts due to banks and bonds issued.

Leverage: this is the ratio between the Net Financial Position and EBITDA excluding non-recurring items for the last 12 months (possibly adjusted pro-forma to take account of significant transactions from the start of the reference year). It represents an indicator of the Group's debt level.

Group Results at September 30, 2024

The operating results for the period are reported on the following pages, together with details on the performance of the portfolio under management.
At the end of this Directors' Interim Report on the Group, a reconciliation schedule is provided between the condensed income statement reported below and the income statement provided in the consolidated Financial Statements section.

PERFORMANCE

(€/000)

Condensed Income Statement	9/30/2024	9/30/2023 Restated	Change €	Change %
Servicing Revenues:	272,793	291,498	(18,705)	(6.4)%
o/w: NPE revenues	240,614	251,623	(11,009)	(4.4)%
o/w: REO revenues	32,179	39,875	(7,696)	(19.3)%
Co-investment revenues	1,025	1,064	(39)	(3.7)%
Ancillary and other revenues	42,886	42,592	294	0.7%
Gross revenues	**316,704**	**335,154**	**(18,450)**	**(5.5)%**
NPE Outsourcing fees	(8,421)	(10,692)	2,271	(21.2)%
REO Outsourcing fees	(6,648)	(7,256)	608	(8.4)%
Ancillary Outsourcing fees	(16,850)	(12,569)	(4,281)	34.1%
Net revenues	**284,785**	**304,637**	**(19,852)**	**(6.5)%**
Staff expenses	(140,777)	(141,751)	974	(0.7)%
Administrative expenses	(51,856)	(47,551)	(4,305)	9.1%
o.w. IT	*(20,415)*	*(19,604)*	*(811)*	*4.1%*
o.w. Real Estate	*(3,707)*	*(3,801)*	*94*	*(2.5)%*
o.w. SG&A	*(27,734)*	*(24,146)*	*(3,588)*	*14.9%*
Operating expenses	**(192,633)**	**(189,302)**	**(3,331)**	**1.8%**
EBITDA	**92,152**	**115,335**	**(23,183)**	**(20.1)%**
EBITDA margin	**29.1%**	**34.4%**	**(5.3)%**	**(15.4)%**
Non-recurring items included in EBITDA	(3,635)	(79)	(3,556)	n.s.
EBITDA excluding non-recurring items	**95,787**	**115,414**	**(19,627)**	**(17.0)%**
EBITDA margin excluding non-recurring items	**30.5%**	**34.4%**	**(3.9)%**	**(11.4)%**
Net write-downs on property, plant, equipment and intangibles	(42,834)	(76,437)	33,603	(44.0)%
Net provisions for risks and charges	(13,869)	(13,015)	(854)	6.6%
Net write-downs of loans	121	1,207	(1,086)	(90.0)%
Profit (loss) from equity investments	(2,959)	-	(2,959)	n.s.
EBIT	**32,611**	**27,090**	**5,521**	**20.4%**
Net income (loss) on financial assets and liabilities measured at fair value	(1,405)	1,586	(2,991)	n.s.
Net financial interest and commissions	(18,619)	(23,614)	4,995	(21.2)%
EBT	**12,587**	**5,062**	**7,525**	**148.7%**
Non-recurring items included in EBT	(14,850)	(11,833)	(3,017)	25.5%
EBT excluding non-recurring items	**27,437**	**16,895**	**10,542**	**62.4%**
Income tax for the period	3,848	(30,996)	34,844	(112.4)%
Profit (Loss) for the period	**16,435**	**(25,934)**	**42,369**	**n.s.**
Profit (loss) for the period attributable to Non-controlling interests	(6,094)	267	(6,361)	n.s.
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**10,341**	**(25,667)**	**36,008**	**(140.3)%**
Non-recurring items included in Profit (loss) for the period	5,369	(12,249)	17,618	(143.8)%
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(153)	(784)	631	(80.5)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	**4,819**	**(14,202)**	**19,021**	**(133.9)%**
Profit (loss) for the period attributable to Non-controlling interests excluding non-recurring items	6,247	517	5,730	n.s.
Earnings per share (in Euro)	**0.67**	**(1.62)**	**2.29**	**(141.2)%**
Earnings per share excluding non-recurring items (Euro)	0.31	(0.90)	1.21	(134.7)%

Portfolio under management

At September 30, 2024, the Group's Managed Portfolio (GBV) in the core markets in Italy, Spain, Greece and Cyprus amounted to €116.7 billion, with an increase of 0.3% comparing with the balance of €116.4 billion at December 31, 2023. It should be noted that the data as of the end of September does not include the portfolio under management in Portugal, which was sold in the subsequent month of July.

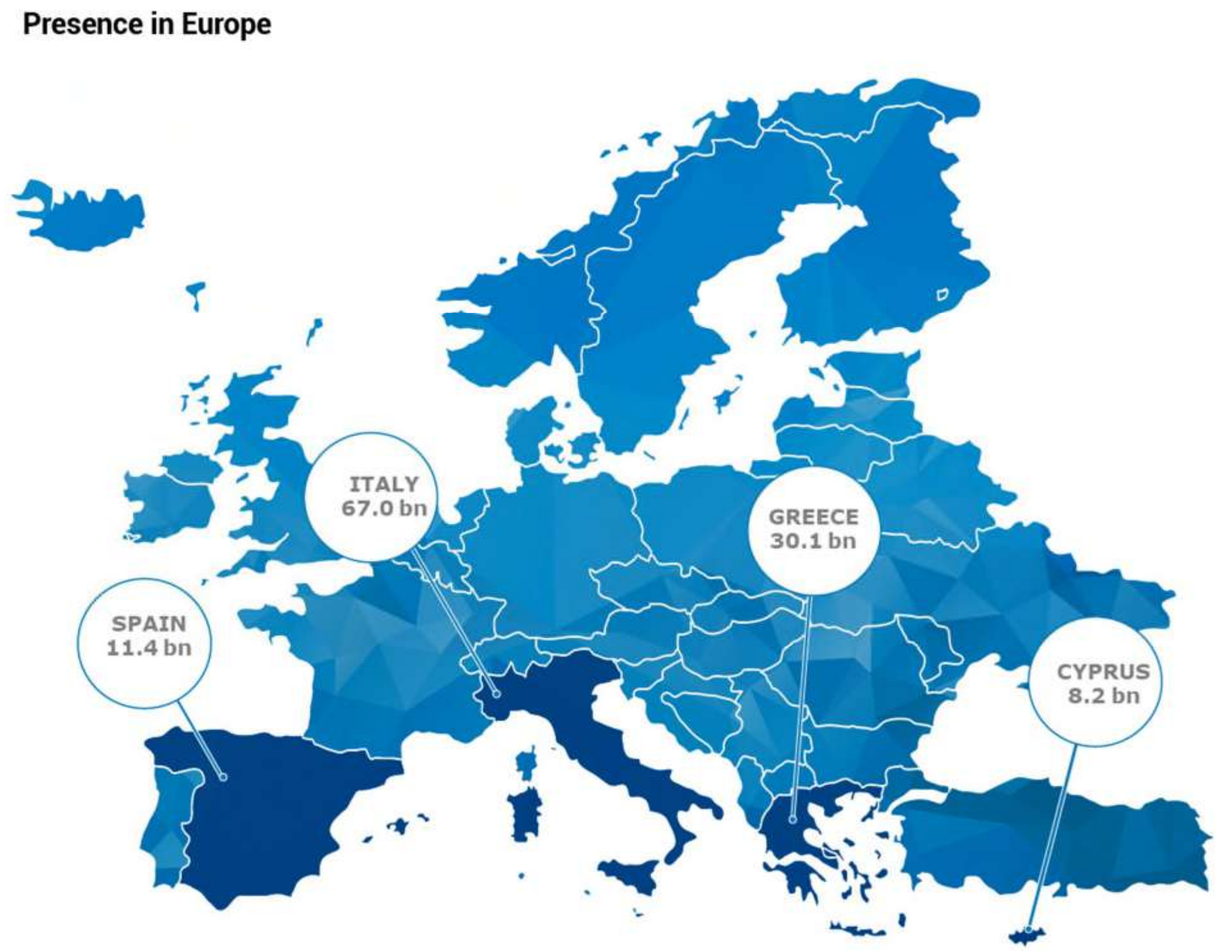
New flows amounted to approximately €8.5 billion, of which roughly 11% related to the Italian market, 21% to Spain and 67% to the Hellenic one.

The following chart shows the geographical breakdown of the GBV: in particular for each country the share managed at September 30, 2024 is highlighted.

December 2023

Geographical distribution of assets under management

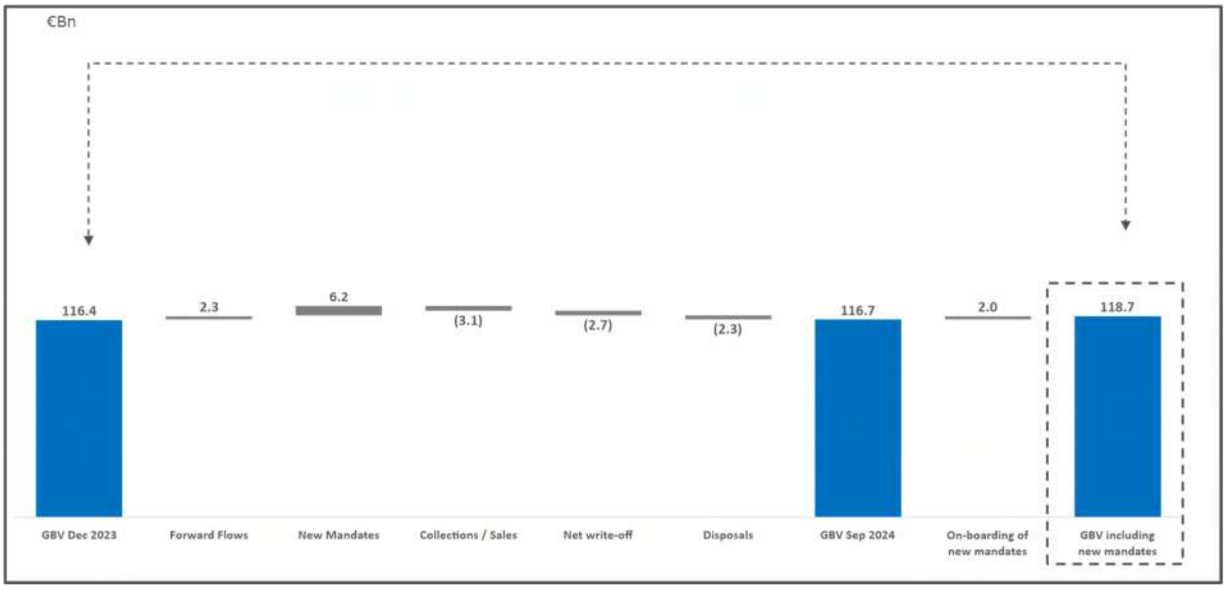
September 2024
€116.7 billion

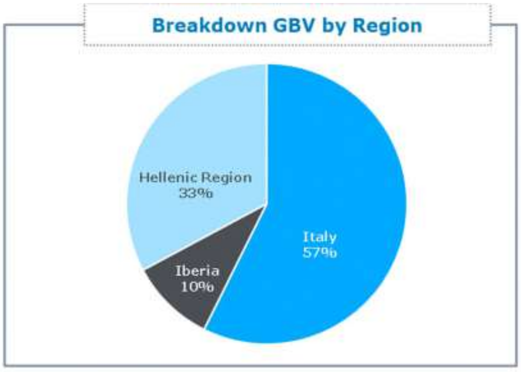


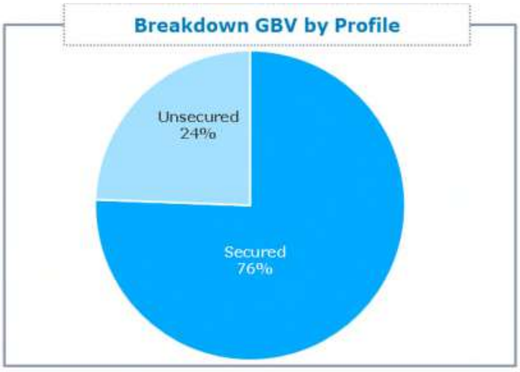
The evolution of the Managed Portfolio, which includes only onboarded portfolios, during the first nine months of 2024 was characterised by contracts related to new customers totalling €6.2 billion, of which approximately €4.8 billion in the Hellenic Region, roughly €1.0 billion in Spain and about €0.4 billion in Italy.

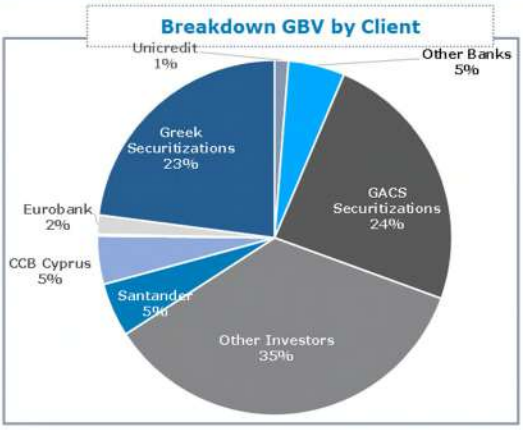
In addition to the flows listed above, a further €2.3 billion comes from existing customers which are onboarded through flow contracts.

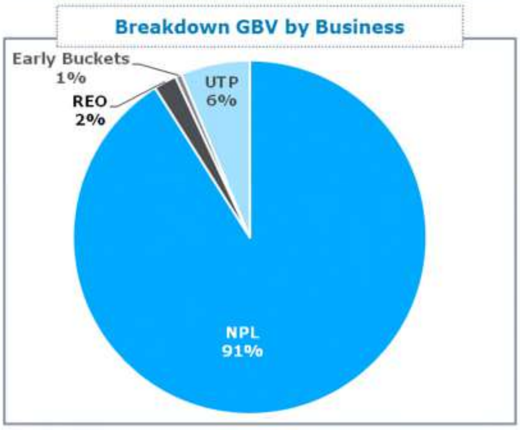
With respect to the decrease in GBV, during the first nine months, disposals totalled €2.3 billion. As of the reference date, the Managed Portfolio would show an increase of an additional €2.0 billion due to portfolios in the onboarding phase mainly in Greece.











Group collections for the first half amounted to €3.1 billion, down by approximately 8% on the comparative amount of the previous year (€3.4 billion).
The geographical breakdown of collections for 2024 is as follows: €1.1 billion in Italy, €0.7 billion in Spain and €1.3 billion in the Hellenic Region.

Performance

In the first nine months of 2024, macroeconomic trends in Europe continued to show mixed signals in a complex and dynamic economic environment. Real GDP growth in the euro area was moderate, with an annual growth projected around 1.4%, slightly below the 1.6% anticipated at the beginning of the year. This figure reflects a slowdown compared to the recovery observed in early 2024, impacted by ongoing geopolitical tensions and the European Central Bank's tightened monetary policy measures.
Overall inflation, though down from 5.9% in 2023, stabilized at around 2.2%, slightly above early-year expectations due to renewed pressures on food and energy prices.
However, the stabilization of energy prices in global markets and a moderate recovery in consumer confidence helped contain further price increases.
The labor market continued to expand, with further increases in employment and robust wage dynamics, although signs of a slowdown have intensified. Demand for financing declined, accompanied by a further tightening in credit supply conditions, in line with the ECB's monetary policy. This tightening has had a moderate impact on economic growth, partially offset by the stabilization of inflation.
The current account balance of the euro area strengthened further, driven by an improvement in the energy deficit and steady growth in exports. Additionally, the net creditor position abroad remained positive, supported by portfolio investments from international investors.
In summary, in the third quarter of 2024, the European economy continued to show a moderate recovery, supported by reduced inflation and improved employment, while still facing challenges from restrictive monetary policy and an uncertain international economic climate.

In the first nine months of this year, the Group reported **gross revenues** of €316.7 million, representing a 6% decrease compared to €335.2 million as of September 30, 2023. Geographically, compared to the same period of the previous year, Italy (mainly due to the growth of ancillary businesses as outlined in the Business Plan) showed a relatively stable contribution (an increase of around 2%), while Spain and the Hellenic Region experienced a decline, primarily due to the slowdown in the REO sector.
Servicing revenues from **NPE** and **REO** assets, totalling €272.8 million (€291.5 million as of September 30, 2023), highlight a decrease of 6%. In terms of product breakdown, NPE revenues amount to €240.6 million (€251.6 million in September 2023), representing a decrease of approximately 4%; whereas REO revenues stand at €32.2 million, decreasing from the €39.9 million of the comparative period, with stability in Greece and slowdown in activities in Spain.
Co-investment revenues include a contribution of €1.0 million (€1.1 million in September 2023) from proceeds derived from ABS securities of the two securitizations Romeo SPV and Mercuzio Securitisation, in which doValue holds a 5% stake.
The contribution of **ancillary and other revenues** amounts to €42.9 million, in line with the €42,6 million of the comparative period. These revenues primarily originate from data processing and supply services and other services closely related to the mentioned servicing activities, such as due diligence, master and structuring services, legal services, as well as services offered in the Rental and diversified activities in Advisory and Portfolio Management domains.
These revenues represent 14% of the total gross revenues for the current period, while their incidence was 13% in the comparative period, confirming them as a solid and stable revenue source for the entire Group.

(€/000)

	9/30/2024	9/30/2023	Change €	Change %
NPE revenues	240,614	251,623	(11,009)	(4.4)%
REO revenues	32,179	39,875	(7,696)	(19.3)%
Co-investment revenues	1,025	1,064	(39)	(3.7)%
Ancillary and other revenues	42,886	42,592	294	0.7%
Gross revenues	**316,704**	**335,154**	**(18,450)**	**(5.5)%**
NPE Outsourcing fees	(8,421)	(10,692)	2,271	(21.2)%
REO Outsourcing fees	(6,648)	(7,256)	608	(8.4)%
Ancillary Outsourcing fees	(16,850)	(12,569)	(4,281)	34.1%
Net revenues	**284,785**	**304,637**	**(19,852)**	**(6.5)%**

Net revenues, amounting to €284.8 million, decreased by 7% compared to €304.6 million in the same period of the previous fiscal year.

NPE outsourcing fees recorded a contraction of 21%, totalling €8.4 million (€10.7 million in September 2023), showing a decrease in all regions, resulting from lower collections made through the external network.

REO outsourcing fees slightly decreased to €6.6 million (€7.3 million in 2023), mainly linked to the decrease in Spain and in Greece due to the ongoing contraction in the Real Estate sector.
Ancillary outsourcing fees stood at €16.9 million compared to €12.6 million in the comparative period, with an increase of 34%, consistent with the gross revenue growth and an overall margin of about 70%.

Operating expenses, amounting to €192.6 million, are substantially stable compared to the same period of the previous year (€189.3 million), showed an overall increase of less than 2%.

In more detail, **staff expenses**, which account for 44% of gross revenues, amount to €140.8 million, representing a 0.7% decrease compared to the same period of the previous year. It is noted that such item, during 2023, was positively impacted by a fund release related to the resignation of the former CEO.

Administrative expenses amount to €51.9 million compared to €47.6 million in the first nine months of the previous year. The incidence of this cost component relative to revenues is 16%, compared to 14% as of Septembr 30, 2023.

(€/000)

	9/30/2024	9/30/2023	Change €	Change %
Staff expenses	(140,777)	(141,751)	974	(0.7)%
Administrative expenses	(51,856)	(47,551)	(4,305)	9.1%
o.w. IT	*(20,415)*	*(19,604)*	*(811)*	4.1%
o.w. Real Estate	*(3,707)*	*(3,801)*	*94*	(2.5)%
o.w. SG&A	*(27,734)*	*(24,146)*	*(3,588)*	14.9%
Operating expenses	**(192,633)**	**(189,302)**	**(3,331)**	**1.8%**
EBITDA	**92,152**	**115,335**	**(23,183)**	**(20.1)%**
o.w: Non-recurring items included in EBITDA	*(3,635)*	*(79)*	*(3,556)*	n.s.
EBITDA excluding non-recurring items	**95,787**	**115,414**	**(19,627)**	**(17.0)%**
EBITDA margin excluding non-recurring items	**29.1%**	**34.4%**	**(5.3)%**	**(15.4)%**

The table below shows the number of FTEs (Full Time Equivalents) by geographical area.

FTEs BY REGION	9/30/2024	9/30/2023	Change	Change %
Italy	918	959	(41)	(4.3)%
Iberia	555	599	(44)	(7.3)%
Hellenic Region	1,545	1,570	(25)	(1.6)%
Total	**3,018**	**3,128**	**(110)**	**(3.5)%**

As a result of the aforementioned dynamics, **EBITDA** stands at €92.2 million compared to €115.3 million in the same period of 2023, with a revenue incidence of 29% against 34% in September 2023, which had been positively influenced by the fund release related to the resignation of the former CEO as reported above.

It is noted that in the first nine months of 2024, approximately €3.6 million in non-recurring items were recorded, related to strategic and legal consulting costs concerning specific areas of the Group's development. Additionally, for the current period and due to operational and business-related reasons, Portugal's economic contribution (Portugal left the perimeter in July 2024) has been included among non-recurring items and therefore excluded from regular business analyses.
Since these costs are not related to the Group's core business, it is believed that the organic capacity to generate operating profit is better expressed by the adjusted EBITDA, excluding such expenses. Therefore, **EBITDA excluding non-recurring items** amounts to €95.8 million, compared to €115.4 million reported in September 2023 when non-recurring items amounted to €79 thousand.

The Group's **EBIT** stands at €32.6 million, compared to €27.1 million in the comparative period.
EBT amounts to €12.6 million, compared to €5.1 million recorded on September 30, 2023. This item includes financial costs related to two bond issuances, those related to the Earn-out recognized following acquisition operation in Greece, the fair value delta related to minority co-investments in securitization vehicles where the Group companies are the Servicer, and other minor items related to accounting under IFRS 16.

(€/000)

	9/30/2024	9/30/2023 Restated	Change €	Change %
EBITDA	**92,152**	**115,335**	**(23,183)**	**(20.1)%**
Net write-downs on property, plant, equipment and intangibles	(42,834)	(76,437)	33,603	(44.0)%
Net provisions for risks and charges	(13,869)	(13,015)	(854)	6.6%
Net write-downs of loans	121	1,207	(1,086)	(90.0)%
Net income (losses) from investments	(2,959)	-	(2,959)	n.s.
EBIT	**32,611**	**27,090**	**5,521**	**20.4%**
Net income (loss) on financial assets and liabilities measured at fair value	(1,405)	1,586	(2,991)	n.s.
Net financial interest and commissions	(18,619)	(23,614)	4,995	(21.2)%
EBT	**12,587**	**5,062**	**7,525**	**148.7%**

EBT includes additional non-recurring items totalling €14.9 million (€11.8 million in September 2023), mainly attributable to costs for the exit incentive affecting particularly the Iberian region, in addition to the items related to arbitration in Spain and the economic values contributed by Portugal, which also include the negative effect of the sale completed in July 2024 amunting to €3.0 million.

Net write-downs on property, plant and equipment and intangibles amount to €42.8 million (€76.4 million in September 2023), including €16.8 million of amortizations of servicing contracts and the brand of the doValue Spain and doValue Greece perimeter.
The balance of this item also includes the portion of lease amortizations resulting from the recognition of lease contracts under the IFRS 16 principle, totalling €10.8 million. The remaining balance of the item includes €15.2 million in amortization primarily related to software licenses for technological investments made by the Group during the period.

Net provisions for risks and charges amount to €13.9 million, compared to €13.0 million reported in September 2023, and are primarily related to provisions for exit incentives, legal disputes, and prudential provisions on credits.

Net financial interest and commissions amount to €18.6 million, from €23.6 million on September 30, 2023. This item mainly reflects the cost related to the debt of the two bond issuances serving the acquisition process carried out in Spain and Greece as part of the Group's internationalization strategy, as well as the interest related to the drawdown of a revolving line by the Greek subsidiary.

(€/000)

	9/30/2024	9/30/2023 Restated	Change €	Change %
EBT	**12,587**	**5,062**	**7,525**	**148.7%**
Non-recurring items included in EBT	(14,850)	(11,833)	(3,017)	25.5%
EBT excluding non-recurring items	**27,437**	**16,895**	**10,542**	**62.4%**
Income tax for the period	3,848	(30,996)	34,844	(112.4)%
Profit (Loss) for the period	**16,435**	**(25,934)**	**42,369**	**n.s.**
Profit (loss) for the period attributable to Non-controlling interests	(6,094)	267	(6,361)	n.s.
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**10,341**	**(25,667)**	**36,008**	**(140.3)%**
Non-recurring items included in Profit (loss) for the period	5,369	(12,249)	17,618	(143.8)%
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(153)	(784)	631	(80.5)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	**4,819**	**(14,202)**	**19,021**	**(133.9)%**
Earnings per share (in Euro)	**0.67**	**(1.62)**	**2.29**	**(141.2)%**
Earnings per share excluding non-recurring items (Euro)	***0.31***	***(0.90)***	***1.21***	***(134.7)%***

Income tax for the period is positive at €3.8 million, compared to an expense of €31.0 million in September 2023, due to the mix of income generated during the period as well as the recognition of the income of €20.0 million from the resolution of the arbitration in Spain, totaling €22.7 million. The remaining €2.7 million is classified under "Net financial interest and commissions".

The **result for the period attributable to the Shareholders of the Parent Company excluding non-recurring items** amounts to €4.8 million, compared to a negative result of €14.2 million on September 30, 2023. Including non-recurring items, the **result for the period attributable to the Shareholders of the Parent Company** is positive and amounts to €10.3 million, compared to a negative value of €25.7 million in September 2023.

SEGMENT REPORTING

The international expansion of doValue into the broad Southern European market through the acquisition of doValue Spain, followed by doValue Greece, has led management to consider it appropriate to assess and analyze the business with a geographical segmentation approach.
This classification is tied to specific factors of the entities included in each category and to the type of market. The geographical regions thus identified were: Italy, Hellenic Region and Iberia (it is noted that, in order to exclude non-recurring items, this area for the 2024 period only consists of Spain). It should be noted that the Italian segment includes €7.8 million linked to the cost of the resources allocated to the Group.
Based on these criteria, the following table shows the revenues and EBITDA (excluding non-recurring items) for the period for each of these business segments.
Gross revenues recorded in the first nine months amount to €313.8 million (€335.2 million in September 2023) and EBITDA excluding non-recurring items amounted to €95.8 million (€115.4 million in September 2023). Italy contributed 37% to the Group's gross revenues, Hellenic Region 51% and Spain 12%.
The **EBITDA margin excluding non-recurring items** in Italy was 15% (22% excluding charges of €7.8 million mentioned above), 49% in the Hellenic Region, while 0.3% in Spain.

(€/000)

	First Nine Months 2024			
Condensed Income Statement (excluding non-recurring items)	**Italy**	**Hellenic Region**	**Spain**	**Total**
Servicing revenues	82,123	152,303	35,472	269,898
o/w NPE Revenues	*82,123*	*133,805*	*24,086*	*240,014*
o/w REO Revenues	-	*18,498*	*11,386*	*29,884*
Co-investment revenues	1,025	-	-	1,025
Ancillary and other revenues	32,256	8,383	2,261	42,900
Gross Revenues	**115,404**	**160,686**	**37,733**	**313,823**
NPE Outsourcing fees	(4,256)	(3,611)	(506)	(8,373)
REO Outsourcing fees	-	(3,453)	(2,431)	(5,884)
Ancillary Outsourcing fees	(16,358)	-	(467)	(16,825)
Net revenues	**94,790**	**153,622**	**34,329**	**282,741**
Staff expenses	(57,086)	(57,972)	(23,871)	(138,929)
Administrative expenses	(20,581)	(17,111)	(10,335)	(48,027)
o/w IT	*(7,956)*	*(8,185)*	*(4,065)*	*(20,206)*
o/w Real Estate	*(1,058)*	*(1,955)*	*(677)*	*(3,690)*
o/w SG&A	*(11,567)*	*(6,971)*	*(5,593)*	*(24,131)*
Operating expenses	**(77,667)**	**(75,083)**	**(34,206)**	**(186,956)**
EBITDA excluding non-recurring items	**17,123**	**78,539**	**123**	**95,785**
EBITDA margin excluding non-recurring items	**14.8%**	**48.9%**	**0.3%**	**30.5%**
Contribution to EBITDA excluding non-recurring items	**17.9%**	**82.0%**	**0.1%**	**100.0%**

(€/000)

	First Nine Months 2024 vs 2023			
Condensed Income Statement (excluding non-recurring items)	**Italy**	**Hellenic Region**	**Iberia**	**Total**
Servicing revenues				
First Nine Months 2024	82,123	152,303	35,472	269,898
First Nine Months 2023	84,383	158,939	48,176	291,498
Change	*(2,260)*	*(6,636)*	*(12,704)*	*(21,600)*
Co-investment revenues, ancillary and other revenues				
First Nine Months 2024	33,281	8,383	2,261	43,925
First Nine Months 2023	28,738	12,737	2,181	43,656
Change	*4,543*	*(4,354)*	*80*	*269*
Outsourcing fees				
First Nine Months 2024	(20,614)	(7,064)	(3,404)	(31,082)
First Nine Months 2023	(17,050)	(6,539)	(6,928)	(30,517)
Change	*(3,564)*	*(525)*	*3,524*	*(565)*
Staff expenses				
First Nine Months 2024	(57,086)	(57,972)	(23,871)	(138,929)
First Nine Months 2023	(56,006)	(54,230)	(31,515)	(141,751)
Change	*(1,080)*	*(3,742)*	*7,644*	*2,822*
Administrative expenses				
First Nine Months 2024	(20,581)	(17,111)	(10,335)	(48,027)
First Nine Months 2023	(17,283)	(15,570)	(14,619)	(47,472)
Change	*(3,298)*	*(1,541)*	*4,284*	*(555)*
EBITDA excluding non-recurring items				
First Nine Months 2024	17,123	78,539	123	95,785
First Nine Months 2023	22,782	95,337	(2,705)	115,414
Change	*(5,659)*	*(16,798)*	*2,828*	*(19,629)*
EBITDA margin excluding non-recurring items				
First Nine Months 2024	14.8%	48.9%	0.3%	30.5%
First Nine Months 2023	20.1%	55.5%	(5.4)%	34.4%
Change	*(5)pp*	*(7)pp*	*6pp*	*(4)pp*

Group Financial Position

INTRODUCTION

The balance sheet figures have been reclassified from a management perspective, in line with the representation of the reclassified income statement and the net financial position of the Group.
At the end of this Directors' Interim Report on the Group, in accordance with the same presentation approach for the income statement, a reconciliation schedule is provided between the condensed balance sheet reported below and the table reported in the consolidated Financial Statements section.

(€/000)

Condensed Balance Sheet	9/30/2024	12/31/2023	Change €	Change %
Cash and liquid securities	90,509	112,376	(21,867)	(19.5)%
Financial assets	41,945	46,167	(4,222)	(9.1)%
Property, plant and equipment	41,936	48,678	(6,742)	(13.9)%
Intangible assets	454,701	473,784	(19,083)	(4.0)%
Tax assets	87,027	99,483	(12,456)	(12.5)%
Trade receivables	174,544	199,844	(25,300)	(12.7)%
Assets held for sale	10	16	(6)	(37.5)%
Other assets	70,414	51,216	19,198	37.5%
Total Assets	**961,086**	**1,031,564**	**(70,478)**	**(6.8)%**
Financial liabilities: due to banks/bondholders	585,018	588,030	(3,012)	(0.5)%
Other financial liabilities	68,767	96,540	(27,773)	(28.8)%
Trade payables	63,209	85,383	(22,174)	(26.0)%
Tax liabilities	56,771	65,096	(8,325)	(12.8)%
Employee termination benefits	8,147	8,412	(265)	(3.2)%
Provisions for risks and charges	26,451	26,356	95	0.4%
Other liabilities	37,597	57,056	(19,459)	(34.1)%
Total Liabilities	**845,960**	**926,873**	**(80,913)**	**(8.7)%**
Share capital	41,280	41,280	-	n.s.
Reserves	15,097	35,676	(20,579)	(57.7)%
Treasury shares	(9,347)	(6,095)	(3,252)	53.4%
Profit (loss) for the period attributable to the Shareholders of the Parent Company	10,341	(17,830)	28,171	n.s.
Net Equity attributable to the Shareholders of the Parent Company	**57,371**	**53,031**	**4,340**	**8.2%**
Total Liabilities and Net Equity attributable to the Shareholders of the Parent Company	**903,331**	**979,904**	**(76,573)**	**(7.8)%**
Net Equity attributable to Non-Controlling Interests	57,755	51,660	6,095	11.8%
Total Liabilities and Net Equity	**961,086**	**1,031,564**	**(70,478)**	**(6.8)%**

Cash and liquid securities, amounting to €90.5 million, is showing a decrease of €21.9 million compared to the end of the previous year. The financial dynamics of the period are further described in the section on Net Financial Position.

Financial assets indicate a balance of €41.9 million, down €4.2 million compared to the value recorded on December 31, 2023, which was €46.2 million.

The item is broken down in the following table.

(€/000)

Financial assets	9/30/2024	12/31/2023	Change €	Change %
At fair value through profit or loss	**34,751**	**37,360**	**(2,609)**	**(7.0)%**
Debt securities	16,098	16,610	(512)	(3.1)%
CIUs	18,418	20,499	(2,081)	(10.2)%
Equity instruments	197	197	-	n.s.
Non-hedging derivatives	38	54	(16)	(29.6)%
At fair value through OCI	**6,607**	**8,165**	**(1,558)**	**(19.1)%**
Equity instruments	6,607	8,165	(1,558)	(19.1)%
At amortized cost	**587**	**642**	**(55)**	**(8.6)%**
L&R with banks other than current accounts and demand deposits	41	40	1	2.5%
L&R with customers	546	602	(56)	(9.3)%
Total	**41,945**	**46,167**	**(4,222)**	**(9.1)%**

Financial assets "at fair value through profit or loss" records an overall decrease of €2.6 milion. Specifically, debt securities show a slight reduction (€0.5 million) due to a combination of to valuation effects and collections of the period. The CIUs related to the reserved closed-end alternative securities fund Italian Recovery Fund (formerly Atlante II), decreased by €2.1 million due to the cancellation and distribution of units for €2.7 million, partially offset by a positive fair value differential of €0.6 million. This category also includes the fair value attributed to the non-hedging derivative on BidX1, representing the value of the outstanding call option, slightly reduced compared to the year-end 2023 figure.
Financial assets "at fair value through OCI", which include the non-controlling interests held in the Brazilian fintech company QueroQuitar S.A. (11.46%) and in the Irish proptech company BidX1 (11.9%), report a valuation decrease of €1.6 million, exclusively attributable to the latter.
Financial assets "at amortised cost" remains in line with the previous year, standing at €0.6 million.

Property, plant and equipment, amounting to €41.9 million, show a decrease of €6.7 million compared to December 31, 2023, as a result of depreciation for the period (€12.5 million), partially offset by new acquisitions totaling €7.0 million, primarly related to leases for electronic equipment (€4.0 million). Additionally, a €0.8 impact was noted due to the disposal of Portuguese assets (for further details, refer to the Significant events occurred during the period and as well as the Illustrative Notes).

Intangible assets decrease from €473.8 million to €454.7 million, resulting in a reduction of €19.1 million. This difference is primarily driven by the combined effect of reductions due to amortisation of €30.5 million and purchases of €11.7 million, mainly regarding software also including the portion classified as assets under development and payments on account.

The following is a breakdown of intangible assets:

(€/000)

Intangible assets	9/30/2024	12/31/2023	Change €	Change %
Software	43,308	51,413	(8,105)	(15.8)%
Brands	18,200	20,671	(2,471)	(12.0)%
Assets under development and payments on account	13,855	7,953	5,902	74.2%
Goodwill	224,367	224,367	-	n.s.
Long-term servicing contracts	154,971	169,380	(14,409)	(8.5)%
Total	**454,701**	**473,784**	**(19,083)**	**(4.0)%**

In particular, the most significant portion of intangible assets is due to Group's two acquisitions, relating respectively to doValue Spain and its subsidiaries, carried out at the end of June 2019, and the business combination of doValue Greece completed in June 2020, as summarised below:

(€/000)

Intangible assets	9/30/2024 doValue Spain Business Combination	9/30/2024 doValue Greece Business Combination	9/30/2024 Total
Software and relative assets under development	10,860	28,786	39,646
Brands	18,136	-	18,136
Goodwill	111,534	112,391	223,925
Long-term servicing contracts	15,620	139,351	154,971
Total	**156,150**	**280,528**	**436,678**

Intangible assets	12/31/2023 doValue Spain Business Combination	12/31/2023 doValue Greece Business Combination	12/31/2023 Total
Software and relative assets under development	13,274	27,326	40,600
Brands	20,603	-	20,603
Goodwill	111,534	112,391	223,925
Long-term servicing contracts	17,823	151,557	169,380
Total	**163,234**	**291,274**	**454,508**

Tax assets, as detailed below, show a balance of €87.0 million at the end of the period, compared to €99.5 million on December 31, 2023. The reduction of €12.5 million primarily stems from the performance of indirect taxes included in the "Other tax receivables" component (-€9.4 million), as well as an overall effect of releases of "Deferred tax assets" (-€2.9 million).

(€/000)

Tax assets	9/30/2024	12/31/2023	Change €	Change %
Current tax assets	**4,466**	**4,556**	**(90)**	**(2.0)%**
Tax credits	4,466	4,556	(90)	(2.0)%
Deferred tax assets	**75,421**	**78,351**	**(2,930)**	**(3.7)%**
Write-down on loans	26,958	40,239	(13,281)	(33.0)%
Tax losses carried forward in the future	30,288	18,230	12,058	66.1%
Property, plants and equipment / Intangible assets	9,644	12,021	(2,377)	(19.8)%
Other assets / liabilities	3,356	3,380	(24)	(0.7)%
Provisions	5,175	4,481	694	15.5%
Other tax receivables	**7,140**	**16,576**	**(9,436)**	**(56.9)%**
Total	**87,027**	**99,483**	**(12,456)**	**(12.5)%**

Other assets show a balance of €70.4 million compared to €51.2 million at the end of 2023, with an increase of €19.2 million. This variance is primarily due to higher advance receivables from clients in the Hellenic Region, particularly as a result of strengthening legal recovery activities. Additionally, there is an increase in other items due to accrued and deferred costs directly attributable to the capital increase and the refinancing of the bonds linked to the Gardant acquisition, which are expected to be finalized in the fourth quarter. Once the transaction is recorded, these costs will be reclassified mainly to equity.

Below is also the breakdown of **tax liabilities**, amounting to €56.8 million, which show a decrease of €8.3 million compared to the 2023 balance of €65.1 million. The change during the period is mainly related to a decrease of €5.0 million in current taxes, along with a reduction of €1.2 million in "Other tax payables", as well as a smaller contribution from "Deferred tax liabilities" (€2.2 million) related to the run-off of values resulting from the exercise of Purchase Price Allocation (PPA) for doValue Spain and doValue Greece.

(€/000)

Tax liabilities	9/30/2024	12/31/2023	Change €	Change %
Taxes for the period	5,576	10,536	(4,960)	(47.1)%
Deferred tax liabilities	40,443	42,623	(2,180)	(5.1)%
Other tax payables	10,752	11,937	(1,185)	(9.9)%
Total	**56,771**	**65,096**	**(8,325)**	**(12.8)%**

As of September 30, 2024, **financial liabilities - debts to banks/bondholders** went from from €588.0 million to €585.0 million, with a decrease of €3.0 million, primarly due to higher interests payments than interests accrued as a result of the amortised cost mechanism.
At the end of the first nine months of 2024, the remaining debt at amortized cost for the two issued bonds is as follows:
- 2020-2025 bond with a nominal value of €264.0 million, interest rate of 5.0%: €263.8 million;
- 2021-2026 bond with a nominal value of €296.0 million, interest rate of 3.4%: €295.7 million.

Other financial liabilities at September 30, 2024 are detailed below:

(€/000)

Other financial liabilities	9/30/2024	12/31/2023	Change €	Change %
Lease liabilities	34,783	41,499	(6,716)	(16.2)%
Earn-out	33,984	54,668	(20,684)	(37.8)%
Other financial liabilities	-	373	(373)	(100.0)%
Total	**68,767**	**96,540**	**(27,773)**	**(28.8)%**

The "Lease liabilities" represent the present value of future lease payments, in accordance with the provisions of IFRS 16.
The "Earn-out" liability at the end of the period includes only the amount related to the acquisition of doValue Greece, amounting to €34.0 million, which is tied to achieving certain EBITDA targets over a ten-year horizon; by the end of 2024, an agreement will be finalized with the seller regarding the payment schedule and any potential adjustments to the amount due for the current portion.
During the period, following the resolution of the arbitration in Spain, the Earn-out debt related to the acquisition of doValue Spain was settled, totaling €22.4 million, including €4.8 million in interest for late payment (for more details, refer to the Significant events occurred during the period and the "Operational Risks – Legal and Tax Risks" section of the Illustrative Notes).

Provisions for risks and charges, amounting to €26.5 million, are substantially stable if compared to the balance recorded at the end of 2023, which amounted to €26.4 million. The breakdown of this item is provided below:

(€/000)

Provisions for risks and charges	9/30/2024	12/31/2023	Change €	Change %
Legal and Tax disputes	16,978	15,827	1,151	7.3%
Staff expenses	624	722	(98)	(13.6)%
Other	8,849	9,807	(958)	(9.8)%
Total	**26,451**	**26,356**	**95**	**0.4%**

Other liabilities show a decrease of €19.5 million, from a balance of €57.1 million at the end of 2023 to €37.6 million. The change is mainly due to the release of the portion related to the period of the accrual of deferred income on the advance payment of servicing fees.
The item consists of payables to personnel (€22.9 million), as well as deferred income and other current liabilities totaling €14.7 million.

Shareholders' Equity attributable to the Parent Company amounts to €57.4 million, compared to €53.0 million on December 31, 2023.

NET WORKING CAPITAL

(€/000)

Net Working Capital	9/30/2024	9/30/2023	12/31/2023
Trade receivables	174,544	158,902	199,844
Trade payables	(63,209)	(48,282)	(85,383)
Total	**111,335**	**110,620**	**114,461**

The period figure stands at €111.3 million, down of 3% compared to €114.5 million at the end of 2023. This change stems from the decline observed in Italy amounting to approximately €19 million, a stable trend in Iberia and an increase of around €16 million in the Hellenic region. It is also noted that almost all ongoing GACS transactions in Italy and some ongoing operations in Greece are expected to have payment dates in the last quarter of 2024. The value, in relation to the revenue over the last 12 months, stands at 24%, remaining stable compared to the same percentage at end of 2023.

NET FINANCIAL POSITION

(€/000)

	Net Financial Position	9/30/2024	9/30/2023	12/31/2023
A	Cash	90,509	95,667	112,376
B	**Liquidity (A)**	**90,509**	**95,667**	**112,376**
C	Current bank debts	(25,516)	(25,418)	(25,506)
D	Bonds issued - current	(265,461)	(3,865)	(9,663)
E	**Net current financial position (B)+(C)+(D)**	**(200,468)**	**66,384**	**77,207**
G	Bonds issued - non-current	(294,041)	(551,896)	(552,861)
H	**Net financial position (E)+(F)+(G)**	**(494,509)**	**(485,512)**	**(475,654)**

The **net financial position** at the end of September 2024 remains negative and amounts to €494.5 million, compared to €475.7 million at the end of 2023 and €485.5 million in September 2023.

The dynamics of the period were characterized by planned investments totalling approximately €12.3 million, mainly in Italy and in Greece, the working capital dynamics mentioned above, as well as the payment of taxes largely attributable to the Hellenic Region for €14.8 million and financial charges amounting to €24.3 million. It is noted that during the period, the buy-back operation on own shares for €3.4 million was completed, and an amount of €22.4 million was deposited by the Parent Company doValue relating to the arbitration in Spain, which was then collected by the Spanish subsidiary (for further details, please refer to the Significant events occurred during the period and the "Operational Risks – Legal and Tax Risks" section of the Illustrative Notes).
As a result of the aforementioned dynamics, the "Cash" item amounts to €90.5 million, compared to €112.4 million at the end of 2023 and €95.7 million at the end of September 2023.
In addition to the current cash levels, the Group has €82.5 million in credit lines, bringing the available liquidity to approximately €173.0 million.
The **net current financial position** stands at a negative €200.5 million (€77.2 million at the end of 2023 and €66.4 in September 2023); the significant variance from comparative values is primarily due to the current classification of bond debt maturing in early August 2025, with a nominal value of €264.0 million.

CONDENSED CASH FLOW

(€/000)

Condensed Cash flow	9/30/2024	9/30/2023	12/31/2023
EBITDA	92,152	115,335	175,345
Capex	(12,332)	(9,160)	(21,361)
EBITDA-Capex	**79,820**	**106,175**	**153,984**
as % of EBITDA	87%	92%	88%
Adjustment for accrual on share-based incentive system payments	(176)	(4,761)	(5,853)
Changes in Net Working Capital (NWC)	(18,536)	(10,269)	(10,673)
Changes in other assets/liabilities	(37,450)	(53,175)	(58,301)
Operating Cash Flow	**23,658**	**37,970**	**79,157**
Corporate Income Tax paid	(14,820)	(19,961)	(27,595)
Financial charges	(24,310)	(23,329)	(23,329)
Free Cash Flow	**(15,472)**	**(5,320)**	**28,233**
(Investments)/divestments in financial assets	2,832	2,285	2,599
Equity (investments)/divestments	(3,194)	-	(21,520)
Tax claim payment	400	-	-
Treasury shares buy-back	(3,421)	-	(2,115)
Dividends paid to minority shareholders	-	(5,000)	(5,000)
Dividends paid to Group shareholders	-	(47,618)	(47,992)
Net Cash Flow of the period	**(18,855)**	**(55,653)**	**(45,795)**
Net financial Position - Beginning of period	(475,654)	(429,859)	(429,859)
Net financial Position - End of period	(494,509)	(485,512)	(475,654)
Change in Net Financial Position	**(18,855)**	**(55,653)**	**(45,795)**

(*) *It should be noted that for the sole purpose of better representing the dynamics involving the net working capital, a reclassification was made of the movements related to the "Advance to Suppliers" and to the "Contractual Advance from ERB" from item "Changes in other assets/liabilities" to item "Changes in Net Working Capital (NWC)" for a total of €21.7 as at Sept-24; €29.4m in Sept-23 and €25.9m in Dec-23*

The **Operating Cash Flow** for the period amounted to a positive €23.7 million (€38.0 million in September 2023) with EBITDA amounting to €92.2 million and investments amounting to €12.3 million, thanks to the continuation of the Group's technological transformation program. The cash conversion ratio related to EBITDA stands at 87%, slightly down from 92% in September 2023, indicating the Group's ability to convert its operational margin into cash even in the presence of the aforementioned investment levels and a lower absolute margin compared to the previous year.

The change in net working capital is negative at €18.5 million (compared to a cash absorption of €10.3 million in September 2023). The change in the current period is linked to deferred collections in the first few months following the end of the reference period for certain services rendered, particularly in the Italian and Hellenic regions. Additionally, this trend is influenced by actions to strengthen legal recovery activities, resulting in an increase in advance payments receivable from clients within doValue Greece.

The "Change in other assets/liabilities", amounting to -€37.5 million, mainly includes payments related to personnel exits (redundancy) and items related to periodic leases treated according to the IFRS 16 methodology, as well as by disbursements for legal and out-of-court proceedings and the process related to MBO payments compared to the respective accruals.

Corporate Income Taxes paid amount to €14.8 million and are essentially attributable to direct taxes paid in the Hellenic Region (€20.0 million in September 2023).

Financial charges paid amount to €24.3 million (€23.3 million in September 2023), reflecting the average cost (at a fixed rate) recorded following the bond issuances supporting the Group's international growth process and the drawdown of a local line of credit in Greece. These operations allowed the Group to replace credit lines with pre-determined interest and principal repayment schedules with bullet repayment instruments for the principal and semi-annual payment of coupons. This resulted in a better balance of sources with corresponding maturity extensions and lower interest expenses given the current interest rate curve.

The dynamics described above result in a **Free Cash Flow** of -€15.5 million compared to -€5.3 million in the September 2023, mainly due to the lower level of EBITDA as described in the section dedicated to the commentary on Performance.

The "(Investments)/disinvestments in financial assets" item is positive at €2.8 million and mainly includes collections from the shares of the Italian Recovery Fund alternative investment fund.

It is noted that in January, the deposit of €22.4 million related to the arbitration in Spain was made which was then collected by the Spanish subsidiary in April (for further details, please refer to the Significant events occurred during the period and the "Operational Risks – Legal and Tax Risks" section of the Illustrative Notes) and the buy-back program for own shares totalling €3.4 million was completed.

As a result, the **net cash flow for the period** shows a negative balance of €18.9 million, compared to a negative balance of €55.7 million in September 2023 (before accounting for dividends paid, which amounted to €47.6 million).

Significant events occurred during the period

ADSOLUM CLOSURE

On January 12, 2024, the Board of Directors decided to cease the operations of Adsolum Real Estate S.L., a company created from the spin-off of the REO business unit of doValue Spain effective January 1, 2021, and dedicated to real estate development projects on land managed within the REO activity of doValue Spain. This process involves offboarding the remaining client, liquidating real estate options, and conducting collective layoffs of personnel.
Presumably during the last quarter of 2024, once the above process is completed, the company will be directly merged into doValue Spain, as the sole shareholder to date, through the transfer of all assets and liabilities.
The decision to discontinue Adsolum's operations was made due to the challenging market conditions arising from high interest rates and regulatory prospects for rents in Spain, which include limits on rent increases and restrictions on eviction processes.

EQUITY INJECTIONS FOR THE IBERIA REGION

During the first months of 2024, equity injections were resolved and executed for both subsidiaries in the Iberia region, namely for doValue Spain Servicing S.A. and doValue Portugal Unipessoal Limitada, as their respective equities fell below the limits established by law.

ARBITRATION IN SPAIN

Regarding the events following the agreement reached with the Tax Authority in 2021 by the subsidiary doValue Spain Servicing S.A., on June 7, 2024 the judgment of the High Court of Justice of Madrid was announced rulling in favour of doValue Group, in connection with the partial annulment action brought by Altamira Asset Management Holdings S.L. and related to the latter's obligation to pay the tax claim imposed under the arbitral award.
The arbitral award was issued by the International Court of Arbitration of the International Chamber of Commerce on May 11, 2023, and provided for the reimbursement by Altamira Asset Management Holdings S.L. of approximately €28 million, plus legal interest, in favour of the doValue Group and, on the opposite, the payment by doValue S.p.A. of the Earn Out, inclusive of passive interests.

TAX AUDIT IN ITALY

It is recalled that the Parent Company underwent a tax audit for the fiscal years 2015, 2016, and 2017, prior to the listing, and that no issues were identified for the year 2015.
Regarding the finding concerning the fiscal year 2016, following the inability to reach a settlement agreement with the Italian Tax Authority, the Parent Company filed a judicial appeal on December 16, 2023. A hearing was held on May 23, 2024, and on June 21, 2024, the Tax Court issued a ruling that fully upheld doValue's appeal and annulled the 2016 assessment notice. On September 13, 2024, the Italian Tax Authority filed an appeal with the Second Instance Tax Court, seeking to overturn the judgment in favor of doValue.
Additionally, on February 16, 2024, the Parent Company filed tax settlement proposal regarding the tax assessment for the fiscal year 2017, received on December 19, 2023. Following the inability to reach a settlement agreement with the Italian Tax Authority, the Parent Company filed a judicial appeal on May 15, 2024.

INDUSTRIAL PLAN 2024-2026

On March 20, 2024, the Board of Directors of doValue approved the Group's 2024-2026 Industrial Plan, which, among its various aspects, underlies the estimation processes supporting the carrying value of certain items recorded in financial statements.
The new business plan aims for improved profitability and cash flows, also through diversification, innovation and higher efficiency in credit management processes.
The pillar of the new Industrial Plan lies in a customer-oriented approach, which will materialize in a new organizational structure. The objective is to become the best partner for banks and investors throughout the credit value chain, including integrating real estate services with credit management.

The Industrial Plan includes, among other things, the maintenance of its significant market share in Southern Europe (15-20%), a greater revenue diversification aiming to generate 35-40% of revenues from non-NPL businesses, improved process efficiency, and maintaining a solid capital structure with the aim of bringing leverage between 2.1-2.3x by 2026.
The new Industrial Plan has been prepared with conservative assumptions regarding the acquisition of new mandates to account for the changed sectoral context. Any shifts in the macroeconomic environment, which is currently very favorable for banks, could represent potential upsides not currently accounted for in the plan.

ORDINARY SHAREHOLDERS' MEETING

On April 26, 2024, the ordinary shareholders' meeting of doValue was held, which:

- approved the separate Financial Statements for the year 2023 and the related result allocation;
- appointed the Board of Directors and Board of Auditors for the three-year period 2024-2026;
- appointed Alessandro Rivera as Chairman of the Board of Directors and Manuela Franchi as Chief Executive Officer;
- determined the amount of remuneration to be paid to Directors and Statutory Auditors for the financial year 2024;
- approved the Report on the remuneration policy for the period 2024-2026 and the remuneration paid for the year 2023;
- approved of the incentive plan for the 2024-2026 cycle of the 2022-2024 LTIP of remuneration based on financial instruments;
- granted a new authorization for the purchase of treasury shares including the possibility of realizing it through a public tender offer pursuant to Art. 102 TUF;
- appointed KPMG S.p.A. as the external audit firm of doValue S.p.A. for the period 2025-2033;
- appointed the Supervisory Board and the Financial Reporting Officer for the three-year period 2024-2026;
- changed the financial calendar.

TERMINATION OF SHAREHOLDERS’ AGREEMENT

On 26 April 2024 the Shareholders' Agreement, pursuant to Article 122, paragraphs 1 and 5 letter b), of the TUF signed on June 13, 2023 (the “Shareholders' Agreement”), between Avio S.à r.l. (“Avio”) and Sankaty European Investments S.à r.l. (“Sankaty”and, together with Avio, the “Parties”) relating to doValue S.p.A., (the “Company”), concerning the reciprocal rights and obligations in relation to (i) the resignation, co-option and appointment of a member of the board of directors of the Company, as well as (ii) the potential cooperation between the Parties aimed at drawing up and, if necessary, submit a joint list of candidates for the election of the new board of directors and the new board of statutory auditors of the Company (the “Joint Lists”) at the first shareholders' meeting of the Company following the date of the Shareholders' Agreement, convened for the election of the entire board of directors and/or the board of statutory auditors of the Company (the “Nomination Meeting”), is terminated due to expiry of its term. More precisely, the Shareholders' Agreement provided that, should the Parties cooperate and, subsequently, submit the Joint Lists, the Shareholders' Agreements contained therein would cease to be effective upon the conclusion of the Appointment Shareholders' Meeting. On 26 April 2024, the Appointment Shareholders' Meeting of the Company was held in relation to which the Parties had filed the Joint Lists. Accordingly, on the same date, the Shareholders' Agreement ceased to be effective.

PARTNERSHIP FOR STAGE 2 MANAGEMENT THROUGH AI

doValue and Cardo AI, a fintech specialized in developing technologies for structured finance, have announced a strategic partnership for effective and proactive management of Stage 2 through artificial intelligence. The exclusive partnership focuses on specialized monitoring of Stage 2 loans to assist banks through proprietary models for dynamic risk management and default prediction.

DOVALUE HAS ENTERED INTO A BINDING AGREEMENT FOR THE ACQUISITION OF GARDANT

On March 21, 2024 doValue, Elliott Advisors (UK) Limited ("EAUK") and Tiber Investments S.à r.l. ("Tiber"), an affiliate of funds advised by EAUK, have entered into a nonbinding heads of terms identifying certain key terms for a potential combination with Gardant S.p.A ("Gardant"). Pursuant to this agreement, exclusive negotiations will be conducted with the aim of finalizing a binding agreement for the potential combination with Gardant.
On June 7, 2024 doValue announces that it has entered into a binding agreement (the "Sale and Purchase Agreement") with Tiber Investments S.à r.l. ("Tiber"), an affiliate of funds advised by Elliott Advisors (UK) Limited ("Elliott" or EAUK"), and other minority shareholders, to acquire 100% of the entire issued share capital of Gardant for a total consideration including: (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 financing package agreed in connection with the acquisition includes (i) a new bank financing package of over €500 million, (ii) a reserved capital increase to Gardant shareholders of a 20% stake in the Combined Group, and (iii) a rights issue of €150 million to existing and new shareholders which will include a pro-rata underwriting commitment from entities managed by Fortress Investment Group LLC ("Fortress"), Elliott, an entity managed by Bain Capital Credit, LP or its affiliates ("Bain"), as well as certain Gardant minority shareholders, in the amount of €82.5 million.
The financing package will provide sufficient funding for the acquisition of Gardant and refinancing the 2025 senior secured notes, which are subject to certain customary conditions for similar transactions including the execution of long form financing agreements.
The Bank Financing includes additional liquidity which will support the repayment of the 2026 senior secured notes through available cash and future cash flow generation. The "combined" Group financial net leverage is expected at ~2.0x in 2025E and at ~1.5x at the end of 2026E.
In connection with the Rights Issue a pre-underwriting agreement has been entered into between doValue and a pool of financial institutions, subject to conditions in line with market practice for similar transactions, including the absence of any fact or circumstance impeding the drawdown of the bank financing relating to the transaction, to enter into an underwriting agreement for the subscription of any newly issued shares that remain unsubscribed at the end of the auction period of the Rights Issue offering, for an amount of up to approximately €67.5 million.
The acquisition will create a leading European credit management company, whose central role to support the financial system and the economy is strengthened through the creation of the leading credit management company in Italy, with products ranging from sub-performing to non-performing loans, state-of-the-art IT platform, fund management, diversified business lines across the full spectrum of credit management, and long-term contracts with the largest European Banking Groups.
This acquisition will significantly enhance the breadth of the combined Group's customer portfolio, thanks to the existing agreements of Gardant with two of the country's largest banking groups (Banco BPM and BPER) as well as Elliott, which will be an additional highly valuable industry partner for the combined Group.
The enlarged shareholders' base with primary players in the credit business, will further strengthen doValue's profile and prospective, as the leading independent player specialised in the credit servicing and asset management in Southern Europe. doValue is set to accelerate the execution of its new 2024-2026 Business Plan anticipating the targets of revenue diversification and deleverage. In particular, the UTP platform and capabilities of Gardant, with forward flow agreements with both Banco BPM and BPER, will endow the combined Group with the scale and the know-how to compete in one of the most profitable segments of the Italian NPE market.
Furthermore, the combined Group will also leverage Gardant Investor SGR, a credit-focused asset management company with funds raised of €715 million through various alternative funds with investment scope ranging from NPEs to Direct Lending, to also accelerate the launch of a co-investment fund and enhance its asset-light and fee-based model with a more recurring stream of revenues.

S&P AND FITCH AFFIRMING THE RATING

Following the announcement of the binding agreement for the acquisition of Gardant, S&P Global Ratings and Fitch Ratings have affirmed the Company's Issuer Credit Rating and Issuer Default Rating to "BB" with a "Stable" outlook.
The rating confirmation and "Stable" outlook reflect the expectation that a successful integration of Gardant will enable doValue to reduce leverage.

SALE OF DOVALUE PORTUGAL

On July 11, 2024, doValue Spain entered into a contract for the sale of 100% of the shares of doValue Portugal to a vehicle controlled by Swedish asset manager Albatris, along with certain intercompany receivables held by doValue Spain against doValue Portugal. The transaction was completed on July 24, 2024, and will allow the Group to reduce its financial needs associated with a business unit that was operating on a small scale and with limited growth prospects, given the context of the Portuguese NPL market.

EXTRAORDINARY AND ORDINARY SHAREHOLDERS' MEETING – KEY STEPS TO IMPLEMENT THE ACQUISITION OF GARDANT

The Extraordinary Shareholders' Meeting resolved the following:

- to approve the proposal of the Board of Directors to increase the share capital against payment for a maximum total amount of Euro 150,000.000.00 (including any share premium), through the issue of ordinary shares with no nominal value, with the same characteristics as those in circulation, to be offered in option to the Company's shareholders in proportion to the number of shares held, pursuant to article 2441, paragraph 1, of the Civil Code, to be paid in cash (the "Capital Increase");
- to grant the Board of Directors the broadest powers to define the terms, conditions and procedures of the Capital Increase;
- to proceed with the 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 and the related amendment to Article 5 of the Articles of the By-laws;
- to issue a Convertible Bond into 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 to be offered to Gardant’s shareholders in the context of the acquisition;
- to amend the Articles of Association in order to reflect changes in its shareholding structure following completion of the acquisition of Gardant.

REVERSE STOCK SPLIT AND CHANGES OF THE SHARE CAPITAL COMPOSITION

On September 23, 2024, doValue proceeded with the reverse stock split of 80,000,000 existing ordinary shares of doValue (ISIN code IT0001044996; coupon no. 6) into 16,000,000 newly issued ordinary shares of doValue (ISIN code IT0005610958, coupon no. 1), having the same characteristics as the previously issued ordinary shares, at a ratio of 1 new ordinary share for every 5 existing ordinary shares (the Reverse Stock Split).
Upon completion of the Reverse Stock Split, the nominal share capital remains unchanged and therefore equal to €41,280,000.
The reverse stock split has been carried out in accordance with the applicable regulation by Monte Titoli S.p.A. (leal name of Euronext Securities Milan) based on the balances of the accounting day of September 24, 2024 (the so-called “record date”) through depository intermediaries.
The official price of doValue ordinary shares traded on the Euronext Milan on September 20, 2024, used to liquidate fractions generated by the reverse stock split, amounts to €1.4202.

OTHER RELEVANT ACTIVITIES

Below is a summary of the main initiatives and most significant mandates for the first nine months of 2024:

- **Conclusion of the share buyback program**: on February 2, 2024, the Company completed the purchase program of 2,000,000 shares aimed at replenishing an adequate reserve to support management incentive and remuneration plans. The total expenditure amounted to €5,506,096. The conclusion of the program was publicly announced on February 5.

- **New mandates in Greece**: below are the main new servicing contracts signed by doValue Greece:
    - Attica Bank S.A.: the agreement concerns the management of a portfolio of NPEs worth approximately €0.5 billion GBV, part of a securitized portfolio known as Project Omega, which was transferred back to Attica Bank in February 2024;
    - Project Amoeba: the agreement involves managing a portfolio of secured, unsecured, retail, and corporate non-performing loans (NPLs) worth approximately €800 million GBV for a professional investor;

- Project Heliopolis II: the agreement involves managing a portfolio of NPLs worth approximately €200 million GBV for a professional investor;
- Real Estate: in September doValue signed a significant contract with one of the major Greek Banks for the management of approximately 2,000 real estate assets with a net book value of around €200 million;
- Project Alphabet the agreement concerns a new mandate for the servicing of the majority of a portfolio sold by several Greek credit institutions under special liquidation, as represented by PQH Single Special Liquidation Société Anonyme, Special Liquidator of Credit Institutions (in its capacity as special liquidator), as the first of the three tranches. The portfolio includes Gross Book Value (GBV) of €1.3 billion and total claims of approximately €3 billion (GBV plus accrued interest and penalties), covering around 12,600 borrowers and secured by real estate collateral.

- **Servicing confirmed following secondary market deal:** mandates for servicing four portfolios of performing and non-performing loans with a total Gross Book Value (GBV) of €2.7 billion. doValue Greece already managed the portfolios covered by these new mandates and was confirmed as servicer following the transfer of the portfolio to new investors by the previous owner;

- **UTP Portfolio**: doNext has been appointed to manage portfolios of UTP (Unlikely to Pay) and Stage 2 loans with a gross value of €300 million. These portfolios were transferred by two major Italian banks to the Efesto Fund, managed by Finint Investments and serviced by doNext S.p.A.

Significant events occurred after the end of the period

Below are listed the significant events that occurred after the close of the reporting period that the doValue Group considers non-adjusting events in accordance with IAS 10.

NEW MANDATES

- **Efesto**: doNext has been appointed to manage portfolios of UTP (Unlikely to Pay) contracts with a gross value of €300 million. These portfolios were transferred by three major Italian banks to the Efesto Fund, managed by Finint Investments and serviced by doNext S.p.A. In addition, as part of this transaction, the banks participating in the Efesto Fund have approved an increase in the size of the fund from €1.1 billion to €1.6 billion (in terms of equity investments).

Outlook for operations

The Board of Directors approved on March 20, 2024, the new Industrial Plan for the period 2024-2026, which includes specific financial targets related to key variables for the three-year period (for further details, please refer to the "Significant events occurred during the period" section).

The announced acquisition of Gardant will enable the group to accelerate the execution of its plan. Specifically, Gardant will allow doValue to achieve a stronger position in UTPs and other credit asset classes beyond non-performing loans, as well as to expand into the alternative asset management sector. During the year, the company will be focused on completing the acquisition, which is expected to be finalized in the last quarter.

As is known, and in light of the aforementioned acquisition, 2024 is therefore identified as a year of transformation and investment, aimed at laying the foundations for growth in the following years, 2025 and 2026; hence, the expected results for 2024 are to be considered in the context of executing the transformation program, with initiatives planned in all geographical areas of operation. The results for the first nine months of the year are in line with the Group's expectations as outlined in its plan. However, management deemed it appropriate to slightly lower the expected EBITDA range for 2024, due to increased uncertainty regarding the timing of certain secondary market deals on portfolios in Greece.

The commitment to diversifying revenue sources will continue, extending beyond the traditional NPL segment. This approach is part of the strategy to expand the asset portfolio and consolidate the doValue's market position.

Regarding the current market context, it is expected that:

- activities in Italy will continue in line with the trends observed in 2023 and in the first nine months of 2024, with revenues slightly contracting due to new business inflows not yet sufficient to offset the collection rate which is lower on aged portgolios; in this context, it is believed that the consolidation brought by the acquisition of Gardant could help achieve better pricing associated with a larger market share and reduced competition;
- activities in the Hellenic Region will be supported by new mandates signed in 2024 and by an acceleration of collections, also driven by potential portfolio sales in the secondary market on behalf of clients, which should lead to a stable year-on-year margin;
- the cost structure in the Iberian Peninsula now reflects the offboarding of the Sareb portfolio following the contract expiration and the disposal of doValue Portugal and its subsiadiry Zarco. The Group will continue business development initiatives in the region, focusing on reperforming and granular credits.

Main risks and uncertainties

The financial position of the doValue Group is adequately scaled to meet its needs, considering the activity carried out and the results achieved.
The financial policy pursued is aimed at fostering the stability of the Group, which in view of its operations does not currently or prospectively intend to engage in speculative investment activity.
The main risks and uncertainties, considering the Group's business, are essentially connected to the macroeconomic situation which could have consequences on the general trend of the economy and on the generation of non-performing exposures. Despite recent reductions in reference rates by the European and U.S. central banks, uncertainties remain due to the persistence of a high-interest-rate environment which, if rates remain elevated or rise again, could reduce the ability of households and SMEs to repay their debts. Furthermore, the persistence of high interest rates and increased volatility in the capital markets could lead to a significant rise in financial expenses for the Group, leading to a reduction in available cash flows for shareholders.

GOING CONCERN

In order to assess the going concern assumption upon which this Directors' Interim Report on the Group as of September 30, 2024, is based, the Group has analyzed its funding needs stemming from investment activities, working capital management, and the repayment of debt at their respective maturities, with one maturing in August 2025 and the other in mid-2026. The Group believes it can meet these requirements with currently available funds and credit lines, with those that will be generated from operating and financing activities (including the Gardant acquisition), as well as €82.5 million from the €150 million rights

issue included within the financing package arranged for the Gardant acquisition. The Group currently expects that the €150 million rights issue will be fully subscribed, based on a pre-underwriting agreement with leading banks covering €67.5 million, representing the portion not subscribed by reference shareholders. Consequently, doValue would also have access to liquidity from the refinancing term facility within the new banking package totaling over €500 million related to the Gardant acquisition. This facility, totaling €196 million, will be used in part - €110 million, alongside cash generated from the capital increase - to repay the bond maturing in August 2025. The remaining €86 million of the refinancing term facility will support, along with available cash and cash generated from business activities, the refinancing of the bond maturing in 2026 in such terms and timing as deemed most appropriate in light of market conditions.
In the event of a partial finalization of the rights issue, the Group may utilize the refinancing term facility and supplement it with available liquidity at that time, as well as proceeds from the subscription by third-party investors in equity, quasi-equity, or subordinated debt instruments issued by doValue.
If the right issue is not finalized, and the related refinancing term facility is not drawn - a scenario the Group considers remote as of the date of this document - the Group has identified additional financial options that could be activated to meet obligations related to the repayment of the bond maturing in August 2025. These options include issuing a new bond, potentially through an exchange offer with current bondholders (offering them new bonds with a longer maturity and a higher interest rate in exchange for bonds maturing in 2025), and/or securing new bank credit lines. Furthermore, the Group may consider issuing equity, hybrid-equity, or subordinated debt instruments subscribed by third-party investors, or potentially by the bondholders themselves. These measures, supported by the Group's established access to financial markets and stable relationships with key banking and institutional counterparts, are considered realistic and feasible, especially in light of recent market conditions where several players, including those in the same sector as doValue, have completed similar transactions.
Moreover, consideration was given to:

- forecasts regarding macroeconomic scenarios impacted by a combination of inflation, high interest rates, and economic downturn, as exogenous values to be considered in trend terms among the assumptions of the 2024-2026 Group Industrial Plan, as well as in sensitivity analyses related to impairment tests of intangible assets as of September 30, 2024;
- in assessing the sustainability of asset values as of September 30, 2024, factors such as the Group's capital endowment, financial position, and cash flow generation capacity, as reflected in the new 2024-2026 Group Industrial Plan, as well as the characteristics of doValue's specific business model, which demonstrates flexibility to respond to different phases of the economic cycle;
- profitability, primarily dependent on managed assets, as well as the contribution of new portfolio management contracts recorded in the first nine months of of 2024 and the resulting collections;
- the judgment of rating agencies on the Group's quoted debt instruments and the level of prices recorded by such instruments in the secondary market.

From the analyses carried out and on the basis of the assumptions reported above, no uncertainties have emerged in relation to events or circumstances which, considered individually or as a whole, could give rise to doubts regarding the Group's ability to continue as a going concern.

Other information

MANAGEMENT AND COORDINATION

At September 30, 2024, 25.05% of the shares of the Parent Company doValue are held by its largest shareholder, Avio S.a r.l, the reference shareholder, a Luxembourg company whose capital is indirectly owned by FIG Buyer GP, LLC. The latter is the General Partner of Foundation Holdco LP, which is associated with affiliates of Mubadala Investment Company PJSC and certain members of the management of Fortress Investment Group LLC and entities controlled by them.
An additional 3.22% of doValue shares are held by other investors similarly connected with FIG Buyer GP, LLC and other entities affiliated with Foundation Holdco LP, with an overall stake of 28.27%.
At September 30, 2024, the residual 71.73% of the shares were placed on the market and 3.47% consisted of 555,385 treasury shares, measured at cost, for a total of €9.3 million held by the Parent Company.
The reference shareholder does not exercise any management or coordination power over doValue pursuant to Article 2497 et seq. of the Italian Civil Code, as it does not issue directives to doValue and, more generally, does not interfere in the management of the Group. Accordingly, the strategic and management policies of the doValue Group and all of its activities in general are the product of the independent self-determination of the corporate bodies and do not involve external management by Avio.
The Parent Company doValue exercises its management and coordination powers over its direct subsidiaries as provided for in the legislation referred to above.

TRANSACTIONS IN TREASURY SHARES

At September 30, 2024, doValue held 555,385 treasury shares, equal to 3.47% of the total share capital.
Following the reverse stock split on September 23, 2024, based on a ratio of 1 new ordinary share for every 5 existing ordinary shares and described in the Significant events occurred during the period, the number of treasury shares decreased from 2,776,928 to 555,385.
Their book value is €9.3 million, and they are presented in the Financial Statements as a direct reduction of Shareholders' Equity under "Treasury shares" pursuant to article 2357-ter of the Italian Civil Code.
The ordinary Shareholders' meeting of April 27, 2023, had authorized to purchase treasury shares in one or more transactions, up to 8,000,000 ordinary shares of doValue S.p.A., equal to 10% of the total, for a period of 18 months from the Shareholders' meeting approval. Such authorization was renewed during the Ordinary Shareholders' Meeting held on April 26, 2024, including the option to carry out the purchase through a public tender offer pursuant to Article 102 of the TUF.
During the first nine months of 2024, a total of 266,520 shares (equivalent to 1,332,600 shares before the reverse stock split) were purchased for a value of €3.4 million.

RESEARCH AND DEVELOPMENT

During the period the Group continued to invest in a number of technological innovation projects, which are expected to bring a competitive advantage in the future.

PEOPLE

The doValue Group's business is related to people, and the improvement and development of professional skills are strategic drivers to ensure sustainable innovation and growth. doValue continues to invest in its people through policies aimed at the improvement and development of human resources, with the aim of consolidating a climate of company satisfaction.
At September 30, 2024, the number of Group employees was 3,037, compared to 3,109 at the end of 2023.

RELATED-PARTY TRANSACTIONS

In compliance with the provisions of the "Rules for Transactions with Related Parties" referred to in Consob Resolution no. 17221 of March 12, 2010, as amended, any transaction with related parties and connected persons shall be concluded in accordance with the procedure approved by the Board of Directors, whose most recent update was approved at the meeting held on June 17, 2021.
This document is available to the public in the "Governance" section of the company website www.dovalue.it.

With reference to paragraph 8 of Article 5 - "Public information on transactions with related parties" of the Consob Regulation cited above, it should be noted that:

A. on the basis of the Policy in relation to transactions with related parties adopted by the Board of Directors of doValue S.p.A., during the first nine months of 2024, a significant transaction was completed as part of the Gardant acquisition, as detailed in the section related to Significant events occurred during the period. Specifically, in connection with the related financing, it was planned that, following the completion of the acquisition and as part of the overall transaction, a market-based, non-divisible capital increase of €150 million be executed, with pre-emption rights for both new and existing shareholders. In this regard, in line with market practice, this capital increase was underwritten by the current major shareholders (Fortress and Bain) as well as by the seller, through an irrevocable commitment to subscribe to the shares allocated to them in the capital increase, amounting to a total of €82.5 million. Regarding the two shareholders Fortress and Bain, the transaction was classified as involving related parties but excluded from the application of Consob Regulations, as the capital increase to which the shareholders' commitment pertains is offered to all shareholders on equal terms;

B. in the first nine months of 2024, no transactions with related parties were carried out, under different conditions from normal market conditions which have significantly influenced the balance sheet and financial position of the Group;

C. in the first nine months of 2024, there have been no changes or developments to individual transactions with related parties already described in the most recent financial report that have had a significant effect on the Group's balance sheet or results in the reference period.

ATYPICAL OR UNUSUAL OPERATIONS

Pursuant to Consob communication no. 6064293 of July 28, 2006, it should be noted that in the first nine months of 2024 the doValue Group did not carry out any atypical and/or unusual transactions, as defined by the same communication, according to which atypical and/or unusual transactions are those transactions that, due to their significance/relevance, the nature of the counterparties, the subject matter of the transaction, the way in which the transfer price is determined and the timing of the event (close to the end of the period) can give rise to doubts as to the accuracy/completeness of the information in the financial statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders.

DISCLOSURE ON THE OPT-OUT OPTION

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, as 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.

RECONCILIATION OF EQUITY AND PROFIT FOR THE YEAR OF THE PARENT COMPANY

In application of Consob Communication no. DEM/6064293 dated July 28, 2006, the Parent Company's shareholders' equity and result are reconciled below with the related consolidated amounts.

(€/000)

	9/30/2024		9/30/2023 Restated	
	Shareholders' Equity	**Profit (loss) of the period**	**Shareholders' Equity**	**Profit (loss) of the period**
doValue's S.p.A. separate Financial Statements	124,049	(17,446)	135,754	6,175
- difference arising from the investments' carrying values and the relative subsidiaries' Equity	(77,582)	-	(61,753)	-
- Results of the subsidiaries, net of minority interest	-	37,246	-	33,452
Cancellation of dividends	-	(12,017)	-	(28,330)
Other consolidation adjustments	563	2,558	562	(36,964)
Consolidated Financial Statements attributable to the Shareholders of the Parent Company	**47,030**	**10,341**	**74,563**	**(25,667)**

Rome, November 11, 2024

The Board of Directors

RECONCILIATION OF THE CONDENSED AND THE STATUTORY INCOME STATEMENT

(€/000)	9/30/2024	9/30/2023 Restated
NPE revenues	**240,614**	**251,623**
o.w. Revenue from contracts with customers	240,614	251,623
REO revenues	**32,179**	**39,875**
o.w. Revenue from contracts with customers	32,179	39,873
o.w. Other revenues	-	2
Co-investment revenues	**1,025**	**1,064**
o.w. Financial (expense)/income	1,025	1,064
Ancillary and other revenues	**42,886**	**42,592**
o.w. Financial (expense)/income	7	28
o.w. Revenue from contracts with customers	7,820	6,263
o.w. Other revenues	34,605	34,786
o.w. Other operating (expense)/income	454	1,515
Gross revenues	**316,704**	**335,154**
NPE Outsourcing fees	**(8,421)**	**(10,692)**
o.w. Costs for services rendered	(8,205)	(10,630)
o.w. Administrative expenses	(237)	(62)
o.w. Other revenues	21	-
REO Outsourcing fees	**(6,648)**	**(7,256)**
o.w. Costs for services rendered	(6,648)	(7,256)
Ancillary Outsourcing fees	**(16,850)**	**(12,569)**
o.w. Costs for services rendered	(537)	(449)
o.w. Administrative expenses	(16,316)	(12,082)
o.w. Other operating (expense)/income	3	(38)
Net revenues	**284,785**	**304,637**
Staff expenses	**(140,777)**	**(141,751)**
o.w. Personnel expenses	(141,130)	(141,780)
o.w. Other revenues	353	29
Administrative expenses	**(51,856)**	**(47,551)**
o.w. Personnel expenses	**(1,722)**	**(1,538)**
o.w. Personnel expenses - o.w. SG&A	(1,722)	(1,538)
o.w. Administrative expenses	**(52,377)**	**(49,966)**
o.w. Administrative expenses - o.w. IT	(20,889)	(22,199)
o.w. Administrative expenses - o.w: Real Estate	(3,830)	(3,900)
o.w. Administrative expenses - o.w. SG&A	(27,658)	(23,867)
o.w. Other operating (expense)	**(85)**	**(15)**
o.w. Other operating (expense)/income - o.w. SG&A	(85)	(15)
o.w. Other revenues	**2,328**	**3,968**
o.w. Other revenues - o.w. IT	474	2,595
o.w. Other revenues - o.w: Real Estate	123	99
o.w. Other revenues - o.w. SG&A	1,731	1,274
Total "o.w. IT"	*(20,415)*	*(19,604)*
Total "o.w. Real Estate"	*(3,707)*	*(3,801)*
Total "o.w. SG&A"	*(27,734)*	*(24,146)*
Operating expenses	**(192,633)**	**(189,302)**
EBITDA	**92,152**	**115,335**
EBITDA margin	**29.1%**	**34.4%**
Non-recurring items included in EBITDA	(3,635)	(79)
EBITDA excluding non-recurring items	**95,787**	**115,414**
EBITDA margin excluding non-recurring items	30.5%	34.4%
Net write-downs on property, plant, equipment and intangibles	**(42,834)**	**(76,437)**
o.w. Depreciation, amortisation and impairment	(43,007)	(76,679)
o.w. Other operating (expense)/income	173	242
Net Provisions for risks and charges	**(13,869)**	**(13,015)**
o.w. Personnel expenses	(10,826)	(11,719)
o.w. Provisions for risks and charges	(3,259)	(1,564)
o.w. Other operating (expense)/income	114	23
o.w. Depreciation, amortisation and impairment	102	245
Net Write-downs of loans	**121**	**1,207**
o.w. Depreciation, amortisation and impairment	2	1,092
o.w. Other revenues	119	115

Profit (loss) from equity investments	**(2,959)**	**-**
o.w. Profit (loss) of equity investments	(2,959)	-
EBIT	**32,611**	**27,090**
Net income (loss) on financial assets and liabilities measured at fair value	**(1,405)**	**1,586**
o.w. Financial (expense)/income	(1,405)	1,586
Financial interest and commissions	**(18,619)**	**(23,614)**
o.w. Financial (expense)/income	(18,619)	(23,614)
EBT	**12,587**	**5,062**
Non-recurring items included in EBT	(14,850)	(11,833)
EBT excluding non-recurring items	27,437	16,895
Income tax for the period	**3,848**	**(30,996)**
o.w. Administrative expenses	(1,073)	(1,199)
o.w. Income tax expense	4,921	(29,797)
Profit (Loss) for the period	**16,435**	**(25,934)**
Profit (loss) for the period attributable to Non-controlling interests	(6,094)	267
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**10,341**	**(25,667)**
Non-recurring items included in Profit (loss) for the period	5,369	(12,249)
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(153)	(784)
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	4,819	(14,202)
Profit (loss) for the period attributable to Non-controlling interests excluding non-recurring items	6,247	517
Earnings per share (in Euro)	**0.67**	**(1.62)**
Earnings per share excluding non-recurring items (Euro)	***0.31***	***(0.90)***

RECONCILIATION OF THE CONDENSED AND THE STATUTORY BALANCE SHEET

(€/000)

	9/30/2024	12/31/2023
Cash and liquid securities	**90,509**	**112,376**
Cash and cash equivalents	90,509	112,376
Financial assets	**41,945**	**46,167**
Non-current financial assets	41,945	46,167
Property, plant and equipment	**41,936**	**48,678**
Property, plant and equipment	41,935	48,677
Inventories	1	1
Intangible assets	**454,701**	**473,784**
Intangible assets	454,701	473,784
Tax assets	**87,027**	**99,483**
Deferred tax assets	75,421	78,351
Other current assets	7,140	16,576
Tax assets	4,466	4,556
Trade receivables	**174,544**	**199,844**
Trade receivables	174,544	199,844
Assets held for sale	**10**	**16**
Assets held for sale	10	16
Other assets	**70,414**	**51,216**
Other current assets	66,566	47,500
Other non-current assets	3,848	3,716
Total Assets	**961,086**	**1,031,564**
Financial liabilities: due to banks/bondholders	**585,018**	**588,030**
Loans and other financing non-current	294,041	552,861
Loans and other financing current	290,977	35,169
Other financial liabilities	**68,767**	**96,540**
Other non-current financial liabilities	44,572	50,301
Other current financial liabilities	24,195	46,239
Trade payables	**63,209**	**85,383**
Trade payables	63,209	85,383
Tax Liabilities	**56,771**	**65,096**
Tax payables	5,576	10,536
Deferred tax liabilities	40,443	42,623
Other current liabilities	10,752	11,937
Employee Termination Benefits	**8,147**	**8,412**
Employee benefits	8,147	8,412
Provision for risks and charges	**26,451**	**26,356**
Provisions for risks and charges	26,451	26,356
Other liabilities	**37,597**	**57,056**
Other current liabilities	29,190	47,969
Other non-current liabilities	8,407	9,087
Total Liabilities	**845,960**	**926,873**
Share capital	**41,280**	**41,280**
Share capital	41,280	41,280
Reserves	**15,097**	**35,676**
Valuation reserve	(4,317)	(2,830)
Other reserves	19,414	38,506
Treasury shares	**(9,347)**	**(6,095)**
Treasury shares	(9,347)	(6,095)
Profit (loss) for the period attributable to the Shareholders of the Parent Company	**10,341**	**(17,830)**
Profit (loss) for the period attributable to the Shareholders of the Parent Company	10,341	(17,830)
Net Equity attributable to the Shareholders of the Parent Company	**57,371**	**53,031**
Total Liabilities and Net Equity attributable to the Shareholders of the Parent Company	**903,331**	**979,904**
Net Equity attributable to Non-Controlling Interests	**57,755**	**51,660**
Net Equity attributable to Non-controlling interests	57,755	51,660
Total Liabilities and Net Equity	**961,086**	**1,031,564**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT SEPTEMBER 30, 2024

1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

(€/000)

	NOTE	9/30/2024	12/31/2023
Non-current assets			
Intangible assets	1	454,701	473,784
Property, plant and equipment	2	41,935	48,677
Non-current financial assets	3	41,945	46,167
Deferred tax assets	4	75,421	78,351
Other non-current assets	5	3,848	3,716
Total non-current assets		**617,850**	**650,695**
Current assets			
Inventories		1	1
Trade receivables	6	174,544	199,844
Tax assets	7	4,466	4,556
Other current assets	5	73,706	64,076
Cash and cash equivalents	8	90,509	112,376
Total current assets		**343,226**	**380,853**
Assets held for sale	9	**10**	**16**
Total assets		**961,086**	**1,031,564**
Shareholders' Equity			
Share capital		41,280	41,280
Valuation reserve		(4,317)	(2,830)
Other reserves		19,414	38,506
Treasury shares		(9,347)	(6,095)
Profit (loss) for the period attributable to the Shareholders of the Parent Company		10,341	(17,830)
Net Equity attributable to the Shareholders of the Parent Company		**57,371**	**53,031**
Net Equity attributable to Non-controlling interests		**57,755**	**51,660**
Total Net Equity	10	**115,126**	**104,691**
Non-current liabilities			
Loans and other financing	11	294,041	552,861
Other non-current financial liabilities	12	44,572	50,301
Employee benefits	13	8,147	8,412
Provisions for risks and charges	14	26,451	26,356
Deferred tax liabilities	4	40,443	42,623
Other non current liabilities	16	8,407	9,087
Total non-current liabilities		**422,061**	**689,640**
Current liabilities			
Loans and other financing	11	290,977	35,169
Other current financial liabilities	12	24,195	46,239
Trade payables	15	63,209	85,383
Tax liabilities	7	5,576	10,536
Other current liabilities	16	39,942	59,906
Total current liabilities		**423,899**	**237,233**
Total liabilities		**845,960**	**926,873**
Total Net Equity and liabilities		**961,086**	**1,031,564**

CONSOLIDATED INCOME STATEMENT

(€/000)

	NOTE	9/30/2024	9/30/2023 Restated
Revenue from contracts with customers	19	280,613	297,758
Other revenues	20	37,426	38,900
Total revenue		**318,039**	**336,658**
Costs for services rendered	21	(15,390)	(18,334)
Personnel expenses	22	(153,678)	(155,038)
Administrative expenses	23	(70,003)	(63,309)
Other operating (expense)/income	24	659	1,728
Depreciation, amortisation and impairment	25	(42,903)	(75,343)
Provisions for risks and charges	26	(3,259)	(1,564)
Total costs		**(284,574)**	**(311,860)**
Operating income		**33,465**	**24,798**
Financial (Expense)/Income	27	(18,992)	(20,935)
Profit (loss) from equity investments	28	(2,959)	-
Profit (Loss) before tax		**11,514**	**3,863**
Income tax expense	29	4,921	(29,797)
Net profit (loss) from continuing operations		**16,435**	**(25,934)**
Profit (Loss) for the period		**16,435**	**(25,934)**
o.w. Profit (loss) for the period attributable to the Shareholders of the Parent Company		10,341	(25,667)
o.w. Profit (loss) for the period attributable to Non-controlling interests		6,094	(267)
Earnings per share	30		
basic		0.67	(1.62)
diluted		0.67	(1.62)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€/000)

	NOTE	9/30/2024	9/30/2023 Restated
Profit (Loss) for the period		**16,435**	**(25,934)**
Other comprehensive income after tax not recyclable to profit or loss			
Equity instruments designated at fair value through comprehensive income	3	(1,559)	(1,863)
Defined benefit plans	13	71	46
Other comprehensive income after tax recyclable to profit or loss			
Total other comprehensive income after tax		**(1,488)**	**(1,817)**
Comprehensive income	10	**14,947**	**(27,751)**
o.w. Comprehensive income attributable to Shareholders of the Parent Company		8,853	(27,484)
o.w. Comprehensive income attributable to Non-controlling interests		6,094	(267)

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - Note 10

AT 9/30/2024

(€/000)

	Share capital	Valuation reserve	Other reserves		Treasury shares	Net profit (loss) for the period	**Net equity attributable to Shareholders of the Parent Company**	**Net equity attributable to Non-controlling interests**	**Total Net Equity**
			Reserves from profit and/or withholding tax	Other					
Initial balance	**41,280**	**(2,830)**	**26,076**	**12,430**	**(6,095)**	**(17,830)**	**53,031**	**51,660**	**104,691**
Allocation of the previous year profit to reserves	-	-	-	(17,830)	-	17,830	**-**	**-**	**-**
Changes in reserves	-	1	-	(839)	-	-	**(838)**	**1**	**(837)**
Acquisition of treasury shares	-	-	-	-	(3,421)	-	**(3,421)**	**-**	**(3,421)**
Stock options	-	-	18	(441)	169	-	**(254)**	**-**	**(254)**
Comprehensive income of the period	-	(1,488)	-	-	-	10,341	**8,853**	**6,094**	**14,947**
Final balance	**41,280**	**(4,317)**	**26,094**	**(6,680)**	**(9,347)**	**10,341**	**57,371**	**57,755**	**115,126**

AT 12/31/2023

(€/000)

	Share capital	Valuation reserve	Other reserves: Reserves from profit and/or withholding tax	Other reserves: Other	Treasury shares	Net profit (loss) for the period	**Net equity attributable to Shareholders of the Parent Company**	**Net equity attributable to Non-controlling interests**	**Total Net Equity**
Initial balance	**41,280**	**(906)**	**25,774**	**58,241**	**(4,332)**	**16,502**	**136,559**	**44,361**	**180,920**
Allocation of the previous year profit to reserves	-	-	19,471	145	-	(19,616)	**-**	**-**	**-**
Dividends and other payouts	-	-	(19,471)	(28,030)	-	(8,078)	**(55,579)**	**(5,000)**	**(60,579)**
Changes in reserves	-	-	-	(10,570)	-	11,192	**622**	**7,757**	**8,379**
Acquisition of treasury shares	-	-	-	-	(2,115)	-	**(2,115)**	**-**	**(2,115)**
Stock options	-	-	302	(7,034)	352	-	**(6,380)**	**-**	**(6,380)**
Changes in equity investments	-	-	-	(322)	-	-	**(322)**	**322**	**-**
Comprehensive income of the period	-	(1,924)	-	-	-	(17,830)	**(19,754)**	**4,220**	**(15,534)**
Final balance	**41,280**	**(2,830)**	**26,076**	**12,430**	**(6,095)**	**(17,830)**	**53,031**	**51,660**	**104,691**

AT 9/30/2023 Restated

(€/000)

	Share capital	Valuation reserve	Other reserves: Reserves from profit and/or withholding	Other reserves: Other	Treasury shares	Net profit (loss) for the period	**Net equity attributable to Shareholders of the Parent Company**	**Net equity attributable to Non-controlling interests**	**Total Net Equity**
Initial balance	**41,280**	**(906)**	**25,774**	**58,241**	**(4,332)**	**16,502**	**136,559**	**44,361**	**180,920**
Allocation of the	-	-	19,471	(322)	-	(19,149)	**-**	**-**	**-**
Dividends and other	-	-	(19,471)	(28,030)	-	-	**(47,501)**	**(5,000)**	**(52,501)**
Changes in reserves	-	(1)	-	(10,209)	-	2,647	**(7,563)**	**8,078**	**515**
Stock options	-	-	255	(5,696)	326	-	**(5,115)**	**-**	**(5,115)**
Comprehensive income	-	(1,817)	-	-	-	(25,667)	**(27,484)**	**(267)**	**(27,751)**
Final balance	**41,280**	**(2,724)**	**26,029**	**13,984**	**(4,006)**	**(25,667)**	**48,896**	**47,172**	**96,068**

CONSOLIDATED CASH FLOW STATEMENT - INDIRECT METHOD -

(€/000)

	NOTE	9/30/2024	9/30/2023 Restated
Operating activities			
Profit (loss) for the period befor tax		**11,514**	**3,863**
Adjustments to reconcile the profit (loss) before tax with the net financial flows:		**71,135**	**92,937**
Capital gains/losses on financial assets/liabilities held for trading and on financial assets/liabilities measured at fair through profit or loss (+/-)	3	(166)	(2,995)
Depreciation, amortisation and impairment	25	42,903	75,343
Change in net provisions for risks and charges	14	3,259	1,564
Financial (Expense)/Income	27	22,355	23,786
Profit/loss on equity interests and investments		2,960	-
Costs for share-based payments	10	(176)	(4,761)
Change in working capital		**3,228**	**19,388**
Change in trade receivables	6	25,402	41,487
Change in trade payables	15	(22,174)	(22,099)
Change in financial assets and liabilities		**4,432**	**9,019**
Other assets mandatorily measured at fair value	3	2,914	2,285
Financial assets measured at amortised cost	3	1,518	6,734
Other changes:		**(80,095)**	**(109,699)**
Interests paid	27	(23,912)	(23,331)
Payment of income taxes	28	(13,389)	(18,371)
Other changes in other assets/other liabilities		(42,794)	(67,997)
Cash flows generated by operations		**10,214**	**15,508**
Investing activities			
Sales of subsidiaries and business units		(2,822)	-
Purchases of equity investments		(373)	-
Purchases of property, plant and equipment	2	(617)	(1,423)
Purchases of intangible assets	1	(11,715)	(7,748)
Net cash flows used in investing activities		**(15,527)**	**(9,171)**
Funding activities			
Issues/purchases of treasury shares	10	(3,421)	-
Dividends paid	10	-	(52,618)
Loans obtained	11	-	25,000
Repayment of loans	11	(401)	(4,480)
Payment of principal portion of lease liabilities	18	(12,732)	(12,836)
Net cash flows used in funding activities		**(16,554)**	**(44,934)**
Net liquidity in the period		**(21,867)**	**(38,597)**
Reconciliation			
Cash and cash equivalents at the beginning of period	8	112,376	134,264
Net liquidity in the period		(21,867)	(38,597)
Cash and cash equivalents at the end of the period	8	**90,509**	**95,667**

ILLUSTRATIVE NOTES

2. ACCOUNTING POLICIES

General information

STATEMENT OF COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS

These interim condensed consolidated Financial Statements at September 30, 2024 have been prepared in accordance with IAS 34 - Interim Financial Reporting. In accordance with paragraph 10 of mentioned IAS 34, the Group has opted to provide condensed consolidated Financial Statements.
The interim condensed consolidated financial statements do not provide all the information required in the annual consolidated Financial Statements. For this reason, it is necessary to read the interim condensed consolidated Financial Statements together with the consolidated Financial Statements as at December 31, 2023.
Although the Group has defined the half-year as the interim period of reference for the application of the aforementioned international accounting standard IAS 34 and the definition of interim financial statements therein, this Consolidated Interim Report at September 30, 2024, has been prepared in compliance with said standard. This is done to have an interim report available for use (if necessary) in the documentation to be prepared in the context of potential extraordinary transactions and/or refinancing transactions.

The preparation, the measurement and consolidation criteria and the accounting standards adopted to prepare these interim condensed consolidated Financial Statements are compliant with the accounting standards adopted in the preparation of the consolidated Financial Statements as at December 31, 2023, with the exception of the adoption of new or amended standards of the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee as set out in the paragraph "New accounting standards". The adoption of these amendments and interpretations did not have significant impacts on the Group's financial position or performance.

These interim condensed consolidated Financial Statements are accompanied by the Certification of the Financial Reporting Officer pursuant to Article 154-bis of Legislative Decree 58/1998 and have undergone a limited audit by the auditing firm EY S.p.A..

Please note that the interim condensed consolidated Financial Statements as of September 30, 2023, has also been prepared in compliance with IAS 34; furthermore, the interim condensed consolidated Financial Statements as of September 30, 2023, have been subjected to a limited audit by EY S.p.A.

BASIS OF PREPARATION

The interim condensed consolidated Financial Statements are prepared using the euro as the accounting currency, in accordance with the provisions of Art. 5(2) of Legislative Decree No 38/2005, and consist of:

- the **Consolidated Financial Statements**, which include the Consolidated Balance Sheet, the Consolidated Income Statement, the Statement of Consolidated Comprehensive Income, the Statement of Changes in Consolidated Shareholders' Equity and the Consolidated Statement of Cash flows (prepared using the "indirect method");
- the **Illustrative Notes**;

and are accompanied by the **Directors' Interim report on the Group**.

In the consolidated balance sheet, assets and liabilities are classified on a "current/non-current" basis with assets classified as held for sale and liabilities included in a disposal group classified as held for sale presented separately. Current assets, which include cash and cash equivalents, are those that are expected to be realised, sold or consumed in the Group's normal operating cycle; current liabilities are those that are expected to be settled in the Group's normal operating cycle.
The consolidated income statement presents a classification of costs by nature, while a separate statement has been prepared for the statement of comprehensive income.
The consolidated cash flow statement is prepared using the indirect method, with cash flows from operating, investing and financing activities presented separately.

The amounts stated are expressed in thousands of euros unless otherwise specified.

These Financial Statements have been prepared in application of the framework established by IAS 1 and the specific accounting standards approved by the European Commission and illustrated in the Section "Main items of the financial statements" of these Illustrative Notes.

The interim condensed consolidated Financial Statements have been prepared on a going concern basis in accordance with the provisions of IAS 1, and in compliance with the principles of accrual accounting, the relevance and materiality of accounting information and the prevalence of economic substance over legal form and with a view to fostering consistency with future presentations. Assets and liabilities and costs and revenues are not offset against each other unless required or permitted by an International Accounting Standard. Comparative information for the previous year is shown for all figures in the comparative financial statements; changes to comparative figures are only made where they are considered to be material.
The accounting policies adopted in these interim condensed consolidated Financial Statements at September 30, 2024 for the recognition, classification, measurement and derecognition of assets and liabilities and the recognition of costs and revenues have not been updated from those adopted in the preparation of the consolidated Financial Statements for the year ended December 31, 2023.

No exceptions were made to the application of IAS/IFRS accounting standards.

It should also be noted that the data as of September 30, 2023, refer to the Consolidated Interim Report as of September 30, 2023, approved by the Board of Directors on January 12, 2024. These figures have been restated compared to the document approved on November 9, 2023, to reflect the effects of certain events that occurred after such date and up to January 12, 2024. These adjustments related mainly to (i) the impairment of intangible assets and deferred tax assets of the Iberian region based on the Preliminary Industrial Plan 2024-2026 for this region approved by the Board of Directors on January 12, 2024, and (ii) the reversal of a risk provision following the signing of a settlement agreement with a customer.
Therefore, in this document, the designation "September 30, 2023 Restated" is used wherever the financial statements or tables included in the Illustrative Notes contain restated comparative values due to the aforementioned changes.

SCOPE AND METHOD OF CONSOLIDATION

The preparation of the interim condensed consolidated Financial Statements at September 30, 2024, drew on the accounts at the same date of the companies included in the scope of consolidation reported in the table presented at the end of this paragraph.
The accounts as at September 30, 2024, of the companies included in the scope of consolidation were reclassified and adjusted appropriately to take consolidation requirements into account and, where necessary, align them with the Group accounting policies.
All of the companies in the scope of consolidation use the euro as their currency of account and, accordingly, no translations of foreign currency amounts have been necessary.
As at September 30, 2024, there were no associated companies nor companies valued using the equity method.

The following section shows the consolidation principles adopted by the Group in preparing the interim condensed consolidated Financial Statements as at September 30, 2024.

Subsidiaries

Entities in which doValue holds direct or indirect control are considered subsidiaries. Control over an entity is obtained when the Group is exposed, or has rights, to variable returns from its involvement with the investee and, at the same time, has the ability to affect those returns through its power over the entity.
In order to ascertain the existence of control, the following factors are considered:

- the purpose and design of the investee in order to identify the entity's objectives, the activities that determine its returns and how these activities are governed;
- power, in order to determine whether the investor has contractual rights that give it the ability to direct the relevant activities; to this end, only substantive rights that give the practical ability to govern are considered;
- the exposure or rights held in respect of the investee in order to assess whether the investor has relations with the investee whose returns are subject to changes that depend on the investee's performance;
- the ability to exercise its power over the investee to affect its returns;
- the existence of potential "principal-agent" relationships.

It is generally presumed that holding a majority of voting rights gives the investor control over the investee. When the Group holds less than a majority of voting rights (or similar rights), it considers all relevant facts and circumstances to determine whether it controls the investee, including:

- contractual agreements with other holders of voting rights;
- rights deriving from contractual agreements;
- the Group's voting rights and potential voting rights.

The Group reconsiders whether or not it has control over an investee if facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control.
The consolidation of a subsidiary begins when the Group obtains control and ends when the Group loses control.
The book value of equity investments in companies consolidated on a line-by-line basis held by the Parent Company is eliminated - with the incorporation of the assets and liabilities of the investees - against the corresponding portion of shareholders' equity attributable to the Group.
Assets and liabilities, off-balance-sheet transactions, income and charges, as well as profits and losses occurring between companies within the scope of consolidation are fully eliminated, in accordance with the consolidation methods adopted.
The assets, liabilities, revenues and costs of the subsidiary acquired or sold during the year are included in the consolidated financial statements from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.
The difference between the amount received for the subsidiary and the book value of its net assets (including goodwill) at the same date is recognised in the income statement under "Profit (loss) from equity investments" for companies subject to line-by-line consolidation. The shareholding that may be retained must be recognised at fair value.
For companies included within the scope of consolidation for the first time, the fair value of the cost incurred to obtain control over the investee, including transactions costs, is measured as of the acquisition date.
If the disposal does not involve a loss of control, the difference between the amount received in the disposal of a portion of a subsidiary and the associated book value of the net assets is recognised with a balancing entry in Shareholders' equity.

Business combinations

IFRS 3 is the reference accounting standard for business combinations. The transfer of control of a business (or an integrated set of activities and assets conducted and managed together) constitutes a business combination. To this end, control is considered transferred when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

IFRS 3 requires that an acquirer be identified for all business combinations. The latter is the entity that obtains control over another entity or group of assets. If it is not possible to identify a controlling entity on the basis of the definition of control described above, such as for example in the case of exchanges of equity interests, the acquirer shall be identified using circumstances such as: the entity whose fair value is significantly greater, the entity that transfers cash, or the entity that issues new equity interests.
The acquisition, and therefore, the initial consolidation of the acquiree, must be recognised on the date on which the acquirer effectively obtains control over the company or assets acquired. When the transaction takes place as a single transfer, the date of transfer normally coincides with the acquisition date. However, it is always necessary to verify the possible presence of agreements between the parties that may lead to the transfer of control before the date of the exchange.

The consideration transferred as part of a business combination must be determined as the sum of the fair value, at the date of the exchange, of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control. In transactions involving payment in cash (or when payment is made using financial instruments comparable to cash) the price is the agreed consideration, possibly discounted if payment is to be made in instalments over a period longer than short term. If the payment is made using an instrument other than cash, therefore through the issue of equity instruments, the price is equal to the fair value of the means of payment. Adjustments subject to future events are included in the consideration of the business combination at the acquisition date, if they are provided for in the agreements and only if they are probable, can be reliably determined and realised within the twelve months following the date of acquisition of control, while indemnities for a reduction of the value of the assets used are not considered as they are already considered either in the fair value of the equity instruments or as a reduction of the premium or increase in the discount on the initial issue in the case of the issue of debt instruments.

Any contingent consideration to be paid is recognised by the acquirer at fair value at the acquisition date. The purchaser shall classify an obligation to pay contingent consideration that meets the definition of a financial instrument as a financial liability or as shareholders' equity, based on the definitions of an equity instrument and a financial liability in IAS 32. The purchaser shall classify as an asset a right to the return of previously transferred consideration when certain conditions are met. The change in the fair value of the contingent consideration classified as an asset or liability, as a financial instrument that is subject to IFRS

9 Financial Instruments, must be recognised in the income statement in accordance with IFRS 9. The contingent consideration that does not fall under the scope of IFRS 9 is measured at fair value at the reporting date and the fair value changes are booked to the income statement.

Acquisition-related costs are the costs the acquirer incurs to effect a business combination. By way of example, these may include professional fees paid to auditors, experts, legal consultants, costs for appraisals and auditing of accounts, preparation of information documents required by regulations, as well as finder's fees paid to identify potential targets to be acquired if it is contractually established that the payment is made only in the event of a positive outcome of the combination, as well as the costs of registering and issuing debt and equity securities. The acquirer shall recognise acquisition-related costs in the periods in which these costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities, which shall be recognised in accordance with IAS 32 and IAS 39.

Business combinations are accounted for using the "acquisition method", under which the identifiable assets acquired (including any intangible assets not previously recognised by the acquiree) and the identifiable liabilities assumed (including contingent liabilities) are recognised at their respective fair values on the acquisition date. In addition, for each business combination, any non-controlling interests in the acquiree can be recognised at fair value (with a consequent increase in the consideration transferred) or in proportion to the non-controlling interest in the identifiable net assets of the acquiree.

If control is acquired in stages, the acquirer shall measure its previously held equity interest in the acquiree at its acquisition date fair value and recognise through profit or loss any difference compared to the previous carrying amount.
The excess of the consideration transferred (represented by the fair value of the assets transferred, the liabilities incurred or the equity instruments issued by the acquirer), the amount of any non-controlling interests (determined as described above) and the fair value of interests previously held by the acquirer, over the fair value of the assets and liabilities acquired shall be recognised as goodwill. Conversely, if the latter exceeds the sum of the consideration, non-controlling interests and fair value of previously held interests, the difference shall be recognised in the income statement.

Business combinations may be accounted for provisionally by the end of the financial year in which the business combination is carried out and must be completed within twelve months of the acquisition date. Pursuant to IFRS 10, the recognition of additional interests in companies that are already controlled is considered as an equity transaction, i.e. a transaction with shareholders acting in their capacity as shareholders. Therefore, differences between the acquisition costs and the book value of non-controlling interests acquired are booked to shareholders' equity pertaining to the Group; similarly, sales of non-controlling interests without loss of control do not generate gains/losses recognised in the income statement but rather are recognised as changes in Shareholders' Equity pertaining to the Group.

Business combinations do not include transactions to obtain control over one or more entities that do not constitute a business or to obtain transitory control or, finally, if the business combination is carried out for the purpose of reorganisation, therefore between two or more companies or activities that already belong to the doValue Group and that does not involve a change in the control structure regardless of the percentage of third-party rights before and after the transaction (so-called combinations of entities under common control). These transactions are considered as having no economic substance. Accordingly, in the absence of an IAS/IFRS that specifically applies to the transaction and in compliance with the assumptions of IAS 8, which requires that - in the absence of a specific standard - an entity shall use its judgement in applying an accounting policy that produces relevant, reliable and prudent information that reflects the economic substance of the transaction, such transactions are accounted for by retaining the values of the acquiree in the financial statements of the acquirer. Mergers are a form of business combination, representing the most complete form of such combinations, as they involve the legal and financial merging of the entities participating in the transaction.

Whether they involve the formation of a new legal entity (merger of equals) or the absorption of one entity by another existing entity, mergers are treated in accordance with the criteria discussed above. Specifically:
- if the transaction involves the transfer of control of an entity, it is treated as a business combination pursuant to IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by retaining the accounting values of the merged company.

Investments in subsidiaries

The following table reports the companies included in the scope of consolidation:

	Company name	Headquarters and Registered Office	Country	Type of Relationship (1)	Owner relationship		Voting rights % (2)
					Held by	Holding %	
1.	doValue S.p.A.	Verona	Italy		Holding		
2.	doNext S.p.A.	Rome	Italy	1	doValue S.p.A.	100%	100%
3.	doData S.r.l.	Rome	Italy	1	doValue S.p.A.	100%	100%
4.	doValue Spain Servicing S.A.	Madrid	Spain	1	doValue S.p.A.	100%	100%
5.	doValue Cyprus Limited	Nicosia	Cyprus	1	doValue Spain Servicing S.A.	100%	100%
6.	doValue Special Projects Cyprus Limited	Nicosia	Cyprus	1	doValue S.p.A. + doValue Spain Servicing S.A.	94%+6%	94%+6%
7.	doValue Greece Loans and Credits Claim Management Société Anonyme	Moschato	Greece	1	doValue S.p.A.	80%	80%
8.	doValue Greece Real Estate Services single member Société Anonyme	Moschato	Greece	1	doValue S.p.A.	100%	100%
9.	Adsolum Real Estate S.L.	Madrid	Spain	1	doValue Spain Servicing S.A.	100%	100%
10.	TEAM 4 Collection and Consulting S.L.U.	Madrid	Spain	1	doValue Spain Servicing S.A.	100%	100%
11.	doAdvise Advisory Services Single Member S.A.	Tavros	Greece	1	doValue S.p.A.	100%	100%
12.	finThesis Financing Solutions Creators Single Member Société Anonyme	Tavros	Greece	1	doValue S.p.A.	100%	100%

Notes to the table

(1) Type of relationship:

1 = majority of voting rights at ordinary shareholders' meeting

2 = dominant influence at ordinary shareholders' meeting

3 = agreements with other shareholders

4 = other types of control

5 = centralized management pursuant to Article 39, paragraph 1, of Legislative Decree 136/2015

6 = centralized management pursuant to Article 39, paragraph 2, of Legislative Decree 136/2015

(2) Voting rights available in general meeting. The reported voting rights are considered effective

Changes in the scope of consolidation

During the first nine-months of 2024, two newcos were established in Greece. The first in order of incorporation, called doAdvise Advisory Services Single Member S.A., has as its corporate purpose the provision advisory services regarding debts and financing solutions. The second, called finThesis Financing Solutions Creators Single Member S.A., has as its corporate purpose the provision of real estate brokerage services, credit intermediation services, consulting services and insurance product distribution services.

The consolidation perimeter also sees the exit of the two Portuguese companies, doValue Portugal and its subsidiary Zarco, following the sale of the full ownership interest held by the Spanish subsidiary doValue Spain. The disposal was completed on July 24, 2024, resulting in a capital loss of €3.0 million, included under "Profit (loss) from equity investments".

Significant valuations and assumptions for determining the scope of consolidation

The doValue Group determines the existence of control and, as a consequence, the scope of consolidation, by ascertaining compliance with the requirements envisaged by IFRS 10 with regard to entities in which it holds exposures:

- the existence of power over the entities' relevant activities;
- exposure to variable returns;
- the ability to affect the returns.

The factors considered for the purpose of this assessment depend on the entity's method of governance, its purpose and its financial structure.

This analysis led to the inclusion of the subsidiaries listed in the previous section within the scope of consolidation as at September 30, 2024.

SUBSEQUENT EVENTS

In accordance with the provisions of IAS 10, following the closing date of these first nine months of 2024 and up to the approval of these Financial Statements, no significant events occurred that would require an adjustment to the results presented in the interim condensed consolidated Financial Statements.

Please refer to the Directors' Interim Report on the Group for a description of the significant events occurred after the end of the period.

OTHER MATTERS

Macroeconomic context and Climate-related matters

The Group operates in Italy, Spain, Cyprus and Greece and its results depend in particular on general business and economic conditions in those countries and globally.
Global macroeconomic conditions have been subject to volatility in recent years due to a number of factors, including the lingering effects of the COVID-19 pandemic, the outbreak of the conflict between Russia and Ukraine, volatility of interest rates and, more recently, the hostilities in the Middle East.
In particular, the COVID-19 caused a decrease in collections, resulting in a substantial loss in gross revenues, partially offset by an increase in the GBV of assets under management. Even though the pandemic has subsided, the Group may still experience material adverse impacts due to global economic repercussions, including potential recessions, slowdowns, or rising unemployment. Future epidemics could have similar or more severe effects with material negative effects on the Group's business, results of operations or financial conditions.
Furthermore, the military conflict that erupted between Russia and Ukraine in 2022 led to widespread sanctions against Russia by countries and organizations such as the United States, the European Union, the United Kingdom, Switzerland, Canada, Japan and Australia. In October 2023, tensions escalated in the Middle East following an assault by Hamas on southern Israel. Currently, the conflict is ongoing with unpredictable outcomes. While the Group has no direct business in Russia, Ukraine or Middle East, these geopolitical tensions, which have resulted in, and may continue to result in, inflationary pressures, could impact debtors' businesses and disposable income, affecting the Group's results.

In addition to the above, global credit and financial markets have recently faced extreme volatility, with diminished liquidity, declining consumer confidence, high inflation, rising unemployment, and general economic uncertainty. In response, central banks began raising interest rates in 2022 and 2023 and are now maintaining such rates at high levels.
Although the European Central Bank's and the Federal Reserve's decisions to cut the benchmark interest rates may mark the beginning of monetary easing, with positive implications for economies, current market conditions still make it difficult to predict the financial stability of borrowers. If interest rates continue to rise or remain high, households and SMEs could see further financial strain, reducing their ability to repay debts. This could decrease the amounts collected by the Group in its servicing activities and prolong loan recovery times. Persistent negative macroeconomic conditions may not be offset by an increase in available NPEs, potentially having a material adverse effect on the Group's business, financial condition, and prospects.
The factors mentioned above have increased volatility in stock and bond markets, contributing to lowered global economic expectations. Furthermore, governments may implement additional measures to limit NPL volumes during periods of recession, impacting the Group's operations, financial condition, and outlook.

All the above factors contribute to a situation of ongoing macroeconomic and geopolitical uncertainty, requiring the doValue Group to conduct careful analysis and continuous monitoring.

Specifically, inflation and interest rates can influence the Group's reference markets from a forward-looking perspective, and this has been taken into account by incorporating their trends into the assumptions of the Industrial Plan 2024-2026. In particular, the assumed trends of interest rates and prospective inflation have been incorporated at various levels:

a) in the volume of collections in each individual country;
b) in the ability to carry out restructuring operations of positions under management;
c) considering the inflation levels on the prices of assets securing the debtor positions under management;
d) on increases in cost bases (such as utility prices);
e) by incorporating the increase in interest rates on hypothetical financial resource gathering operations both in the capital market and in the banking market.

In the closing process as of September 30, 2024, these factors influenced the following points to varying degrees:

a) impairment test: current market conditions were taken into account in constructing the discount rate, WACC. Stress conditions were also applied to the yield curve up to a maximum of 250 basis points;
b) fair value evaluation of securities: future cash flows were discounted by updating the Euribor yield curve based on individual maturities;
c) the inflation rate has been incorporated as an event affecting debtors' ability to repay their debt and thus embedded in the collection levels underlying the Group's gross revenue calculation;
d) the inflation rate was used in the evaluation of liabilities and benefits expected from defined benefit plans within the Italy and Greece perimeter.

Additionally, with reference to risks related to climate change and associated mitigation measures, the Group's companies continuously monitor potential impacts on the business, taking into account applicable and emerging regulations, as well as their role as a service provider to the financial system.
Regarding operations, therefore, the Group assesses the possibility of climate risks affecting, for example, properties under management (REO business) and currently believes that this issue cannot significantly impact the Group as its business model does not involve ownership of assets but rather their function as collateral for managed debt.

Going concern

In preparing the interim condensed consolidated Financial Statements as at September 30, 2024, the Directors consider the going concern assumption appropriate as, in their opinion, despite the uncertainties linked to the macroeconomic environment, no uncertainties have emerged related to events or circumstances that, considered individually or as a whole, could give rise to doubts regarding the business as a going concern. The assessment took into account the Group's equity, financial position as well as the outlook of the operations; the possible presence of events or conditions linked to the climate, which may have an impact on the Group as a going concern was also assessed, also noting the absence of such cases. Please also refer to the specific paragraph of the Directors' Interim Report on the Group.

RISKS AND UNCERTAINTIES ASSOCIATED WITH THE USE OF ESTIMATES

The application of accounting policies sometimes involves the use of estimates and assumptions that affect the amounts recorded in the Financial Statements and the disclosures regarding contingent assets and liabilities. For the purposes of the assumptions underlying estimates, we consider all information available at the date of preparation of the Financial Statements and any assumptions considered reasonable in the light of past experience and current conditions in the financial markets.
More specifically, estimation processes were adopted to support the book value of certain items recognised in the interim condensed consolidated Financial Statements at September 30, 2024, as required by accounting standards. These processes are essentially based on estimates of future recoverability of the values recognised and were conducted on a going concern basis. These processes supported the book values recognised as at September 30, 2024. Estimates and assumptions are reviewed regularly.
By their nature, the estimates and assumptions used, while reasonable, may not be confirmed in future scenarios in which the Group operates, and therefore the results that will materialize in the future may differ from the estimates made for the purpose of preparing the financial statements, with the consequent probable need to make adjustments that are currently neither predictable nor estimable with respect to the carrying value of assets and liabilities recognised in the financial statements.
The following sections discuss the key accounting policies for the purposes of providing a true and fair representation of the Group's financial position and performance, both with regard to the materiality of the values in the Financial Statements and the considerable judgement required in performing the assessments.

Estimation of accruing servicing revenues and the effects of the application of servicing contracts

Sales revenues associated with servicing contracts for the recovery of receivables managed under mandate are recognised on an accruals basis according to the activities carried out by the Group, using IT procedures and complex accounting processes that take account of the different contractual terms of each mandate. Servicing contracts contain numerous clauses specifying the rights and duties of the Group in relations with the participating clients, which can generate income on the one hand and contingent liabilities on the other connected with the possibility of non-performance of contractual obligations.
The amount of the estimated variable consideration is included in the transaction price in total or only to the extent that it is highly probable that when the uncertainty associated with the variable consideration is subsequently resolved, a significant downward adjustment of the amount of the cumulative revenues recorded will not occur.
At end of the period, revenues accrued that have not yet been manifestly accepted by the customer are recognised. Depending on the terms of contract and the established practice, that acceptance may take the form of the issuance of an invoice or an explicit notice.
In addition, any certain or contingent liabilities must be prudentially determined in order to assess compliance with the obligations set out in the servicing contracts, taking due account of natural differences in interpretation of contractual clauses in the context of actual recovery operations.

Determination of the fair value of financial assets

In the presence of financial instruments not listed on active markets or illiquid and complex instruments, it is necessary to adopt appropriate valuation processes that require the use of a certain degree of judgement concerning the choice of valuation models and the related input parameters, which may sometimes not be observable on the market.
A degree of subjectivity is present in the valuation on whether it is possible to observe or not certain parameters and the consequent classification in correspondence with the levels of the fair value hierarchy. With particular reference to valuation methods and the unobservable inputs that may be used in fair value measurements, please see the specific Section "Information on fair value".

Estimation of the recoverability of deferred tax assets

The Group has significant deferred tax assets mainly arising from temporary differences between the date on which certain business costs are recognised in the income statement and the date on which the same costs can be deducted. Deferred tax assets are written down to the extent that they are deemed unrecoverable given the outlook for performance and the resulting expected taxable income, taking due account of tax legislation, which allows those assets to be converted into tax credits under certain conditions, regardless of the Group's ability to generate future profits. In the "Assets" section on tax assets and tax liabilities in these Illustrative Notes, information is provided on the nature and checks carried out with regard to the recognition of deferred tax assets.

Estimation of provisions for risks and charges

The complexity of the situations that underline the existing disputes, along with the difficulties in the interpretation of applicable law, makes it difficult to estimate the liabilities that may result when pending lawsuits are settled. The valuation difficulties concern what may be due and how much time will elapse before liabilities materialise and are particularly evident if the procedure launched is in the initial phase and/or its preliminary investigation is in progress.
Information about the Group's main risk is provided in the "Operational risks - Legal and Tax risks" paragraph of the "Information on Risks and risk management policies" section.

Estimation of impairment losses on intangible assets

On at least an annual basis, at each financial year-end, or during interim periods, when evidence of impairment losses exists, the carrying amount of intangible assets is compared to their recoverable amount. More specifically, this impairment test is usually conducted by determining the value in use or the fair value of the assets and verifying that the book value of the intangible asset is less than the greater of the respective value in use and the fair value less costs to sell.

In particular, goodwill, identified as an intangible asset with an indefinite useful life, does not generate cash flows unless combined with other company assets. Therefore, it is necessary, as a preliminary step, to allocate this asset to largely autonomous operational units within the management framework, the so-called Cash Generating Units (CGUs), which are capable of generating financial resources largely independent of those produced by other business areas, but interdependent within the organizational unit generating them.
According to IAS 36, it is essential to correlate the level at which goodwill is tested with the level of internal reporting for business performance and future trend planning, which is the level at which management monitors its dynamics. From this perspective, defining such a level is closely tied to the organizational models and the allocation of management responsibilities for operational activity guidance and corresponding monitoring.
The organizational model of the doValue Group is structured as follows:

- management decisions are centralized with the heads of the different business units/operating segments;
- strategies are defined and directed centrally for each business unit;
- planning processes and reporting systems are carried out at the business unit level;
- as a result of this centralization, revenue streams are heavily dependent on policies formulated at the segment level to ensure balanced development of individual business units, rather than independently considered legal entities;
- the different operating segments function in homogeneous markets, meaning that revenue streams are strongly dependent on policies formulated at the segment level to ensure balanced development of the individual operational units, rather than independently considered legal entities.

The doValue Group's organizational model is divided into three business units/Regions based on the geographical areas of Southern Europe in which it operates:

- **Italy**: includes companies operating in the Italian territory, namely the parent company doValue, doData, and doNext;
- **Hellenic Region**: includes doValue Greece, doValue Greece RES, doAdvise Advisory Services, and finThesis Financing Solutions Creators, based in Greece, as well as companies based in Cyprus (doValue Cyprus and doValue Cyprus Special Project);
- **Iberia**: includes companies based in Spain, namely doValue Spain with its subsidiaries Adsolum and Team4. The companies based in Portugal (doValue Portugal and Zarco), having been sold at the end of July 2024, are no longer part of the Region.

These Regions have therefore been considered representative of the CGUs, as each of them constitutes the smallest group of assets generating independent inflows. Additionally, as mentioned, they represent the minimum level at which the parent company doValue manages internal planning and reporting processes. Consequently, this is the minimum level at which goodwill can be allocated on a non-arbitrary basis and monitored.
Moreover, the Group believes, in compliance with the need to correlate the level at which goodwill is tested with the level of reporting at which management controls the value's growth and reduction dynamics, that it is appropriate to test separately the goodwill values attributable to the same CGU when there is a higher level of disaggregation among the various entities comprising the CGU itself, proportionally to their prospective cash flows. In this specific case, the goodwill of the Hellenic Region CGU (Greece-Cyprus) is tested separately concerning the Group's two acquisitions: doValue Greece and doValue Cyprus, relating to the acquisition of doValue Spain and its subsidiaries.

Impairment testing for CGUs, to which almost all intangible assets with a definite life and goodwill have been attributed, is conducted with reference to value in use obtained through the application of the Discounted Cash Flow (DCF), under which the value of a CGU is determined through the sum of its prospective cash flows, discounted using a specific rate. A similar procedure is used to estimate the

recoverability of the values recognised for active long-term servicing contracts, which assess the business plans of the portfolios under management in order to check their consequent capacity to generate adequate cash flows.
However, note that the parameters and information used to check the recoverability of intangible assets, including goodwill (in particular the cash flow forecast for the various CGUs, as well as the discount rates used) are significantly influenced by macroeconomic conditions and market developments as well as the behaviour of counterparties, which could change unpredictably. Therefore, the Group assesses whether the general macroeconomic risks and the climate risks could have a significant impact (for further details, please refer to paragraph "Other Matters - Macroeconomic context and climate-related matters").
If the recoverable value of the assets undergoing impairment testing is determined on the basis of the associated fair value, it should also be noted that the significant and persistent volatility shown by the markets and the intrinsic difficulties in forecasting contractual cash flows mean that we cannot rule out the possibility that the valuations based on parameters drawn from the same markets and on contractual cash flow forecasts may subsequently prove not to be fully representative of the fair value of the assets.

With reference to the intangible assets recognised, it should be noted that these assets are mainly measured on the basis of the definitive Purchase Price Allocation (PPA) of the two business combinations concluded in previous years, i.e., the acquisition of control of doValue Spain Servicing S.A., and its subsidiaries in June 2019 and that of doValue Greece concluded in June 2020. The intangible asset arising from the payment by doValue Greece of a consideration for the acquisition of the right to be appointed as Servicer of the "Frontier" contract was also measured.
Regardless of the outcome of internal and external trigger events, which are the indicators determining the need to conduct the impairment test, the Group performed the impairment test as of September 30, 2024, considering the current uncertainty related to the macroeconomic environment, albeit taking into account the difficulty inherent in the formulation of even short- or medium-term forecasts in this climate of great ongoing uncertainty and considering that both doValue Spain and its subsidiaries and doValue Greece hold medium/long-term management contracts for existing loans (stock) and future positions (new flows) with leading banks and major investment funds.
The test was performed on the amounts of intangible assets with defined useful lives and goodwill, resulting, as at September 30, 2024, and the updating of amortisation pertaining to the period.
For the purpose of conducting the test, the forward-looking information determined in line with the Group's 2024-2026 Industrial Plan, approved by the Board of Directors on March 20, 2024, and updated with respect to the 2024 budget based on the new projections approved by the Board of Directors on August 7, 2024, has been considered. These projections incorporate the latest scenario hypotheses collected from subsidiaries, which take into account the trends of the main market and macroeconomic variables, estimating their effects from a forward-looking perspective.

This analysis did not reveal any evidence of impairment, such as differences between the carrying amount and the value in use of intangible assets with a defined useful life.
As regards the comparison between the recoverable value and the total net book value of the CGUs as at September 30, 2024, the model confirmed the recoverable amount capacity and therefore the absence of impairment losses for the recognized goodwill (for further details, please refer to the Illustrative Notes, Information on the consolidated balance sheet - Note 1 Intangible assets).

As regards the methodological approach to the impairment test, please refer to the Accounting Policies in the paragraph "Risks and uncertainties associated with the use of estimates - Estimation of impairment losses on intangible assets" of the consolidated Financial Statements as at December 31, 2023. Furthermore, it should be noted that, for the purposes of estimating the recoverable value of intangible assets acquired through business combinations, doValue adopts the valuation models used in the PPA for consistency.

Business combination

The recognition of business combinations involves allocating the difference between the acquisition cost and the net book value to the assets and liabilities of the acquiree. For most of the assets and liabilities, the difference is allocated by recognising the assets and liabilities at their fair value. Any unallocated remainder is recognised as goodwill if positive; if negative, it is recognised in the income statement as revenue. In the process of allocating the cost of the business combination, the doValue Group uses all available information; however, this process implies, by definition, complex and subjective estimate elements.
For information on the Group's business combinations, please refer to the specific "Business combinations" section.

NEW ACCOUNTING STANDARDS

The Group has adopted for the first time a number of accounting standards and amendments in preparing these interim condensed consolidated Financial Statements that took effect for financial years beginning as from January 1, 2024, with a list of them set out below, showing that they did not have any substantial effect on the balance sheet and income statement figures reported:

- Amendments to IAS 1 Presentation of Financial Statements:
  - Classification of Liabilities as Current or Non-current (issued on 23 January 2020);
  - Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020);
  - Non-current Liabilities with Covenants (issued on 31 October 2022).
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022);
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023).

There are no amendments that come into force for financial years starting from January 1, 2025 and thereafter.

Lastly, the new accounting standards, amendments and interpretations issued by IASB, but still not endorsed by the European Union, are reported below:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023);
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024);
- Annual Improvements Volume 11 (issued on 18 July 2024);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024);
- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024).

Material accounting policy information

As regards the criteria for the recognition, classification, measurement and derecognition of the main items of the financial statements, refer to the corresponding section of the Illustrative Notes to the consolidated Financial Statements as at December 31, 2023.

Information on fair value

Paragraph 9 of IFRS 13 defines fair value as "the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in an arm's length transaction at the measurement date".

Measurement at fair value assumes that the sale of an asset or transfer of a liability takes place in a principal market, which can be defined as the market with the highest trading volumes and levels for the asset/liability being measured. In the absence of a principal market, the most advantageous market should be taken as the reference, i.e. the market that maximises the amount that would be received in the sale of an asset or minimises the amount that would be paid in the transfer of a liability, after taking into account transaction costs.

With the aim of maximising the consistency and comparability of fair value measurements and related disclosures, IFRS 13 establishes a fair value hierarchy that divides the parameters used to measure fair value into three levels:

- Level 1: the fair value of the instrument is determined on the basis of listed prices observed on active markets;
- Level 2: the fair value of the instrument is determined on the basis of valuation models that use observable inputs onto active markets, such as:
  - prices listed on active markets for similar instruments;
  - observable parameters such as interest rates or yield curves, implied volatility, early payment risk, default rates and illiquidity factors;
  - parameters that are not observable but supported and confirmed by market data;
- Level 3: the fair value of the instrument is determined on the basis of valuation models that mainly use inputs that cannot be inferred from the market, which therefore involve the adoption of estimates and internal assumptions.

This classification aims to establish a hierarchy in terms of objectivity of the fair value according to the degree of discretion adopted, giving priority to the use of parameters observable on the market. The fair value hierarchy is also defined on the basis of the input data used in the fair value calculation models and not on the basis of the valuation models themselves.

Fair value levels 2 and 3: valuation techniques and inputs used

The information required by IFRS 13 with regard to accounting portfolios measured at fair value on a recurring basis is shown below. For financial assets not measured at fair value, the Group believes that the book value is a reasonable approximation of the fair value.
At the date of preparation of the interim condensed consolidated Financial Statements at September 30, 2024, there are no assets or liabilities measured at fair value on a non-recurring basis.

Assets and liabilities measured at fair value on recurring basis

ASSET BACKED SECURITIES

ABSs are measured using the discounted cash flow model, which is based on an estimate of the cash flows paid by the security and an estimate of a spread for discounting.

EQUITY INVESTMENTS

Equities are assigned to Level 1 when an active market price considered liquid is available and to Level 3 when there are no prices or the prices have been suspended permanently. Such instruments are classified as Level 2 only if the volume of activity on the listing market is significantly reduced.
For equities measured at cost, an impairment loss is recognised if the cost exceeds the recoverable amount significantly and/or for a long time.

INVESTMENT FUNDS

Funds are classified as Level 1 if they are listed on an active market; if this does not occur, they are classified as Level 3 and are assessed through a credit adjustment of the NAV based on the specific characteristics of the individual fund.

OTHER DERIVATIVE INSTRUMENTS

The fair value of derivatives not traded on an active market derives from the application of mark-to-model valuation techniques. When there is an active market for the input parameters to the valuation model of the different components of the derivative, the fair value is determined on the basis of their market prices. Valuation techniques based on observable inputs are classified as Level 2 while those based on significant unobservable inputs are classified as Level 3.

Description of assessment techniques

In order to assess positions for which market sources do not provide a directly observable market price, specific valuation techniques that are common in the market and described below are used.

DISCOUNTED CASH FLOW

The valuation techniques based on the discounted cash flow generally consist in determining an estimate of the future cash flows expected over the life of the instrument. The model requires the estimate of cash flows and the adoption of market parameters for the discount: the discount rate or margin reflects the credit and/or funding spread required by the market for instruments with similar risk and liquidity profiles, in order to define a “discounted value”. The fair value of the contract is the sum of the discounted future cash flows.

MARKET APPROACH

A valuation technique that uses prices generated by market transactions involving assets, liabilities or groups of identical or comparable assets and liabilities.

NAV

The NAV (Net Asset Value) is the difference between the total value of the fund's assets and liabilities. An increase in NAV coincides with an increase in fair value. Usually, for funds classified at Level 3, the NAV is a risk-free valuation; therefore, in this case, the NAV is adjusted to consider the issuer's default risk.

Hierarchy of fair value

Financial instruments are assigned to a certain fair value level based on whether the inputs used for valuation are observable.
When the fair value is measured directly using an observable quoted price in an active market, the instrument will be classified within Level 1. When the fair value must be measured using a comparable approach or a pricing model, the instrument will be classified in either Level 2 or Level 3, depending on whether all significant inputs used in the valuation are observable.
In the choice between the different valuation techniques, the one that maximises the use of the observable inputs is used.
All transfers between the levels of the fair value hierarchy are made with reference to the end of the reporting period.
The main factors that would prompt a transfer between fair value levels (both between Level 1 and Level 2 and within Level 3) include changes in market conditions and improvements in valuation models and the relative weights of unobservable inputs used in fair value measurement.

Fair value hierarchy: asset and liabilities measured at fair value on a recurring basis - breakdown by fair value level

The following table reports the breakdown of assets and liabilities measured at fair value by fair value hierarchy input level.

Level 3 of the category "Financial assets measured at fair value through profit or loss" mainly includes:

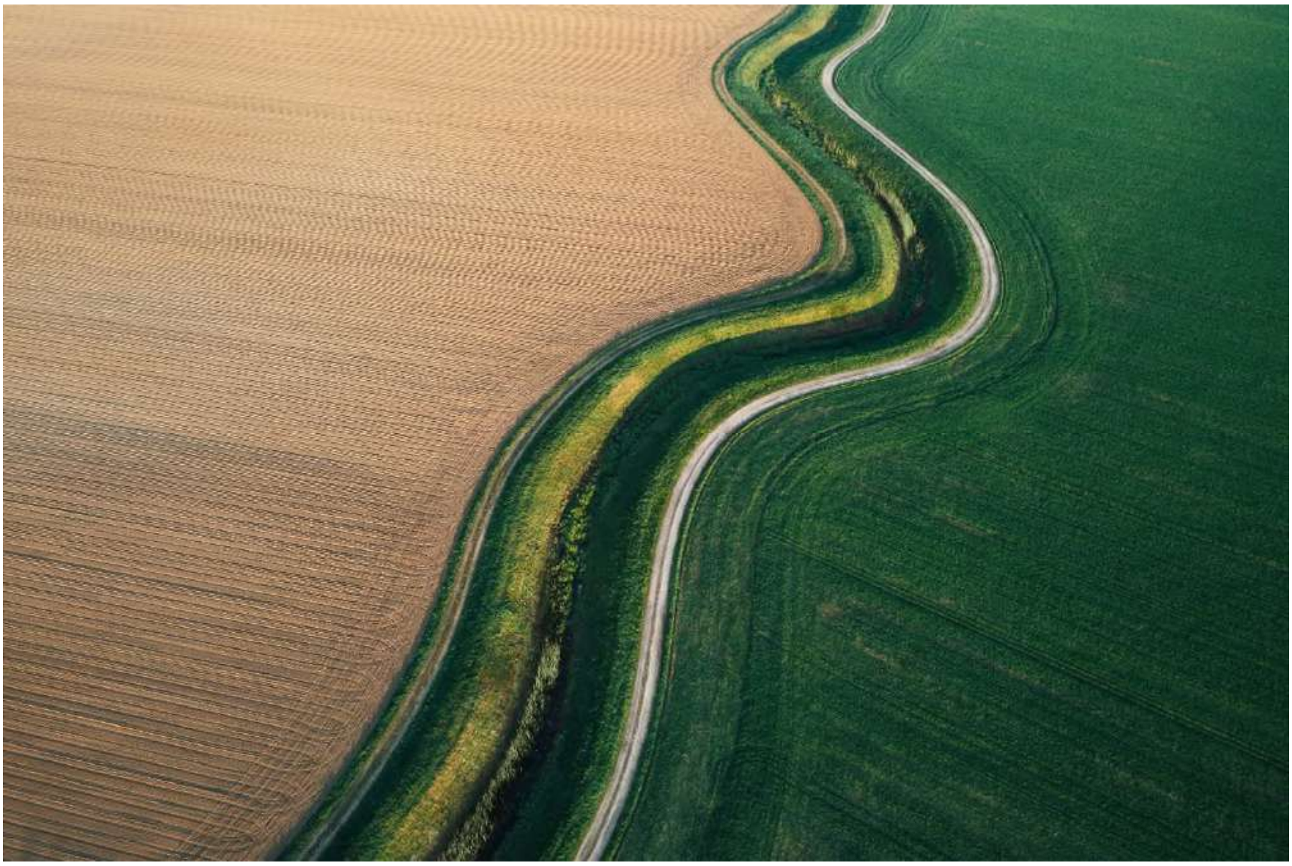
1. the value of the notes issued by the securitisation vehicle companies:
   - Romeo SPV and Mercuzio Securitisation, equal to 5% of the total securities;
   - Cairo, whose mezzanine notes were purchased on June 5, 2020 to coincide with the acquisition of the subsidiary doValue Greece;
   - Mexico, purchased in December 2021, remaining 5% of the total of subordinated securities issued by the vehicle;
   - doRes Securitisation S.r.l., whose untranched notes were issued as part of a new finance transaction and subscribed for 20% by doNext.
2. Units in collective investment undertakings (CIUs): the equivalent of the amount paid for the subscription of the remaining 20.2 units of the Italian Recovery Fund (formerly Atlante II), reserved real estate investment fund, net of redemptions;
3. the fair value of the call option on equity instruments of the investee BidX1, subscribed at the same time as the purchase of the minority interest, which amounted to 11.9% of the company's share capital as at September 30, 2024.

Level 3 of the category "Financial assets recognised at fair value through comprehensive income" includes the value of the equity instruments relating to the aforementioned minority interest in the company BidX1, and in the Brasilian fintech company QueroQuitar S.A. for a stake of 11.46%, for which the Group applies the option for the designation at fair value through comprehensive income.
The fair value of these financial liabilities was determined on the basis of the contracts for the acquisition of equity interests and the economic-financial parameters that can be drawn from the long-term plans of the acquired companies. Since these parameters are not observable on the market (either directly or indirectly), these liabilities are classified under Level 3.

Level 3 of the category relating to "Other financial liabilities" includes the Earn-out represented by the fair value of the liability relating to a portion of the acquisition price of doValue Greece, which is linked to the achievement of certain EBITDA targets over a 10-year period. It should also be noted that the Earn-out related to the portion of the acquisition price of doValue Spain, has been closed following the definition of the arbitration in Spain.
The fair value of these financial liabilities was determined on the basis of the contracts for the acquisition of equity interests and the economic-financial parameters that can be drawn from the long-term plans of the acquired companies. Since these parameters are not observable on the market (either directly or indirectly), these liabilities are classified under Level 3.

(€/000)

	9/30/2024			12/31/2023		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value through profit or loss	**-**	**-**	**34,751**	**-**	**-**	**37,360**
Units in collective investment undertakings (CIUs)	-	-	18,418	-	-	20,499
Debt securities	-	-	16,098	-	-	16,610
Equities	-	-	197	-	-	197
Non-hedging derivatives	-	-	38	-	-	54
Financial assets measured at fair value through comprehensive income	**-**	**-**	**6,607**	**-**	**-**	**8,165**
Equities	-	-	6,607	-	-	8,165
Total	**-**	**-**	**41,358**	**-**	**-**	**45,525**
Other financial liabilities	**-**	**-**	**33,984**	**-**	**-**	**55,041**
Earn-out	-	-	33,984	-	-	54,668
Others	-	-	-			373
Total	**-**	**-**	**33,984**	**-**	**-**	**55,041**



3. INFORMATION ON THE CONSOLIDATED BALANCE SHEET

Assets

NOTE 1 – INTANGIBLE ASSETS

(€/000)

	Software	Brands	Assets under development and payments on account	Goodwill	Other intangible assets	Total 9/30/2024	Total 12/31/2023
Gross opening balance	**198,504**	**29,698**	**7,953**	**236,897**	**423,341**	**896,393**	**906,001**
Initial reduction in value	(147,091)	(9,027)	-	(12,530)	(253,961)	(422,609)	(379,113)
Net opening balance	**51,413**	**20,671**	**7,953**	**224,367**	**169,380**	**473,784**	**526,888**
Changes in gross balance	**5,089**	**-**	**5,902**	**-**	**(4,109)**	**6,882**	**(9,608)**
Purchases	3,397	-	8,318	-	-	11,715	21,666
Disposals and dismissals	(495)	-	-	-	-	(495)	(1,432)
Business combination	-	-	-	-	-	-	565
Impairment	-	-	-	-	-	-	(13,581)
Other changes	2,187	-	(2,416)	-	(4,109)	(4,338)	(16,826)
Changes in reduction in value	**(13,194)**	**(2,471)**	**-**	**-**	**(10,300)**	**(25,965)**	**(43,496)**
Amortisation	(13,618)	(2,471)	-	-	(14,409)	(30,498)	(48,854)
Business combination	-	-	-	-	-	-	(454)
Impairment of goodwill	-	-	-	-	-	-	(12,530)
Other changes	424	-	-	-	4,109	4,533	18,342
Gross closing balance	**203,593**	**29,698**	**13,855**	**236,897**	**419,232**	**903,275**	**896,393**
Final reduction in value	(160,285)	(11,498)	-	(12,530)	(264,261)	(448,574)	(422,609)
Net closing balance	**43,308**	**18,200**	**13,855**	**224,367**	**154,971**	**454,701**	**473,784**

As of September 30, 2024, this item has been impacted by the exit from the Group of the two Portuguese companies, doValue Portugal and Zarco, following the sale process concluded in July 2024. The related derecognition values is recorded under item “other changes” in the gross balance and in reduction in value, impacting the category “other intangible assets”.

The **opening balances** are mainly represented by the value of multi-annual servicing contracts included in the item "other intangible assets" and by the goodwill deriving from the acquisitions completed by the Group: in June 2019, the acquisition of doValue Spain Servicing (hereinafter also "doValue Spain") and its subsidiaries, and in June 2020 the business combination of doValue Greece.

Thanks to the acquisition of doValue Greece, the following net values were recognised as at September 30, 2024:

- €28.8 million relating to software and related assets under development;
- €139.4 million related to multi-year servicing contracts ("SLAs"), of which €33.0 million related to the Frontier portfolio;
- €112.4 million relating to goodwill.

With regard to the acquisition of doValue Spain and its subsidiaries, the net values as at September 30, 2024, were as follows:

- €10.9 million relating to software and related assets under development;
- €18.1 million relating to the brand;
- €15.6 million relating to other intangible assets, which include the valuation of active long-term servicing contracts ("SLAs");
- €111.5 million relating to goodwill.

The **changes in gross balance** include "purchases", which during the period were concentrated on the development of the IT platform, with an increase in the "software" and "assets under development and payments on account" categories totalling €11.7 million.
The “other changes”, which mainly affect the “software” and “assets under development and payments on account” categories, relate to the reclassification of assets between the two categories in connection with the entry into use of software.

The **changes in reduction in value** mainly include the amortisation charges for the first nine months of 2024 of €30.5 million. “Other intangible assets” include the values of long-term servicing contracts deriving from the evaluation of the doValue Spain and doValue Greece acquisition transactions and the "Frontier" contract, which are systematically amortised based on the direct margin curve for each contract over the course of its entire useful life, consistent with the best estimate of the cash flows from each individual contract. The amortisation charge of each contract was calculated to an extent corresponding to the direct margin posted in the period.

Impairment test of goodwill

For the purpose of preparing the impairment test, continuing with the approach taken to the test performed in the previous accounting periods, the Cash Generating Units (CGUs) in the two geographical segmentation areas pertaining to doValue Spain and its subsidiaries and to doValue Greece, namely "Iberia" (which currently includes only Spain since companies based in Portugal have been sold) and the "Hellenic Region" (Cyprus and Greece) were used, and the allocation of intangible assets and goodwill to the two separate CGUs was determined, with the latter represented in the following table:

(€/000)

	Hellenic Region	Iberia	Total
doValue Spain Business Combination	17,759	93,775	111,534
doValue Greece Business Combination	112,391	-	112,391
Other minor	442	-	442
Total	**130,592**	**93,775**	**224,367**

The value in use of the Cash Generating Units (CGUs) was determined by discounting the expected cash flows using the Discounted Cash Flow (DCF) method, which is based on the forward-looking information included in the Group's 2024-2026 Industrial Plan approved by the Board of Directors on March 20, 2024, and updated for the 2024 budget based on new projections approved by the Board on August 7, 2024. The basis of the Industrial Plan consists of long-term contracts governing the credit portfolios under management. These contracts generally have a duration exceeding ten years with predefined economic terms and conditions. The cash flows from existing management contracts are supplemented by assumptions regarding new contracts to be acquired and the renewal of any expiring contracts.

The main assumptions used by management to estimate the value in use include expectations regarding changes in revenues and costs over the five-year period considered for the calculation, the discount rate (WACC), and the growth rate (g-rate) of terminal values.
The discount rate used for the impairment test is represented by the weighted average cost of capital (WACC), calculated for each country within the CGU. The WACC for the CGU is equal to the weighted average of the WACC for each Country included in the CGU, based on revenues.

For the purpose of conducting the test, the most recent scenario assumptions collected from all Group companies were considered, taking into account the trends of key market and macroeconomic variables and estimating their effects from a forward-looking perspective.

	Growth rate	WACC rate	Period of cash flows	Terminal value
Hellenic Region				
of which: doValue Spain Business Combination	0%	7.8%	5 years	Perpetuity
of which: doValue Greece Business Combination	0%	7.4%	5 years	Perpetuity
Iberia	0%	6.9%	5 years	Perpetuity

As of September 30, 2024, the comparison between the recoverable amount and the total net book value of the CGUs (represented by the sum of the residual net book values of all intangible assets attributable to each CGU, including goodwill and deferred taxes) indicates that the recoverable amount exceeds the carrying amount, resulting in no impairment losses.
Such headroom over the net book value of the CGUs is 38% for the Iberia CGU, while for the Hellenic Region CGU it is more than sufficient, about 150% for Greece and exceeding 450% for Cyprus.

Sensitivity analysis

The Group performs a sensitivity analysis on the estimated recoverable value based on the main parameters of the impairment test, specifically the EBITDA growth rate, the long-term sustainable growth rate (g-rate), and the discount rate (WACC).

The sensitivity analysis, which combines the g-rate with the discount rate, demonstrated the resilience of the goodwill attributable to the Iberia CGU, provided that i) the g-rate does not fall below -2pp and the WACC does not increase by more than 1pp or ii) the g-rate does not fall below -0.5pp and the WACC does not increase by more than 2pp. Furthermore, the analysis confirmed no impairment for the Hellenic Region CGU (Greece-Cyprus), even under significant WACC increases or substantial g-rate decreases.
As part of a stress test approach, variations in the EBITDA growth rate, long-term sustainable growth rate (g-rate), and discount rate (WACC) were considered separately. These variations were tested to determine the threshold points at which the CGU's value in use equals its net book value. In other words, they represent the critical input limits beyond which the CGU's impairment test would indicate a reduction in value.
The result of this test indicates that for Spain, no impairments would arise until a decrease in the g-rate to -3.2% compared to the 0% used, a WACC of 9.1% compared to the 6.9% applied, or an EBITDA stress of -27%. For Greece, no impairment would be recognized unless there is a reduction in the g-rate below -100%, a WACC of 23% compared to the 7.4% applied, or an EBITDA stress of -48%. For Cyprus, the absence of impairments would be maintained with a g-rate reduction below -100%, a WACC of 40% compared to the 7.8% applied, or an EBITDA stress of -72%.

Impairment Test for Other Intangible Assets

The impairment test conducted on the category of other intangible assets did not reveal any indication of impairment, as shown in the tables below, starting with the table for intangible assets of doValue Spain:

(€/000)

	Net present value	Net book value	Impairment
Software	8,133	8,133	-
Brand	19,843	18,136	-
Other ingible assets - SLAs	8,269	7,775	-
Intangible Assets - Iberia	**36,245**	**34,044**	**-**
Software	1,891	1,891	-
Other ingible assets - SLAs	14,137	7,578	-
Intangible Assets - Hellenic Region	**16,028**	**9,469**	**-**
Total	**52,273**	**43,513**	**-**

Similarly, the table summarising the impairment test performed on the value attributed to the intangible assets of doValue Greece, including also the "Frontier" contract, is shown below.

(€/000)

	Net present value	Net book value	Impairment
Intangible Assets - SLAs - Regione Ellenica	**332,319**	**139,352**	**-**
Total	**332,319**	**139,352**	**-**

With regard to the methods used to carry out the test, please refer to the Section "Accounting Policies – Risks and uncertainties associated with the use of estimates" in the paragraph "Estimation of impairment losses on intangible assets".

NOTE 2 – PROPERTY, PLANT AND EQUIPMENT

(€/000)

	Buildings	Furniture	Electronic systems	Assets under development and payments on account	Other	Total 9/30/2024	Total 12/31/2023
Gross opening balance	**72,298**	**4,501**	**28,633**	**391**	**16,822**	**122,645**	**119,823**
Initial reduction in value	(40,588)	(3,794)	(17,041)	-	(12,545)	(73,968)	(60,687)
Net opening balance	**31,710**	**707**	**11,592**	**391**	**4,277**	**48,677**	**59,136**
Changes in gross balance	**(1,509)**	**(282)**	**3,265**	**294**	**(115)**	**1,653**	**2,822**
Purchases	585	5	4,146	294	1,941	6,971	6,719
o.w. Right of Use	*560*	-	*4,013*	-	*1,782*	*6,355*	*4,725*
Disposals and dismissals	(465)	(31)	(188)	-	(338)	(1,022)	(1,087)
Business combination	-	-	-	-	-	-	435
Other changes	(1,629)	(256)	(693)	-	(1,718)	(4,296)	(3,245)
Changes in reduction in value	**(5,458)**	**(45)**	**(3,216)**	**-**	**324**	**(8,395)**	**(13,281)**
Amortisation	(7,350)	(192)	(3,547)	-	(1,419)	(12,508)	(17,279)
o.w. Right of Use	*(6,633)*	-	*(3,126)*	-	*(1,009)*	*(10,768)*	*(14,323)*
Business combination	-	-	-	-	-	-	(322)
Other changes	1,892	147	331	-	1,743	4,113	4,320
Gross closing balance	**70,789**	**4,219**	**31,898**	**685**	**16,707**	**124,298**	**122,645**
Final reduction in value	(46,046)	(3,839)	(20,257)	-	(12,221)	(82,363)	(73,968)
Net closing balance	**24,743**	**380**	**11,641**	**685**	**4,486**	**41,935**	**48,677**

During the first nine months of 2024, the item recorded an overall decrease of €6.7 million, amounting to €41.9 million.

As highlighted in Note 1, this item has been impacted by the exit from the Group of the two Portuguese companies, doValue Portugal and Zarco, following the sale process concluded in July 2024. The related derecognition values (amounting to a total of €0.8 million) are recorded item "other changes" in the gross balance and in reduction in value.

The **changes in gross balance** mainly include "purchases", which in the period totalled €7.0 million (of which €6.4 million in rights of use) and mainly consisted of electronic systems, as well as renewals and additional car rentals in the category "Other".
The "other changes" in gross balance should be read together with the same component included under changes in reduction in value and are largely related to the disposal of depreciated assets, in addition to the previously mentioned impact from the sale of the two Portuguese companies.

The **changes in reduction in value** included amortization of €12.5 million, of which €10.8 million related to rights of use.
Please see Note 18 for more details on changes in rights of use.

NOTE 3 – FINANCIAL ASSETS

(€/000)

	9/30/2024	12/31/2023
Non-current financial assets	**41,945**	**46,167**
Financial assets measured at fair value through profit or loss	**34,751**	**37,360**
Units in collective investment undertakings (CIUs)	18,418	20,499
Debt securities	16,098	16,610
Equities	197	197
Non-hedging derivatives	38	54
Financial assets measured at amortised cost	**587**	**642**
Loans to customers	546	602
Loans to banks	41	40
Financial assets measured at fair value through other comprehensive income	**6,607**	**8,165**
Equities	6,607	8,165
Total	**41,945**	**46,167**

Non-current financial assets measured at fair value through profit or loss include CIUs units, debt securities, equities and non-hedging derivatives.
CIUs relate to 20.2 units of the restricted closed-end alternative securities investment fund denominated Italian Recovery Fund (formerly Atlante II). During the period, partial reimbursements of units amounting to €2.7 million were recorded, partially offset by a positive fair value differential of €0.6 million, while additional shares to be subscribed of €1.1 million were recognised under commitments.
Debt securities show a decrease of €0.5 million, due to a combination of valuation effects and collections during the period. The breakdown of debt securities is represented, for €12.3 million by the ABS securities of the Cairo securitisations acquired as part of the acquisition of doValue Greece, for €1.8 million by the value of the ABS securities relating to the Romeo SPV and Mercuzio Securitisation securitisations and, for €1.9 million by the co-investment in the Mexico securitisation notes and for €0.1 million by the fair value of ABS securities subscribed by doNext and issued by the vehicle doRes Securitisation S.r.l. as part of a new finance operation.

Equities classified at fair value through profit or loss are attributable to the minority interests for which the Group has not exercised the envisaged option under IFRS 9 to measure these instruments at fair value through other comprehensive income without recycling to profit or loss.
Non-hedging derivatives include an option linked to the purchase of further equity interests in the company BidX1 mentioned below among the financial assets recognized at fair value through other comprehensive income.

The category of **non-current financial assets measured at amortised cost** only include the non-current part of €0.6 million mainly related to loans to customers, which is substantially in line with the previous year.

The category of **non-current financial assets measured at fair value through other comprehensive income** includes the value of equities relating to two companies for which the Group exercised the option available under IFRS 9 to measure these instruments at fair value through other comprehensive income without recycling to profit or loss:
- €1.5 million equal to 11.46% of the Brazilian fintech company QueroQuitar S.A. which operates in the field of digital collections;
- €5.1 million equal to 11.9% of BidX1, an Irish proptech company specialising in the promotion and execution of real estate transactions through online auction processes in real time. The reduction in the stake held in BidX1 compared to December 31, 2023, when it was 17.7%, is a result of the new share issuances by the company in the first half of 2024.

The reduction of the item by €1.6 million compared to 31 December 2023 originates from the fair value evaluation process and refers exclusively to the investment in BidX1.

Focus on securitisations
Over the years, the Group originated securitisations or invested in them through the subscription of the related debt securities, also assuming the role of Servicer. A brief description of these transactions is provided below.
On September 30, 2016, the assignment of the non-performing portfolio of the Parent Company doValue to the securitisation vehicle Romeo SPV S.r.l. ("Romeo") was finalised. Romeo was established pursuant to

Italian Law 130/1999. Subsequently, in the second quarter of 2017, the unsecured part of the portfolio was transferred to the vehicle Mercuzio Securitisation S.r.l. ("Mercuzio") and, at the same time, the issue of ABSs was completed by both SPVs with a single tranching of the securities.
As originator, the Parent Company doValue subscribed a nominal value of notes equal to 5% of the total securities issued in order to comply with the provisions of the retention rule referred to in Regulation (EU) 575/2013 (the CRR).
In both transactions, doValue Group plays the role of Servicer and Administrative Services Provider.
At the same time as the acquisition of Eurobank FPS in June 2020 mezzanine notes of the 3 Cairo securitisations (Cairo I, Cairo II and Cairo III) were subscribed, the securities of which are backed by state guarantees ("Asset Protection Scheme"). The originator of this transaction is Eurobank, which sold €7.4 billion of performing and non-performing loans.
In December 2020, mezzanine and junior ABS securities were also subscribed for the Relais securitisation, which concerns lease receivables sold by UniCredit. However, these notes were sold in February 2021, while the Group maintained the roles of Master Servicer (performed by doNext) and Special Servicer (performed by doValue).
In the second half of 2021, in relation to the Mexico transaction, the Parent Company doValue subscribed an amount equal to €45.0 million of junior and mezzanine notes, equal to 95% of the notes issued by the vehicle and at the same time sold 90% of the total notes issued to a third investor; the remaining portion of notes recognised in the financial statements therefore corresponds to 5% class B (mezzanine) and 5% class C (junior). The Group is servicer of the portfolio through the subsidiary doValue Greece.
During the first quarter of 2023, the subsidiary doNext disbursed a loan which was transferred in the same period to the credit securitization company doRes Securitization S.r.l.. As part of this transaction, doNext subscribed 20% of the untranched notes issued by the SPV, corresponding to a nominal amount of €0.4 million, and assumed the roles of Master and Special Servicer.

NOTE 4 – DEFERRED TAX ASSETS AND LIABILITIES

The items report deferred tax assets by deductible temporary difference.
Deferred tax assets (hereinafter also referred to as "DTAs") include amounts in respect of loan write-downs, tax losses carried forward and deferred tax assets determined specifically on the basis of the stocks of the components to which they refer (e.g. litigation, provisions for employees).
In this regard, the Parent Company exercised the option to retain the possibility of converting deferred tax assets into tax credits pursuant to Article 11 of Italian Legislative Decree 59 of May 3, 2016, ratified with Italian Law 119 of June 30, 2016. This measure introduced the optional regime in order to eliminate issues that emerged at the Community level regarding the incompatibility of the DTA transformation legislation with the rules governing state aid, ensuring that the convertibility of qualifying DTAs into tax credits is only allowed following payment of a specific fee based on the amount of those DTAs.

With regard to the deferred tax assets referred to in Italian Law 214/2011, as a result of the express provision of Article 56 of Italian Decree Law 225 of 29/12/2010, the negative components corresponding to the deferred tax assets transformed into tax credits are not deductible, first offsetting on a priority basis decreases at the nearest maturity in an amount corresponding to a tax equal to the transformed DTAs.

The 2019 Budget Act (Italian Law 145/2018) modified the temporary mechanism provided for in Article 16, paragraphs 3-4 and 8-9 of Italian Decree Law 83/2015 concerning the deductibility for both IRES and IRAP purposes of the loan losses of banks, financial companies and insurance undertakings. The law essentially deferred to the current tax period as at December 31, 2026, for both IRES and IRAP purposes, the deductibility of 10% of write-downs and losses on loans to customers recognised for that purpose that were originally intended to be deducted for the current tax period as at December 31, 2018.
Article 1, paragraphs 712-715 of the 2020 Budget Act (Italian Law 160/2019) then provided for the deferral of the deduction of the negative IRES (corporate income tax) components. More specifically, the deductibility, for IRES and IRAP purposes, of the stock of write-downs and loan losses of credit and financial institutions, of 12%, originally established for the tax period under way as at December 31, 2019 was postponed to tax periods as at December 31, 2022 and the three subsequent tax periods. The deferral is made on a straight-line basis.
Article 42 of Italian Law Decree no. 17/2022 intervenes for the third time on the original deduction plan with a postponement technique substantially similar to that carried out by Italian Law no. 160/2019.

The 2024 Budget Act (Law No. 213/2023) has amended the original deduction plan for the fourth time. The previous deductible quota envisaged for 2024 is reduced from 18% to 17%, deferring 1% in equal installments for the tax periods ending on December 31, 2027, and December 31, 2028; furthermore, for the tax period ending on December 31, 2026, the deductible quota is reduced from 7.7% to 4.7%, deferring 3% in equal installments for the tax periods ending on December 31, 2027, and December 31, 2028.

Following the amendment, the recovery plan is now as follows: 5% for the tax period ending on December 31, 2016; 8% for the tax period ending on December 31, 2017; 12% for the tax period ending on December 31, 2020; 12% for the tax period ending on December 31, 2021; 8.3% for the tax period ending on December 31, 2022; 18% for the tax period ending on December 31, 2023; 17% (-1%) for the tax periods ending on December 31, 2024; 11% for the tax period ending on December 31, 2025; 4.7% (-3%) for the tax period ending on December 31, 2026; 2% (+2%) for the tax period ending on December 31, 2027; 2% (+2%) for the tax period ending on December 31, 2028.

As a result of these legal provisions, the amount of the deferred tax assets relating to the Parent Company began to change starting in 2023 through reversals with economic impact.
Thanks to the fee for converting DTAs into tax credit, the amount of impairments pertaining to the 2023 fiscal year that contributed to the tax loss will be converted into tax credit starting from the date of submission of the tax return (IRES and IRAP), by October 15, 2024 (€10.7 million). Moreover, a portion of this DTA stock (€0.8 million) has already been converted into tax credit during the second quarter of 2024, following the approval of the 2024 Financial Statements, due to the presence of regulatory requirements related to statutory losses.

As of September 30, 2024, this item shows an overall reduction of €2.9 million, partly due to the aforementioned conversion into a tax credit and to period reversals of temporary differences. The dynamics related to the DTAs pursuant to Law 214/2011 resulted in period reversals of €12.7 million, with corresponding new provisions of the same amount.

Additionally, there are €47.1 million of unrecorded cumulated DTAs (€10.8 million raised in the period), of which €32.1 million related to tax losses concerning the Iberian Region and €15.0 million to the Parent Company, of which €11.2 million stemming from the portion of interest expenses subject to the 30% deductibility limitation of the Gross Taxable Operating Income, for which their recognition may be assessed in subsequent fiscal years.

With regard to the provisions of IAS 12, the balance of deferred tax assets is subject to sustainability testing, taking account of forecast profits in future years and verifying that future taxable income will be available against which the deferred tax assets can be used.
The test carried out on the data as at September 30, 2024, took therefore into account the 2024-2026 Industrial Plan approved in the Board of Directors of March 20, 2024, and updated for the 2024 budget based on new projections approved by the Board on August 7, 2024, as well as estimates based on the most recent both endogenous and exogenous parameters. The outcome of the probability test as of September 30, 2024, supports the Group companies' ability to generate sufficient future taxable income to absorb the recoverability of their remaining DTAs.

The criteria used for the recognition of deferred tax assets can be summarised as follows:

- deferred tax assets correspond to the amounts of income tax that can be recovered in future years regarding temporary differences;
- the prerequisite for the recognition of deferred tax assets is that it is considered reasonably certain in view of corporate developments that taxable income will be generated against which the deductible temporary differences will be used.

Taxes were calculated by applying the tax rates established under current law in each country, using, only for doNext the additional IRES 3.5 basis-point tax envisaged for Italian credit and financial institutions (Italian Law no. 208 of December 28, 2015).
With regard to the calculation of the Italian IRAP (regional business tax) rate as at September 30, 2024, doValue meets the requirements for classification as a non-financial holding company. In accordance with that classification, doValue determines its tax base on the same basis as ordinary companies and takes account of the difference between the interest income and similar income and the interest expense and similar charges to the extent provided for under tax law, also applying the increased rate (of 5.57% unless otherwise provided by the individual regions) levied on credit and financial institutions.

Deferred tax assets

Breakdown

(€/000)

	9/30/2024	12/31/2023
Provisions recognised through Income Statement	**75,124**	**78,032**
Write-downs of loans	26,958	40,239
Tax losses carried forward	30,288	18,230
Provisions for risks and charges	2,486	2,658
Property, plant and equipment / intangible assets	9,644	12,021
Administrative expenses	2,392	1,504
Other assets / liabilities	3,356	3,380
Provisions recognised through Equity	**297**	**319**
Defined benefit plans	297	319
Total	**75,421**	**78,351**

Change

(€/000)

	Recognised through Income Statement	Recognised through Equity	Total 9/30/2024	Total 12/31/2023
Opening balance	**78,032**	**319**	**78,351**	**101,758**
Increases	**13,627**	**-**	**13,627**	**11,062**
Deferred tax assets recognised during the period	12,907	-	12,907	11,062
- In respect of previous periods	91	-	91	366
- Accruals	12,816	-	12,816	10,696
New taxes or increases in tax rates	1	-	1	-
Other changes	719	-	719	-
Decreases	**(16,535)**	**(22)**	**(16,557)**	**(34,469)**
Deferred tax assets derecognised during the period	(15,642)	-	(15,642)	(34,297)
- Reversals of temporary differences	(15,642)	-	(15,642)	(16,531)
- Writedowns of non-recoverable items	-	-	-	(17,766)
Other changes	(893)	(22)	(915)	(172)
Closing balance	**75,124**	**297**	**75,421**	**78,351**

Deferred tax liabilities

Breakdown

(€/000)

	9/30/2024	12/31/2023
Provisions recognised through Income Statement	**40,422**	**42,602**
Other assets / liabilities	40,975	43,155
Others	(553)	(553)
Provisions recognised through Equity	**21**	**21**
Defined benefit plans	21	21
Total	**40,443**	**42,623**

Change

(€/000)

	Recognised through Income Statement	Recognised through Equity	Total 9/30/2024	Total 12/31/2023
Opening balance	**42,602**	**21**	**42,623**	**51,003**
Increases	**393**	**-**	**393**	**1,429**
Deferred tax liabilities recognised during the period	393	-	393	1,429
- Accruals	393	-	393	1,429
Decreases	**(2,573)**	**-**	**(2,573)**	**(9,809)**
Deferred tax liabilities derecognised during the period	(2,573)	-	(2,573)	(9,809)
- Reversals of temporary differences	(2,188)	-	(2,188)	(4,900)
- Other	(385)	-	(385)	(4,909)
Closing balance	**40,422**	**21**	**40,443**	**42,623**

Deferred tax liabilities derive mainly from business combinations and, in particular, from the exercise of the Purchase Price Allocation (PPA) as an overall tax effect of the fair value adjustments made to the values of the entry to consolidation of the companies acquired, namely doValue Spain and doValue Greece, both determined on the basis of the definitive PPA.

NOTE 5 – OTHER ASSETS

The following table provides a breakdown of other current and non-current assets.

(€/000)

	9/30/2024	12/31/2023
Other non-current assets	**3,848**	**3,716**
Other current assets	**73,706**	**64,076**
Accrued income / prepaid expenses	3,070	2,268
Items for employees	1,110	696
Receivables for advances	57,608	43,130
Current receivables on taxes other than income tax	7,140	16,576
Other items	4,778	1,406
Total	**77,554**	**67,792**

The item shows an increase of €9.8 million, reaching €77.6 million, generated by the combined effect of a reduction in current receivables on taxes other than income tax, mainly attributable to the subsidiary doValue Greece, and an increase in receivables for advance from clients in the Hellenic Region, primarily due to strengthened legal recovery activities. Lastly, there is an increase in other items due to accrued and deferred costs directly attributable to the capital increase and the refinancing of the bonds linked to the Gardant acquisition, which are expected to be finalized in the fourth quarter. Once the transaction is recorded, these costs will be reclassified to equity.

Other non-current assets mainly consist of security deposits.

NOTE 6 – TRADE RECEIVABLES

(€/000)

	9/30/2024	12/31/2023
Receivables	**175,678**	**200,948**
Receivables accruing (Invoices to be issued)	150,756	151,452
Receivables for invoices issued but not collected	24,922	49,496
Provisions	**(1,134)**	**(1,104)**
Provisions for expected losses on receivables	(1,134)	(1,104)
Total	**174,544**	**199,844**

Trade receivables arise in respect of invoices issued and accruing revenues mainly connected with servicing activities and real estate services under mandate and therefore mainly relating to the revenue item "revenues from contracts with customers".
The item shows a reduction of €25.3 million compared to the balance as of December 31, 2023, driven by a significant decrease in invoices issued but not collected (€24.6 million); receivables accruing, however, remain essentially stable.

Provisions for expected future credit losses account for 0.6% of receivables.

NOTE 7 – TAX ASSETS AND TAX LIABILITIES

As at September 30, 2024, tax assets amounted to €4.5 million (€4.6 million at December 31, 2023) and include tax credits originating from Italian and Spanish companies.
Tax liabilities amount to 5.6 million (€10.5 million at December 31, 2023) and represent the payable to the tax authorities for taxes net of liquidations made in the period.

NOTE 8 - CASH AND CASH EQUIVALENTS

The balance of €90.5 million, with a decrease of €21.9 million compared with the €112.4 million reported as at December 31, 2023, represents the liquidity available at the end of the period. For information on the next evolution, please refer to the paragraph on the Net Financial Position in the Directors' interim Report on the Group.
For an analysis of changes in cash and cash equivalents, please refer to the Consolidated Cash Flow Statement.

NOTE 9 – ASSETS HELD FOR SALE AND RELATED LIABILITIES

The item essentially includes the assets measured at the lower of its cost, as the carrying amount, and the recoverable amount, which due to the decisions taken by the management meet the requirements for their classification in line with "IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations".
The table shows values related to the Group's full ownership of shares in Special Purpose Vehicles (SPVs) that are either in liquidation or intended for sale to third parties.
The data as of September 30, 2024, pertain to a SPV based in Italy; compared to the December 31, 2023, the amount related to two SPVs based in Spain has been fully written down.

(€/000)

	9/30/2024	12/31/2023
Non-current assets:		
Intangible assets	-	-
Property, plant and equipment	-	-
Investments in associates and joint ventures	-	-
Non-current financial assets	10	16
Deferred tax assets	-	-
Other non-current assets	-	-
Total non-current assets	**10**	**16**
Current assets:		
Inventories	-	-
Current financial assets	-	-
Trade receivables	-	-
Tax assets	-	-
Other current assets	-	-
Cash and cash equivalents	-	-
Total current assets	**-**	**-**
Total assets held for sale	**10**	**16**
Non-current liabilities:		
Loans and other financing	-	-
Other non-current financial liabilities	-	-
Employee benefits	-	-
Provisions for risks and charges	-	-
Deferred tax liabilities	-	-
Other non-current liabilities	-	-
Total non-current liabilities	**-**	**-**
Current liabilities:		
Loans and other financing	-	-
Other current financial liabilities	-	-
Trade payables	-	-
Tax liabilities	-	-
Other current liabilities	-	-
Total current liabilities	**-**	**-**
Total liabilities associated with assets held for sale	**-**	**-**

Liabilities and Equity

NOTE 10 – NET EQUITY

(€/000)

	9/30/2024	12/31/2023
Net Equity attributable to the Shareholders of the Parent Company	**57,371**	**53,031**
Share capital	41,280	41,280
Treasury shares	(9,347)	(6,095)
Valuation reserve	(4,317)	(2,830)
Other reserves	19,414	38,506
Profit (loss) for the period attributable to the Shareholders of the Parent Company	10,341	(17,830)
Net Equity attributable to Non-controlling interests	**57,755**	**51,660**
Total	**115,126**	**104,691**

As of September 30, 2024, the subscribed and paid-up **share capital** of the Parent Company amounted to €41.3 million, divided into 16,000,000 ordinary shares with no par value. In this regard, it should be noted that, starting from September 23, following the resolution adopted on September 11, 2024 by the extraordinary Shareholders' Meeting, the original 80,000,000 ordinary doValue shares underwent a reverse stock split into 16,000,000 ordinary shares on the basis of a ratio of 1 new share for every 5 existing shares, without changing their characteristics.

The following table shows the shares outstanding at the reporting date. For a consistent comparison, the data for the comparative period have been restated as if the above-mentioned reverse stock split had taken effect on January 1, 2023.

(no. of shares)	9/30/2024	12/31/2023 (*)
Ordinary shares issued	16,000,000	16,000,000
Treasury shares	(555,385)	(298,926)
Total shares outstanding	**15,444,615**	**15,701,074**

(*) Restated amounts following the reverse stock split

Treasury shares, shown as a direct reduction of Shareholders' Equity, amounted to €9.3 million, with an increase of €3.2 million, compared to €6.1 million in the previous year. As at September 30, 2024, the number of treasury shares is 3.47% of the number of issued ordinary shares.

Below are the details concerning the movement of treasury shares, which indicate an increase due to market acquisitions totalling 1,332,600 shares for a value of €3.4 million. Additionally, there is a decrease resulting from the exercise of 50,302 performance stock grants (with a value of €168 thousand), allocated by doValue to beneficiaries upon finalization of the incentive system, in accordance with the Remuneration Policy.
The reverse stock split described above is presented in the table as a single transaction, as it occurred after the purchase and sale movements.

(no. of treasury shares)	9/30/2024	12/31/2023
Opening balance	1,494,630	900,434
Purchases	1,332,600	667,400
Transfers due to exercise of performance stock grants	(50,302)	(73,204)
Reverse Stock Split	(2,221,543)	(1,195,704)
Closing balance	**555,385**	**298,926**

The **valuation reserve** as at September 30, 2024, amounted to a negative value of €4.3 million, (-€2.8 million as at December 31, 2023) and included the combined effect of the valuation of the severance indemnity pursuant to IAS 19 and that arising from the valuation of the Bidx1 equity.

Other reserves break down as follows:

(€/000)

	9/30/2024	12/31/2023
Reserves from allocation of profits or tax-suspended reserves	**26,094**	**26,076**
Legal reserve	8,256	8,256
Reserve art. 7 Law 218/90	2,304	2,304
Tax-suspended reserve from business combinations	2	2
Reserve from FTA IAS art. 7 par. 7 Lgs. Decree 38/2005	8,780	8,780
Reserve from FTA IAS IFRS 9	1,140	1,140
Reserve from retained earnings	(8,597)	(8,597)
Reserve from retained earnings - Share Based Payments	14,209	14,191
Other reserves	**(6,680)**	**12,430**
Extraordinary reserve	57,452	60,388
Reserve, Lgs. Decree no. 153/99	6,103	6,103
Legal reserve for distributed earnings	44	44
Reserve art. 7 Law 218/90	4,179	4,179
Reserve from business combinations	1,746	1,746
Share Based Payments Reserve	1,693	2,134
Consolidation reserve	(77,897)	(62,164)
Total	**19,414**	**38,506**

Overall, the item shows a decrease of €19.1 million due to the combination of the following main elements:

- a decrease of €2.9 million due to the 2023 fiscal year loss, which the Shareholders' Meeting on April 26, 2024, resolved to cover using the **extraordinary reserve**;
- an increase of €15.7 million in the negative consolidation reserve, primarily due to the 2023 results of the subsidiaries;
- a net reduction of €0.4 million in **Share-Based Payments** reserves accounted for under IFRS 2, resulting from the remuneration policy that provides for compensation in the form of shares to certain categories of managers (see Note 17 – for further details).

Shareholders' equity attributable to Non-controlling interests amounted to €57.8 million, including the profit (loss) for the period attributable to non-controlling interests of €6.1 million, and refers to the 20% stake in doValue Greece held by Eurobank.

NOTE 11 – LOANS AND OTHER FINANCING

(€/000)

	Interest Rate %	Due Date	9/30/2024	12/31/2023
Non-current loans and other financing			**294,041**	**552,861**
Bond 2020	5%	8/4/2025	-	259,601
Bond 2021	3,375%	7/31/2026	294,041	293,260
Current loans and other financing			**290,977**	**35,169**
Bank loans	Euribor3m+1,8%	12 months	25,516	25,506
Bond 2020	5%	2/1/2025	263,796	5,500
Bond 2021	3,375%	1/31/2025	1,665	4,163
Total			**585,018**	**588,030**

The balance of loans and other financing as at September 30, 2024, includes the residual debt values at amortised cost of the following **bonds** (current and non-current portions):

- €263.8 million for the guaranteed senior bond loan issued on August 4, 2020, maturing in 2025, at the annual rate of 5% for a principal of €264.0 million (€265.0 million at issue), reduced in 2023 by €1.0 million due to the partial repurchase ("bond buy-back) by the Parent Company of its own debt securities. The liquidity deriving from this bond loan had been used to repay the bridge loan in the context of the acquisition of doValue Greece;

- €295.7 million for the guaranteed senior bond loan issued on July 22, 2021, maturing in 2026, at the annual fixed rate of 3.375%, for a principal amount of €296.0 million (€300.0 million at issue), reduced in 2023 by €4.0 million due to the partial repurchase ("bond buy-back) by the Parent Company of its own debt securities. The bond was used to repay the Facility Loan concluded to finance the purchase of the interest in doValue Spain and to refinance the pre-existing debt of the same investee.

The bonds were reserved for qualified investors and are listed on the Euro MTF multilateral trading system of the Luxembourg Stock Exchange.
The **bank loan** component includes €25.5 million relating almost completely to the use of a revolving credit line with a 12-month maturity aimed at temporary liquidity needs in the Hellenic Region.

It should be noted that both the bonds and the bank loan include certain covenants, which were met as of September 30, 2024. For further details, please refer to the section "Information on risks and risk management policies - Capital management."

NOTE 12 – OTHER FINANCIAL LIABILITIES

(€/000)

	9/30/2024	12/31/2023
Other non-current financial liabilities	**44,572**	**50,301**
Lease liabilities	22,588	29,795
Earn-out	21,984	20,506
Other current financial liabilities	**24,195**	**46,239**
Lease liabilities	12,195	11,704
Earn-out	12,000	34,162
Others	-	373
Total	**68,767**	**96,540**

Lease liabilities, split into current and non-current components, represent the recognition of the current value of the remaining lease payments following the introduction of IFRS 16. Please see Note 18 for information on changes in lease liabilities during the year.
The **Earn-out** liability recorded in the amount of €22.0 million under other non-current financial liabilities as well as €12.0 million under the current portion, relates to the debt arising from the acquisition of doValue Greece linked to the achievement of certain EBITDA targets over a ten-year period. By the end of 2024, an agreement will be finalized with the seller regarding the payment schedule and any potential adjustments to the amount due for the current portion.
During the period, following the resolution of the arbitration in Spain, the Earn-out debt related to the acquisition of doValue Spain was settled, totaling €22.4 million, including interest expenses for late payment amounting to €4.8 million (for more details, refer to the "Operational Risks – Legal and Tax Risks" section as well as the Significant Events section of the Directors' Interim Report on the Group).

Net financial indebtedness

The net financial indebtedness is reported in compliance with Guideline No. 39 issued on March 4, 2021 by ESMA and with warning notice No. 5/2021 issued on April 29, 2021 by CONSOB, which replaced the references to the CESR Recommendations of February 10, 2005, "Recommendations for the Consistent Implementation of the European Commission's Prospectus Regulation" and those in Communication No. DEM/6064293 of July 28, 2006, regarding the net financial position.
The comparative data as of December 31, 2023, has been restated according to the ESMA scheme mentioned above, replacing the format used in the 2023 Consolidated Annual Financial Report, which was compliant with the CESR Recommendations of February 10, 2005.

(€/000)

Note			9/30/2024	12/31/2023
8	A	Cash	90,509	112,376
	B	Cash equivalents	-	-
	C	Other current financial assets	-	-
	D	**Liquidity (A)+(B)+(C)**	**90,509**	**112,376**
11	E	Current financial debt (including debt instruments)	(289,312)	(25,879)
11, 12	F	Current portion of non-current financial debt	(25,860)	(55,529)
	G	**Current financial indebtedness (E)+(F)**	**(315,172)**	**(81,408)**
	H	**Net current financial indebtedness (G)+(D)**	**(224,663)**	**30,968**
11	I	Non-current financial debt (excluding current portion and debt instruments)	(44,572)	(50,301)
11	J	Debt instruments	(294,041)	(552,861)
	K	Non-current trade and other payables	-	-
	L	**Non-current financial indebtedness (I)+(J)+(K)**	**(338,613)**	**(603,162)**
	M	**Total financial indebtedness (H)+(L)**	**(563,276)**	**(572,194)**

Below is a reconciliation between the financial indebtedness according to the ESMA scheme presented above and the net financial position prepared according to the representation criteria of the doValue Group and included in the Directors' Interim Report on the Group.

(€/000)

		9/30/2024	12/31/2023
A	**Net financial indebtedness (as per ESMA Guideline)**	**(563,276)**	**(572,194)**
	Other current financial liabilities (Note 12)	24,195	46,239
	Non-current financial debt (excluding current portion and debt instruments)	44,572	50,301
B	**Items excluded from the Net financial position**	**68,767**	**96,540**
C	**Net financial position (A)+(B)**	**(494,509)**	**(475,654)**

NOTE 13 – EMPLOYEE BENEFITS

Within the Group, there are defined-benefit plans, or plans for which the benefit is linked to the salary and seniority of the employee.
The defined-benefit plans of the Italian companies mainly include "post-employment benefits" in accordance with applicable regulations, as well as other provisions of a contractual nature. For Greece, there is a defined-benefit plan on a mandatory basis.
In accordance with IAS 19, the obligations of defined-benefit plans are determined using the "Projected Unit Credit" method. This method envisages that the present value of the benefits accrued by each participant in the plan during the year is recognised as an operating cost, considering both future salary increases and the benefit allocation formula. The total benefit that the participant expects to acquire at the retirement date is divided into units, associated on the one hand with the seniority accrued at the valuation date and on the other with the expected future seniority until retirement.

Employee benefits restated for the application of IAS 19 changed as follows during the period.

(€/000)

	9/30/2024	12/31/2023
Opening balance	**8,412**	**9,107**
Increases	**490**	**2,693**
Provisions for the period	491	2,636
Other changes	(1)	57
Decreases	**(755)**	**(3,388)**
Benefits paid	(663)	(3,188)
Other changes	(92)	(200)
Closing balance	**8,147**	**8,412**

Overall, this item shows a 3% reduction compared to December 31, 2023.

NOTE 14 – PROVISIONS FOR RISKS AND CHARGES

(€/000)

	Funds against the item "Provisions for risk and charges" of the income statement			Funds against other items of the income statement				
	Legal disputes	Out-of-court disputes and other provisions	Total funds against the item "Provisions for risk and charges" of the income statement	Potential liabilities for employee	Other	Total funds against other items of the income statement	Total 9/30/2024	Total 12/31/2023
Opening balance	**7,015**	**8,659**	**15,674**	**722**	**9,960**	**10,682**	**26,356**	**37,655**
Increases	**3,242**	**1,593**	**4,835**	**53**	**2,246**	**2,299**	**7,134**	**6,977**
Provisions for the period	3,136	1,458	**4,594**	36	2,246	**2,282**	**6,876**	**6,187**
Changes due to the passage of time and changes in the discount rate	7	67	**74**	17	-	**17**	**91**	**409**
Other changes	99	68	**167**	-	-	**-**	**167**	**381**
Decreases	**(2,038)**	**(1,646)**	**(3,684)**	**(152)**	**(3,203)**	**(3,355)**	**(7,039)**	**(18,276)**
Reallocations of the period	(688)	(721)	**(1,409)**	-	-	**-**	**(1,409)**	**(8,219)**
Utilisation for payment	(1,282)	(821)	**(2,103)**	(14)	(3,203)	**(3,217)**	**(5,320)**	**(8,367)**
Other changes	(68)	(104)	**(172)**	(138)	-	**(138)**	**(310)**	**(1,690)**
Closing balance	**8,219**	**8,606**	**16,825**	**623**	**9,003**	**9,626**	**26,451**	**26,356**

The **legal disputes** item, with the corresponding economic impact reflected in the "provisions for risks and charges" account, primarily includes the provision for risks related to passive legal disputes arising from the Group's core activities, showing a reduction of €1.2 million compared to December 31, 2023, due to the combined effect of releases for the settlement of certain lawsuits, payments, and provisions for new disputes.
The item for **out-of-court disputes and other provisions** shows a balance of €8.6 million, which is essentially in line with the balance as of December 31, 2023, and primarily includes provisions for risks for which no legal actions have been currently initiated.
The item for **potential liabilities for employees** includes provisions recorded to cover potential bonuses that are not tied to determinable quantification mechanisms.
The **other** component, which falls within the funds against other items of the income statement, decreased from €10.0 million to €9.0 million due to provisions and payments for the nine-month's portion of variable consideration associated to a specific type of fee (the so-called "Curing Fee"), in accordance with the accounting standard IFRS 15, resulting in a net effect of -€1.0 million.

NOTE 15 – TRADE PAYABLES

(€/000)

	9/30/2024	12/31/2023
Payables to suppliers for invoices to be received	30,727	48,245
Payables to suppliers for invoices to be paid	32,482	37,138
Total	**63,209**	**85,383**

As of September 30, 2024, the data shows a 26% decrease, amounting to €22.2 million, compared to the balance as of December 31, 2023, due to a reduction in payables for invoices to be received as well as in payables for invoices to be paid.

NOTE 16 – OTHER LIABILITIES

(€/000)

	9/30/2024	12/31/2023
Other non-current liabilities	**8,407**	**9,087**
Amounts to be paid to third parties	8,267	8,812
Deferral of government grants related to assets	140	275
Other current liabilities	**39,942**	**59,906**
Amounts to be paid to third parties	285	4,411
Amounts due to personnel	18,725	22,139
o.w. employees	*18,254*	*21,780*
o.w. members of Board of Directors and Auditors	*471*	*359*
Amounts due to pension and social security institutions	4,218	6,047
Current payables on taxes other than income tax	10,752	11,938
Items being processed	970	1,484
Deferral of government grants related to assets	227	426
Other accrued expenses / deferred income	4,618	13,313
Other items	147	148
Total	**48,349**	**68,993**

As of September 30, 2024, this item amounted to €48.3 million compared to €69.0 million in 2023, with an overall decrease of €20.6 million.

With regard to **other non-current liabilities**, the main component "amounts to be paid to third parties" includes for €5.4 million to the liability towards Eurobank linked to the "advance compensation commission", subject to certain performance conditions, received by the Group in connection with the securitisation of the Mexico portfolio. The item includes also €2.9 million for the liability related to the acquisition of software under medium-long-term contracts in Italy and Greece.

The **other current liabilities** item shows an overall decrease of €20.0 million, primarily originating from the category "other accrued expenses / deferred income" which has decreased by €8.7 million due to the gradual release of the deferral on the advance payment of servicing fees for the Hellenic Region.
The remaining categories also show a decreasing trend, notably the overall reduction in "amounts due to personnel" and "amounts due to pension and social security institutions" (-€5.2 million), the category "amounts to be paid to third parties" (-€4.1 million), and "current payables on taxes other than income tax" (-€1.2 million).

NOTE 17 – SHARE-BASED PAYMENTS

The Shareholders' Meeting of doValue on April 26, 2024, approved the Report on the Remuneration policy 2024 and remuneration paid in 2023.
The Remuneration Policy is based on the 2024-2026 timeframe, in line with the three-year Industrial Plan approved on March 20, 2024. This alignment ensures a high level of consistency across the entire Governance system and aligns the compensation structure of the Chief Executive Officer (hereinafter, "CEO") and other Executives with Strategic Responsibilities (hereinafter, "DIRs") with long-term objectives.

The new 2024-2026 Remuneration Policy highlights the following changes:

- a new remuneration structure for the CEO, which oversees a revision of fixed and variable remuneration and the inclusion among the beneficiaries of the third and last cycle (2024-2026) of the 2022-2024 Long Term Incentive (hereinafter "LTI") Plan;
- a review of the Pay-Mix of the CEO and DIRS which includes:
  - for the Group Chief Executive Officer (Group CEO), a maximum of 100% of fix remuneration as the short-term variable component ("STI") and a maximum of 160% of fix remuneration as LTI Plan;
  - for other DIRs, the alignment of the short-term variable component with the long-term variable component (up to a maximum of 100% of fix remuneration as STI and up to a maximum of 100% of fix remuneration as LTI);
- a review of the CEO and DIRs MBO scorecards, increasing the weight of financial KPIs in line with market practice;
- the disclosure on the KPIs linked to the third and final 2024-2026 cycle of the 2022-2024 LTI Plan.

The LTI plan grants beneficiaries (Chief Executive Officer, DIRS and Key Resources) the right to receive on a 3 year rolling cycle, free doValue's shares if a given set of performance conditions is achieved at the end of the vesting period. This plan includes an entry gate linked to Group profitability.
The 2024-2026 cycle of the LTI is linked to objectives of economic sustainability and financial growth, share price appreciation, revenue growth, and ESG.
For the shares allocated to DIRs, provision is made for a 1-year retention period ("lock-up") for 50% of the shares accrued, while for the Chief Executive Officer, this period corresponds to 2 years.

The reference price for calculating the number of shares to be assigned at the end of each period as the value of the LTI plan, is determined by using the average of the closing prices in the 3 months prior to the day on which the Board of Directors approves each cycle.
After the payment of the variable compensation, doValue reserves the right, within 5 years from the date of assignment of the variable compensation, to ask the beneficiary to return the bonus ("clawback"), in specific cases of fraudulent behavior or gross negligence, violation of laws or of the Code of Ethics and company rules, or the attribution of a bonus on the basis of data which subsequently turns out to be manifestly incorrect or intentionally altered. The malus condition is also applicable if one of the clawback clauses occurs during the performance period.

The Group uses treasury shares for these remuneration plans.

The amount recognised in the income statement for the first nine months of 2024 amounted to €176 thousand, with a corresponding amount reflected in a specific equity reserve.

For more details on the mechanisms and terms of attribution of the shares, please refer to the information documentation published on the internet website of the doValue Group www.doValue.it ("Governance/Remuneration" section).

NOTE 18 – LEASES

The Group entered into lease contracts in place for buildings, electronic equipment (hardware) and cars, which are classified as "other tangible assets" and are used for operations or assigned to employees.
The property leases generally have an original term ranging from a minimum of 4 to a maximum of 7 years, those referring to hardware 8 years, while the vehicle leases generally have an original term of 4 years.
The liabilities in respect of these lease contracts are secured by the lessors' ownership of the leased assets.
In general, the Group cannot sublet its leased assets to third parties. Most of the leases include renewal or cancellation options typical of property leases, while none envisage variable payments.
The following table reports the carrying amounts of right-of-use assets and changes in the period:

(€/000)

	Buildings	Electronic system	Other tangible assets	Total 9/30/2024	Total 12/31/2023
Opening balance	**28,808**	**10,062**	**2,692**	**41,562**	**50,650**
Increases	**662**	**4,013**	**1,906**	**6,581**	**5,946**
Purchases	560	4,013	1,782	6,355	4,725
Other changes	102	-	124	226	1,221
Decreases	**(6,938)**	**(3,679)**	**(1,472)**	**(12,089)**	**(15,034)**
Amortisation	(6,633)	(3,126)	(1,009)	(10,768)	(14,323)
Other changes	(305)	(553)	(463)	(1,321)	(711)
Closing balance	**22,532**	**10,396**	**3,126**	**36,054**	**41,562**

Information is provided below on the carrying amounts of the lease liabilities (included in the item "Other financial liabilities") and their changes in the period:

(€/000)

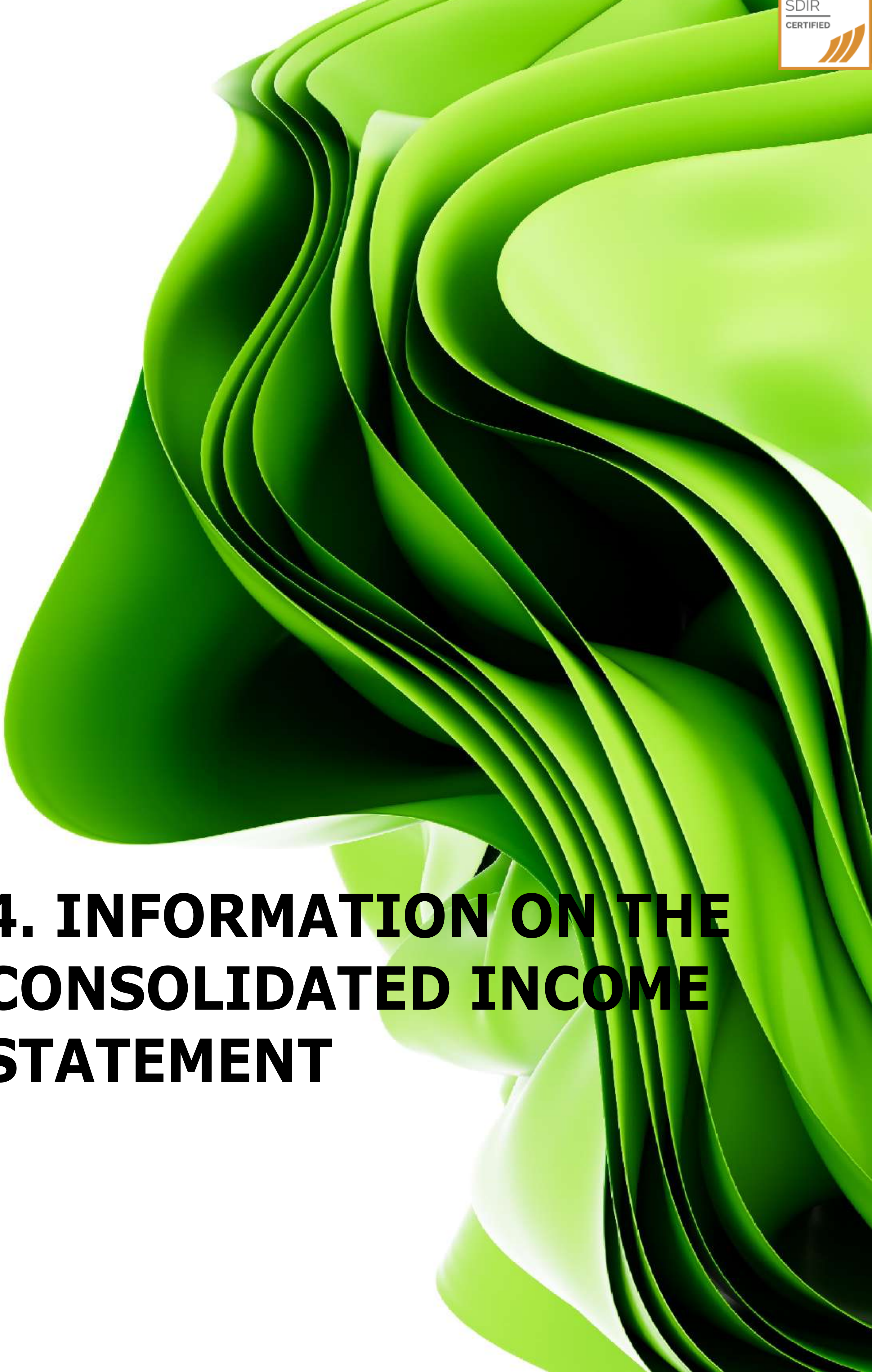
	9/30/2024	12/31/2023
Opening balance	**41,499**	**49,938**
Increases	**7,280**	**7,788**
New liabilities	6,191	3,361
Financial expenses	1,021	1,298
Other changes	68	3,129
Decreases	**(13,996)**	**(16,227)**
Payments	(12,732)	(15,928)
Other changes	(1,264)	(299)
Closing balance	**34,783**	**41,499**
o.w.: Non-current lease liabilities	22,588	29,795
o.w.: Current lease liabilities	12,195	11,704

The increases, amounting to €7.3 million, mainly pertain to the category of electronic system and other tangible assets, which primarily include company cars.

The amounts recognised in profit or loss are provided in the following table:

(€/000)

	9/30/2024	9/30/2023
Amortisation of right-of-use assets	(10,768)	(10,749)
Financial expenses from lease liabilities	(1,021)	(1,049)
Total	**(11,789)**	**(11,798)**



4. INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

NOTE 19 – REVENUE FROM CONTRACTS WITH CUSTOMERS

(€/000)

	9/30/2024	9/30/2023
Servicing services	126,904	129,252
Servicing for securitisations	131,872	138,799
REO services	21,837	29,707
Total	**280,613**	**297,758**

The item as a whole decreased by 6% compared to the first nine months of the previous year.
This result is due to lower revenues recorded in all components: **servicing services** (-2%), **REO services** (-26%), and **servicing for securitisation** (-5%).
This contraction, in line with the Group's expectations, is the result of the worsening macroeconomic conditions that are affecting the market.

At the geographical level, a negative difference is reported between the two periods under comparison in both the Hellenic Region, mainly due to the deferral of certain disposal revenues into the fourth quarter, and the Iberian Region, primarily in REO services due to pressure on real estate prices. In contrast, revenues in Italy show substantial stability.

Performance obligations

Servicing services under mandate and for securitisation transactions
The servicing services include the administration, management and recovery of loans utilising in-court and out-of-court recovery processes on behalf and under the mandate of third parties for portfolios mainly consisting of non-performing loans.
These services normally include a performance obligation that is fulfilled over time: in fact, the customer simultaneously receives and uses the benefits of the recovery service and the service provided improves the credit that the customer controls.
For the recognition of revenues, the Group applies a valuation method based on the outputs represented by both the assets managed and the collections on each position under mandate, so as to recognise revenues for an amount equal to that for which it has the right to invoice the customer.
The Group, following a more precise interpretation of some clauses provided for in the Service Level Agreement signed between doValue Greece and Eurobank connected to a particular type of fee ("Curing Fee") and in application of the provisions of the IFRS15 accounting standard relating to variable fees, has aligned the relative method of recording revenues, which sees as a counterpart the establishment of a specific provision for risks and charges against possible penalties on stock and flow restructured portfolios.

Real estate services under mandate
This involves the management of real estate assets on behalf of and under the mandate of third parties, including the management of real estate guarantees as well as the development and management of the properties subject to mandate. As with the servicing services mentioned above, there is an obligation to perform over time because the customer receives and simultaneously uses the benefits of the property management and/or sale service.
For revenue recognition, the Group applies a valuation method based on the outputs of property management activities and sales on each managed position, so as to recognise revenues for an amount equal to that for which it has the right to invoice the customer.
The breakdown of revenue from contracts with Group customers is shown below:

(€/000)

First Nine Months 2024	Italy	Hellenic Region	Iberia	Infrasector	Group
Servicing services	23,905	77,898	30,782	(5,681)	**126,904**
Servicing for securitisations	65,154	66,718	-	-	**131,872**
REO services	-	7,751	16,140	(2,054)	**21,837**
Total revenue	**89,059**	**152,367**	**46,922**	**(7,735)**	**280,613**

First Nine Months 2023	Italy	Hellenic Region	Iberia	Infrasector	Group
Servicing services	15,392	86,820	35,033	(7,993)	**129,252**
Servicing for securitisations	73,989	64,810	-	-	**138,799**
REO services	-	7,338	25,915	(3,546)	**29,707**
Total revenue	**89,381**	**158,968**	**60,948**	**(3,375)**	**297,758**

NOTE 20 – OTHER REVENUES

(€/000)

	9/30/2024	9/30/2023
Administrative Servicing/Corporate Services Provider	16,595	14,284
Information services	7,215	5,164
Recovery of expenses	2,885	1,646
Due diligence & Advisory	1,783	3,751
Ancillary REO services	312	2,483
Other revenues	8,636	11,572
Total	**37,426**	**38,900**

This item shows a 4% decrease compared to the first nine months of 2023, as a result of a deterioration recorded in the **due diligence & advisory**, **ancillary REO services** and **other revenues** (overall -40%), not offset by the increase in the remaining categories listed in the table.

NOTE 21 – COSTS FOR SERVICES RENDERED

(€/000)

	9/30/2024	9/30/2023
Costs related to Assets Under Management	(8,483)	(10,979)
Brokerage fees	(6,743)	(7,355)
Costs for services	(164)	-
Total	**(15,390)**	**(18,334)**

The item, which includes the fees of the recovery network, shows a reduction compared to the first nine months of the previous year (-16%) also due to the decrease in revenue from contracts with customers as mentioned in Note 19 above.
The remuneration mechanism of the external network, directly related to revenues, combined with the flexibility of the collaboration agreements, allows the Group to reduce these direct costs to protect its margins in cyclical phases of business slowdown.

NOTE 22 – PERSONNEL EXPENSES

(€/000)

	9/30/2024	9/30/2023
Payroll employees	(145,651)	(153,267)
Members of Board of Directors and Board of Statutory Auditors	(1,972)	4,099
Other personnel	(6,055)	(5,870)
Total	**(153,678)**	**(155,038)**

Average number of employees by category

	9/30/2024	9/30/2023
Payroll employees	**2,801**	**2,889**
a) Executives	89	111
b) Managers	898	920
c) Other employees	1,814	1,858
Other staff	**293**	**250**
Total	**3,094**	**3,139**

The item shows a 1% reduction compared to the same period last year: specifically, there is a 5% reduction in the **payroll employees**, while the analysis of the **members of Board of Directors and Board of Statutory Auditors** component must consider the positive effect of 2023 due to the release of provisions for deferred variable compensation in favor of the former Chief Executive Officer. The **other employees** component, which mainly includes temporary agency work, records a 3% increase.

Personnel expenses include charges related to exit incentives totalling €10.3 million, of which €6.1 million only in Iberia.
Regarding the breakdown of the cost for employee benefits included in this item, please refer to Note 13 – Employee benefits.

NOTE 23 – ADMINISTRATIVE EXPENSES

(€/000)

	9/30/2024	9/30/2023
External consultants	(22,646)	(15,354)
Information Technology	(25,203)	(25,514)
Administrative and logistical services	(10,810)	(9,145)
Building maintenance and security	(1,983)	(1,826)
Insurance	(1,180)	(1,638)
Indirect taxes and duties	(1,319)	(1,566)
Postal services, office supplies	(265)	(415)
Indirect personnel expenses	(1,217)	(1,333)
Debt collection	(754)	(929)
Utilities	(1,694)	(1,953)
Advertising and marketing	(2,543)	(3,212)
Other expenses	(389)	(424)
Total	**(70,003)**	**(63,309)**

Overall, the item shows a 11% increase compared to the same period of the previous year. This trend is mainly driven by higher costs for **external consultants** and, to a lesser extent, for **administrative and logistical services**, while there are spending reductions for almost all other components, particularly for **insurance**, **indirect taxes and duties**, **utilities**, **advertising and marketing**, which partially offset the highlighted increases.

NOTE 24 – OTHER OPERATING (EXPENSE)/INCOME

(€/000)

	9/30/2024	9/30/2023
Recovery of expenses	6	-
Government grants	334	281
Reductions in assets	(265)	(116)
Other expenses	(172)	(98)
Other income	756	1,661
Total	**659**	**1,728**

The item shows a positive balance of €0.7 million for the period, compared to a same positive balance of €1.7 million in the same period last year.

NOTE 25 – DEPRECIATION, AMORTISATION AND IMPAIRMENT

(€/000)

	9/30/2024	9/30/2023 Restated
Intangible assets	**(30,498)**	**(64,044)**
Amortisation	(30,498)	(34,626)
Impairment	-	(29,418)
o.w. Impairment on goodwill	-	(12,530)
Property, plant and equipment	**(12,508)**	**(12,635)**
Amortisation	(12,508)	(12,635)
Financial assets measured at amortised cost	**2**	**829**
Writedowns	(14)	(324)
Writebacks	16	1,153
Trade receivables	**101**	**245**
Writedowns	(32)	(38)
Writebacks	133	283
Other assets	**-**	**262**
Writebacks	-	262
Total	**(42,903)**	**(75,343)**

The item shows a 43% reduction compared to the same period of the previous year.
Specifically, the **intangible assets** component includes the amortization portion reflecting the amortization curves of long-term contracts based on the respective business plans.
The period reduction of the component (-€4.1 million) is linked to the different margins on SLAs, particularly in the Hellenic region. Furthermore, unlike the previous year, this period does not include the negative impact of impairment losses, which in the prior period resulted in a €14.7 million write-down of the Santander SLA, €1.7 million for the brand attributable to the subsidiary doValue Spain, and €12.5 million related to the goodwill of the "Iberia" CGU.

The **property, plant, and equipment** category includes the effects of IFRS 16 for amortization on right-of-use assets, which amounted to €10.8 million in the first nine months of 2024 (€10.7 million also in the first nine months of 2023).

NOTE 26 – PROVISIONS FOR RISKS AND CHARGES

(€/000)

	9/30/2024			9/30/2023 Restated		
	Provisions	Reallocations	Total	Provisions	Reallocations	Total
Legal disputes	(3,143)	688	**(2,455)**	(2,527)	97	**(2,430)**
o.w. Employee disputes	*(664)*	*12*	***(652)***	(36)	18	***(18)***
Out-of-court disputes and other risk provisions	(1,525)	721	**(804)**	(2,410)	3,276	**866**
Total	**(4,668)**	**1,409**	**(3,259)**	**(4,937)**	**3,373**	**(1,564)**

The item, whose net negative balance reflects a worseing of €1.7 million compared to the first nine months of 2023, consists of operational changes in provisions for legal disputes, out-of-court settlements, and other risk provisions, set aside to fulfil legal and contractual obligations that are anticipated to require the use of economic resources in subsequent periods.
As at September 30, 2024, the item showed a negative balance of €3.3 million (-€1.6 million as at September 30, 2023), due to the combined effect of the releases for provisions of previous years that are no longer needed and prudential provisions relating to both legal disputes and operational risks and other charges.

NOTE 27 – FINANCIAL (EXPENSE)/INCOME

(€/000)

	9/30/2024	9/30/2023
Financial income	**5,192**	**2,836**
Income from financial assets measured at fair value through P&L	1,025	1,064
Income from financial assets measured at amortised cost	1,462	1,307
Income from financial liabilities measured at amortised cost	-	454
Other financial income	2,705	11
Financial expense	**(24,351)**	**(26,766)**
Expense from financial liabilities measured at amortised cost	(20,173)	(20,121)
Other financial expenses	(4,178)	(6,645)
Net change of other financial assets and liabilities measured at fair value through P&L	**167**	**2,995**
Financial assets - o.w.: debt securities	(457)	2,716
Financial assets - o.w.: units in collective investment undertakings	640	577
Financial assets - o.w.: non-hedging derivatives	(16)	(298)
Total	**(18,992)**	**(20,935)**

Financial income amounts to €5.2 million and derives from accrued income on ABS securities in the portfolio (€1.0 million), interest on fixed-term deposits (€1.5 million), and, under "other financial income" the income related to the interest portion (€2.7 million) resulting from the settlement of the arbitration in Spain totaling €22.7 million (for more details, refer to the "Operational Risks – Legal and Tax Risks" section and the significant events occurred during the period in the Directors' Interim Report on the Group).
The **Financial expense** item (€24.4 million) includes accrued interest on the 2020 and 2021 bonds outstanding, while the "other financial expenses" component mainly includes interest calculated under IFRS 16 (€1.0 million), €1.7 million of time value related to the Earn-out for the acquisition of doValue Greece, and €1.1 million of interest on the credit line of the Greek company doValue Greece.
The **Net change pf other financial assets and liabilities measured at fair value through P&L** is primarily attributable to the fair value delta of portfolio notes as well as of the OICR units. Compared to the same period in the previous year, which recorded a positive balance due to the valuation of Cairo notes, in the current period the fair value delta of debt securities is negative across all portfolio notes.

NOTE 28 – PROFIT (LOSS) FROM EQUITY INVESTMENTS

As of September 30, 2024, the balance of the item is negative by €3.0 million, arising from the disposal outside the Group of the Portuguese companies, doValue Portugal and its subsidiary Zarco, completed in July 2024.

NOTE 29 – INCOME TAX EXPENSE

Every country in which the doValue Group operates has an independent tax system in which the determination of the tax base, the level of the tax rates, the nature, the type and the timing of the formal obligations differ from one another.
For the reporting period and with reference to the countries in which the Group operates, the income tax of the companies is established at a nominal rate of 25% in Spain, 21% in Portugal (to which a "Municipal Surtax" of 1.5% is added and an additional "State surtax" of 3%, 5% or 9% depending on the disposable income bracket), 22% in Greece and 12.5% in Cyprus.
In Italy, the standard corporate income tax rate (IRES) is 24%, to which a surcharge of 3.5% is added, applicable exclusively to banks and financial institutions (Italian Law no. 208 of December 28, 2015), which applies to the subsidiary doNext.

In addition to IRES, in Italy, IRAP (regional business tax) must be added. As at September 30, 2024, in order to determine the IRAP rate of the Parent Company doValue, maintenance of the requirements of non-financial equity holding was verified, with the subsequent extension of the tax base also to financial charges and income and the application of the rate envisaged for banks of 5.57% unless otherwise provided by the individual regions.

(€/000)

	9/30/2024	**9/30/2023 Restated**
Current tax	(14,773)	(18,204)
Adjustment to current tax of prior years	229	(129)
(Expense)/income related to tax disputes	20,018	(931)
Changes to deferred tax assets	(2,733)	(18,708)
Changes to deferred tax liabilities	2,180	8,175
Total	**4,921**	**(29,797)**

Income taxes are positive at €4.9 million due to the presence of €20.0 million in the **(expense)/income related to tax disputes** category, as part of the total €22.7 million resulting from the settlement of the arbitration in Spain (for more details, refer to the "Operational Risks – Legal and Tax Risks" section and the significant events occurred during the period in the Directors' Interim Report on the Group).

Compared to the same period of the previous year, the balance for the period also benefits from the absence of deferred tax asset write-downs related to the Iberian region, which had negatively impacted the comparative figure by €14.5 million, in addition to a €4.1 million reduction in deferred tax liabilities following the write-down of intangible assets of doValue Spain.

NOTE 30 – EARNINGS PER SHARE

(€/000)

	9/30/2024	**9/30/2023 Restated**
Profit (loss) for the period attributable to the Shareholders of the Parent Company [A]	**10,341**	**(25,667)**
Weighted average number of shares outstanding for the purposes of calculation of profit (loss) per share		
basic [B]	15,462,941	15,827,664
diluted [C]	15,462,941	15,827,664
Earnings (loss) per share (in euro)		
basic [A/B]	0.67	(1.62)
diluted [A/C]	0.67	(1.62)

The basic earnings per share are calculated by comparing the economic result attributable to holders of ordinary equity instruments of the Parent Company doValue to the weighted average number of shares outstanding, net of treasury shares.
This denominator was impacted by the reverse stock split that took place on September 23, based on a ratio of 1 new share for every 5 existing shares, which resulted in the consolidation of the original 80,000,000 ordinary shares into 16,000,000 shares with the same characteristics (for further details, refer to Note 10). The weighted average number of shares outstanding for the comparative period was therefore recalculated in accordance with IAS 33 to ensure a consistent comparison between the two periods.
Diluted earnings per share are equal to the basic earnings as there are no other categories of shares other than ordinary shares and there are no instruments convertible into shares.

5. INFORMATION ON RISKS AND RISK MANAGEMENT POLICIES

INTRODUCTION

The doValue Group, in line with the regulations that apply to it and applicable best practices, has an Internal Control System that is composed of instruments, organisational structures, company rules and regulations targeted at allowing, through an adequate process of company risk identification, measurement, management and monitoring, a sound, correct company management consistent with the pre-established performance targets and protection of company assets as a whole.
The Group Internal Control System is based on control bodies and departments, information flows and mechanisms to involve the applicable parties and Group governance mechanisms. More specifically, the Group has structured its internal control organisational model by aiming to ensure integration and coordination between the actors within the Internal Control System, in compliance with the principles of integration, proportionality and cost-effectiveness, as well as ensuring reliability, accuracy, trustworthiness and timeliness of financial information.

Financial risks

CREDIT RISK

Credit risk is the risk that a counterparty will not fulfil its obligations linked to a financial instrument or a commercial contract, therefore leading to a financial loss. This risk mainly derives from economic and financial factors, or from the possibility of a default situation of a counterparty.
The Group is exposed to credit risk deriving mainly from its operating activities, i.e. from trade receivables and, to a lesser extent, from its financing activities, deposits with leading banks and financial institutions and other financial instruments, as well as reduced non-performing positions owned.
Trade receivables, which are at very short term and are settled with payment of the related invoice, are essentially attributable to servicing contracts under which the Group companies accrue receivables in respect of their counterparties, who may default due to insolvency, economic events, liquidity shortages, operational deficiencies or other reasons.
In order to limit this risk, the Group monitors the positions of individual customers, analyses expected and actual cash flows in order to promptly undertake any recovery actions.
Pursuant to IFRS 9, at each reporting date, these receivables are subject to an assessment aimed at verifying whether there is evidence that the carrying amount of the assets cannot be fully recovered.
As at September 30, 2024, the main trade counterparties were represented by banks and important Investors with high credit standing and Vehicle Companies established pursuant to the provisions of Italian Law 130/1999.
For a quantitative analysis, please see the Note on trade receivables.
With regard to individual non-performing positions, which concern a marginal number of positions acquired over time, the procedures and tools supporting the activity of the workout units always enable position managers to prepare accurate forecasts of the amounts and timing of expected recoveries on the individual relationships in accordance with the state of progress in the recovery management process. These analytical evaluations take account of all the elements objectively connected with the counterparty and are in any case conducted by the position managers in compliance with the principle of sound and prudent management.

As regards the credit risk relating to relations with banks and financial institutions, the Group only uses partners with a high credit standing.

LIQUIDITY RISK

The liquidity risk is manifested as the inability to raise, an economically sustainable manner, the financial resources necessary for the Group’s operations.
The two main factors that determine the Group’s liquidity situation are, on the one hand, the resources generated or absorbed by operating and investment activities and, on the other, the expiry and renewal characteristics of the debt or liquidity of financial investments and market conditions.
The Group has adopted a series of policies and processes to optimise the management of financial resources, thereby reducing liquidity risk.
The Parent Company doValue identifies and monitors liquidity risk on a current and forward-looking basis. In particular, the prospective assessment takes account of probable developments in the cash flows connected with the Group’s business.
One of the main instruments for mitigating liquidity risk is the holding of reserves of liquid assets and revolving credit lines. The liquidity buffer represents the amount of liquid assets held by the Group and readily usable under stress conditions and deemed appropriate in relation to the risk tolerance threshold specified (current account balances and short-term time deposits readily convertible with leading banks).
In order to ensure efficient liquidity management, treasury activities are largely centralised at the Parent Company level, with liquidity needs being met primarily from cash flows generated by the ordinary course of business and any surpluses being managed appropriately.

The Group expects to meet its requirements related to investment activities, working capital management and debt repayment at maturity through currently available funds and credit facilities, as well as from funds that will be generated by operating and financing activities (included the acquisition of Gardant). Additionally, €82.5 million deriving from a right issue capital increase of €150 million, which are part of the agreed financing package related to the Gardant acquisition, will support these requirements (refer to details already provided in the Director’s Interim Report on the Group).

The Group currently believes that the right issue capital increase of €150 million - covered by a so-called pre-underwriting agreement with leading banks for €67.5 million, representing the portion not subscribed by the main shareholders - will be fully subscribed. As a result, doValue would also have access to cash from the refinancing term facility, which is part of the new bank financing package exceeding €500 million linked to the Gardant acquisition. Of this referincancing term facility, of total €196 million, €110 million will expect to be used, along with cash from the capital increase, to repay the bond maturing in August 2025. The remaining €86 million portion of the refinancing term facility, together with available liquidity and cash generated from business operations, will support the refinancing of the bond maturing in 2026 in the manner and timing deemed most suitable in light of market conditions.
In the event of a partial completion of the market capital increase, the Group may be able to access the refinancing term facility and supplement it with available liquidity, as well as proceeds from third-party subscriptions of equity instruments, quasi-equity, or subordinated debt instruments issued by doValue.
If the right issue is not finalized, and the related refinancing term facility is not drawn - a scenario the Group considers remote as of the date of this document - the Group has identified additional financial options that could be activated to meet obligations related to the repayment of the bond maturing in August 2025. These options include issuing a new bond, potentially through an exchange offer with current bondholders (offering them new bonds with a longer maturity and a higher interest rate in exchange for bonds maturing in 2025), and/or securing new bank credit lines. Furthermore, the Group may consider issuing equity, hybrid-equity, or subordinated debt instruments subscribed by third-party investors, or potentially by the bondholders themselves. These measures, supported by the Group's established access to financial markets and stable relationships with key banking and institutional counterparts, are considered realistic and feasible, especially in light of recent market conditions where several players, including those in the same sector as doValue, have completed similar transactions.

(€/000)

	On demand	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	9/30/2024	12/31/2023
Loans and other financing	**-**	**141**	**290,836**	**294,041**	**-**	**585,018**	**588,030**
Bank loans	-	141	25,375	-	-	25,516	25,507
Bonds	-	-	265,461	294,041	-	559,502	562,523
Other financial liabilities	**-**	**1,190**	**23,005**	**33,551**	**11,021**	**68,767**	**96,540**
Lease liabilities	-	1,190	11,005	22,574	14	34,783	41,499
Earn-out	-	-	12,000	10,977	11,007	33,984	54,668
Others	-	-	-	-	-	-	373
Trade payables	**16,413**	**9,308**	**37,488**	**-**	**-**	**63,209**	**85,383**
Other current liabilities	**3,142**	**21,435**	**15,366**	**8,120**	**286**	**48,349**	**68,993**
Total	**19,555**	**32,074**	**366,695**	**335,712**	**11,307**	**765,343**	**838,946**

MARKET RISK - INTEREST RATE RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will change due to variations in the market price. The market price includes three types of risk: interest rate risk, currency risk and other price risks, such as, for example, the equity risk. The financial instruments affected by market risk include loans and financing, deposits, debt and equity instruments and financial derivative instruments.
The Group, which uses external financial resources in the form of debt and uses available liquidity in bank deposits, is exposed to interest rate risk, which represents the risk that the fair value or future cash flows of a financial instrument will change due to variations in market interest rates. The Group's exposure to the risk of variations in market interest rates is related to medium-term indebtedness with variable interest rates.
The Group's financial structure has benefited from relatively low interest rates over the past 4-5 years, thanks to the fixed-rate bond issuances in 2020 and 2021, minimizing exposure to interest rate fluctuations. In the short term, however, the Group's financial structure will be affected by interest rate conditions related to the new funding source; for the various scenarios currently anticipated, please refer to the previous section on Liquidity Risk.

Operational risks

Operational risk is the risk of incurring losses due to the inadequacy or the failure of procedures, human resources and internal systems, or to external events.
This includes the following risks identified as part of the Group's activity and business:

- transactional and process risks that include:
  - the risks related to day-to-day operations borne by asset managers (e.g. timeliness of file allocation, requirements, mortgage guarantees);
  - the handling of complaints from debtors and/or other third parties;
  - the calculation of potential losses related to specific events ("risk events");
- the risk of conduct, with a special reference to whistle-blowing events and violations of the corporate code of ethics;
- external fraud;
- IT risk, to be understood as the unavailability of software applications in use, vulnerabilities in software applications and security incidents in the computer network;
- the concentration and performance risk of third-party suppliers used by the various Group companies, with a special reference to outsourcing services.

The objective of monitoring these risks is to mitigate their potential impact and/or probability from a cost/benefit perspective in line with the defined Risk Appetite.

The doValue Group adopts a set of controls, principles and rules to manage operational risk. In terms of organisation, the Enterprise Risk Management Function (hereinafter "ERM") ensures integrated risk management throughout the Group, acting as a facilitator of business growth and development by identifying, measuring and managing potential risks that may affect the Group.
ERM's main organisational responsibilities are:

- ensuring a Risk-Informed approach, i.e. providing information to doValue's Management and Board of Directors in order to support the decision-making process, based not only on expected performance but also on the underlying risk profile;
- guaranteeing integrated monitoring of potentially applicable risk categories at Group level, in line with the model of second-level controls;
- defining a common framework within the Group for identifying, assessing, measuring and monitoring risks, linking strategies, policies, processes and operating mechanisms and receiving information flows from local "Risk Management" functions and other functions where necessary;
- ensuring Group-wide monitoring, analysis and reporting on the evolution of risks, their mitigation actions, the overall risk profile and compliance with identified risk tolerance thresholds;
- supporting the monitoring of provisions for risks and charges in the Consolidated Financial Statements in cooperation with Group Finance.

In order to monitor and manage the Group's risks, a system of information flows has been implemented between the Group functions and local Risk Management on the different types of operational risk, which are summarised in a “Tableau de Bord” (TdB) to provide an overview of the risks monitored at Group level. This TdB, which is shared quarterly with the Chief Executive Officer and the Committees and interimly with the doValue Board of Directors, includes in particular a set of Key Risk Indicators (KRIs), prepared monthly and/or quarterly, considering local peculiarities and existing regulations.

LEGAL AND TAX RISKS

Risks connected with litigations

The Group operates in a legal and legislative context that exposes it to a vast range of possible litigation connected with the core business of servicing loan recovery under mandate, potential administrative irregularities and labour litigation.
The associated risks are assessed periodically in order to quantify a specific allocation to the "Provision for risks and charges" on the basis of the information that becomes available.

Risks connected with tax disputes

Regarding the events following the agreement reached with the Tax Authority in 2021 by the subsidiary doValue Spain Servicing S.A. (hereinafter "doValue Spain"), on May 11, 2023, the International Court of Arbitration of the International Chamber of Commerce issued the arbitral award condemning Altamira Asset Management Holdings S.L. (hereinafter "AAMH") to repay approximately €28 million, plus legal interest, in favour of the doValue Group. Similarly, doValue S.p.A. (hereinafter "doValue") was required to make the Earn-out payment, inclusive of passive interests. The amounts related to the Spanish tax claim were paid in 2021 by doValue Spain to the Spanish Tax Authority in the context of the inspection launched in connection to facts and events occurred prior to the acquisition performed by doValue which took place in 2019. In response to this arbitral award, AAMH has initiated legal action, before the competent Spanish courts, seeking the partial annulment of the arbitral award concerning its obligation to pay the tax claim imposed under the arbitral award. The judgment of the High Court of Justice of Madrid on the annulment action brought by AAMH, in favour of doValue Group, was announced on June 7, 2024.
Regarding the enforcement action initiated by the Parent Company doValue and its subsidiary doValue Spain in July 2023 to enforce and collect the sums due from AAMH under the Award, on December 21, 2023, the competent Court in Madrid issued an enforcement order, condemning AAMH to pay the amount specified in the arbitral award, leading to the seizure of all assets owned by AAMH. Regarding such executive procedure, AAMH filed an opposition. On February 26, 2024, the competent Court in Madrid rejected the opposition filed by AAMH. No further appeal was brought and is pursuable by AAMH.
On January 16, 2024, doValue deposited approximately €22 million with the competent Court, in execution of its own motion (i.e., the seizure of the Earn-out credit that AAMH holds against doValue pursuant to the arbitral award). Regarding these sums, attributable to the aforementioned Earn-Out, the Court has consented to their use to satisfy a portion of the credit that doValue Spain holds against AAMH in light of the Award. With a decision dated April 4, 2024, the Court accepted the Group's request and ordered the delivery of the deposited amount of approximately €22 million to doValue Spain; doValue Spain received the funds on April 11, 2024.

Additionally, concerning the formal closure of the tax audit that the Parent Company has received by the Italian Tax Authority concerning the fiscal years 2015, 2016 and 2017, prior to the listing, at the end of April 2023, a tax assessment was received in connection with the 2016 finding and for which it filed a tax settlement proposal to activate the adequate protection measures and demonstrate, supported by a pool of professionals, the reasons for the correctness of the own conduct. Following the inability to reach a settlement agreement, which was pursued to achieve an out-of-court agreement quickly and with minimal expenditure considering the correctness of its position, on December 16, 2023, the settlement procedure was formally closed, and a judicial appeal was filed. A hearing was held on May 23, 2024, and on June 21, 2024, the Tax Court issued a ruling that fully upheld doValue's appeal and annulled the 2016 assessment notice.
On September 13, 2024, the Tax Authority filed an appeal against the first instance decision. The term for challenging in the second-degree proceedings is currently pending, and the counter-arguments and cross-appeal are being prepared for submission by November 12, 2024.
On December 19, 2023, the Group also received a tax assessment for the 2017 fiscal year; the Parent Company filed a tax settlement proposal on February 16, 2024, to demonstrate the correctness of its actions based on a multitude of well-founded elements from a legal tax perspective. Following the inability to reach a settlement agreement with the Tax Authority, the Parent Company filed a judicial appeal on May 15, 2024.
Considering the above for both assessments, the Parent Company deems the risk of liability possible.

Capital management

For the purposes of the management of the Groups capital, it was defined that this includes the share premium reserve and all other reserves attributable to the shareholders of the Parent Company. The main objective of capital management is to maximise value for shareholders, safeguard business continuity, as well as support the development of the Group.
The Group therefore intends to maintain an adequate level of capitalisation, which at the same time makes it possible to achieve a satisfactory economic return for shareholders and to guarantee efficient access to external sources of financing.
The Group constantly monitors the evolution of the level of indebtedness to be compared to shareholders' equity and taking into account the generation of cash from the businesses in which it operates.
There are currently no financial covenants linked to a gearing ratio, i.e. the ratio between the net debt and the total capital plus the net debt, illustrated below.

However, the bond loans issued in 2020 and 2021 require compliance with certain covenants that, subject to certain exceptions, limit the Group's ability to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances, and the transfer of assets;
- sell, lease, or transfer certain assets, including shares of restricted subsidiaries;
- engage in certain transactions with affiliates;
- merge or consolidate with other entities.

As of September 30, 2024, no breaches of the covenants described above have occurred.

(€/000)

	9/30/2024	12/31/2023
Loans and other financing (Note 11)	585,018	588,030
Other financial liabilities (Note 12)	68,767	96,540
Trade payables (Note 15)	63,209	85,383
Other liabilities (Note 16)	48,349	68,993
Less: cash and cash equivalents (Note 8)	(90,509)	(112,376)
Net debt (A)	**674,834**	**726,570**
Equity	57,371	53,031
Equity and net debt (B)	**732,205**	**779,601**
Gearing ratio (A/B)	**92%**	**93%**

The table below reconciles the **net debt** figure shown in the previous table with the **net financial indebtedness** presented in Note 12 of the "Information on the consolidated balance sheet" section.

(€/000)

	9/30/2024	12/31/2023
Net financial indebtedness (Note 12)	**563,276**	**572,194**
Trade payables (Note 15)	63,209	85,383
Other liabilities (Note 16)	48,349	68,993
Net debt (A)	**674,834**	**726,570**

Commitments and guarantees provided

As at September 30, 2024, there were commitments totalling €1.1 million relating to units in collective investment undertakings (CIUs) to be subscribed for the restricted closed-end alternative securities investment fund denominated Italian Recovery Fund (formerly Atlante II) (refer also Note 3).

The guarantees issued as at September 30, 2024, amounted to €2.0 million, of which €0.9 million and are related to rented operating properties and €1.1 million pertains to pledges on bank accounts.

6. SEGMENT REPORTING

In accordance with IFRS 8, segment reporting was prepared as a breakdown of revenues by Region, intended as the location in which services are provided.
For management purposes, the Group is organised into business units based on the geographical areas of the southern European region in which it operates following the corporate acquisitions in Europe (doValue Spain at the end of June 2019 and doValue Greece in June 2020), illustrated below:

- **Italy:** it includes the companies operating in Italy, namely the Parent Company doValue, doData and doNext;
- **Hellenic Region:** it includes doValue Greece, doValue Greece RES, doAdvise Advisory Services, and finThesis Financing Solutions Creators based in Greece, as well as the companies based in Cyprus (doValue Cyprus and doValue Cyprus Special Project).
- **Iberia**: in terms of balance sheet, it includes only the companies based in Spain, namely doValue Spain and its subsidiaries Adsolum and Team4, as the companies based in Portugal, doValue Portugal and its subsidiary Zarco, were sold to third parties in July. The economic values include the contribution of the two companies only up until the date of the sale.

(€/000)

First Nine Months 2024	Italy	Hellenic Region	Iberia	Infrasector	Group
Revenue from contracts with customers	89,061	152,366	46,921	(7,735)	280,613
Other revenues	30,038	8,362	3,749	(4,723)	37,426
Total revenue	**119,099**	**160,728**	**50,670**	**(12,458)**	**318,039**
Costs for services rendered	(4,093)	(7,064)	(4,233)	-	(15,390)
Personnel expenses	(61,434)	(60,419)	(29,912)	(1,913)	(153,678)
Administrative expenses	(44,319)	(15,908)	(13,689)	3,913	(70,003)
Other operating (expense)/income	472	(15)	202	-	659
Depreciation, amortisation and impairment	(11,385)	(22,548)	(18,766)	9,796	(42,903)
Provisions for risks and charges	(1,102)	(1,241)	(916)	-	(3,259)
Total costs	**(121,861)**	**(107,195)**	**(67,314)**	**11,796**	**(284,574)**
Operating income	**(2,762)**	**53,533**	**(16,644)**	**(662)**	**33,465**
Financial (expense)/income	(16,493)	(2,582)	695	(612)	(18,992)
Profit (loss) of equity	-	-	(2,959)	-	(2,959)
Dividends and ordinary similar income	1,500	-	7,000	(8,500)	-
Profit (loss) before tax	**(17,755)**	**50,951**	**(11,908)**	**(9,774)**	**11,514**
Income tax expense	(1,355)	(11,220)	17,716	(220)	4,921
Net Profit (loss) from continuing operations	**(19,110)**	**39,731**	**5,808**	**(9,994)**	**16,435**
Net profit (loss) for the period	**(19,110)**	**39,731**	**5,808**	**(9,994)**	**16,435**
Total assets	**(842,039)**	**(497,616)**	**(133,311)**	**511,880**	**(961,086)**
of which: Intangible assets	(17,582)	(287,299)	(51,145)	(98,675)	(454,701)
of which: Property, plant and equipment	(13,122)	(19,893)	(8,920)	-	(41,935)
of which: Other non-current assets	(229)	(2,338)	(1,281)	-	(3,848)
Total liabilities	**723,694**	**176,112**	**97,018**	**(150,864)**	**845,960**

Intra-sectoral revenues are derecognised at the consolidated level and are reflected in the "Intra-sectoral eliminations" column.

7. BUSINESS COMBINATIONS

Business combinations completed in the period

This section provides detailed information on business combinations involving companies or business units undertaken with counterparties outside the Group, which are accounted for using the purchase method as provided for under IFRS 3 "Business combinations".

Where applicable, qualitative information is also provided on business combinations involving companies or business units already controlled directly or indirectly by doValue, as part of the Group's internal reorganisations are also reported here. These transactions, which do not have economic substance, are accounted for in the financial statements of the seller and the buyer on a predecessor value basis.

External business combinations

During the semester, there were no business combinations completed with companies external to the Group. However, as indicated in the Directors' Interim Report on the Group, on June 7th, doValue signed a binding agreement for the full acquisition of Gardant for a total consideration including: (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. This consideration is subject to adjustment mechanisms which, as part of the finalization of values at the acquisition date, could impact the values of the Purchase Price Allocation (PPA).
The financing package agreed in connection with the acquisition includes (i) a new bank financing package exceeding €500 million, (ii) a reserved capital increase to Gardant shareholders of a 20% stake in the Combined Group, and (iii) a rights issue of €150 million to existing and new shareholders which will include a pro-rata underwriting commitment from entities managed by Fortress Investment Group LLC ("Fortress"), Elliott, an entity managed by Bain Capital Credit, LP or its affiliates ("Bain"), as well as certain Gardant minority shareholders, in the amount of €82.5 million.
In connection with the Rights Issue a pre-underwriting agreement has been entered into between doValue and a pool of financial institutions, subject to conditions in line with market practice for similar transactions, including the absence of any fact or circumstance impeding the drawdown of the bank financing relating to the transaction, to enter into an underwriting agreement for the subscription of any newly issued shares that remain unsubscribed at the end of the auction period of the Rights Issue offering, for an amount of up to approximately €67.5 million.
The acquisition will create a leading European credit management company, whose central role to support the financial system and the economy is strengthened through the creation of the leading credit management company in Italy, with products ranging from sub-performing to non-performing loans, state-of-the-art IT platform, fund management, diversified business lines across the full spectrum of credit management, and long-term contracts with the largest European Banking Groups.
This acquisition will significantly enhance the breadth of the combined Group's customer portfolio, thanks to the existing agreements of Gardant with two of the country's largest banking groups (Banco BPM and BPER) as well as Elliott, which will be an additional highly valuable industry partner for the combined Group.

Business combinations completed after the end of the period

The doValue Group did not carry out any internal or external business combinations after September 30, 2024.

Retrospective adjustments

As at September 30, 2024, there were no retrospective adjustments relating to previous business combinations.

8. RELATED-PARTY TRANSACTIONS

INTRODUCTION

The provisions of IAS 24 apply for the purposes of disclosures on related parties. That standard defines the concept of related party and identifies the relationship between the related party and the entity preparing the financial statements.

Pursuant to IAS 24, related parties are classified into the following categories:

- the Parent Company;
- the companies that jointly control or exercise significant influence over the company;
- the subsidiaries;
- the associates;
- the joint ventures;
- key management personnel;
- close family members of key management personnel and subsidiaries, including jointly, by key management personnel or their close family;
- other related parties.

In compliance with Consob Resolution no. 17221 of March 12, 2010, as amended, doValue has adopted the "Policy for the management of transactions with related parties and transactions conducted in situations of conflict of interest of the doValue Group", published on the corporate website of doValue (www.doValue.it), which defines the principles and rules for managing the risk associated with situations of possible conflict of interest engendered by the proximity of certain parties to decision-making centres.
To manage transactions with related parties, doValue established a Risks and Related Party Transactions Committee - composed of a minimum of 3 (three) and a maximum of 5 (five) members chosen from the non-executive members of the Board of Directors, and with the majority meeting independence requirements - charged with the task of issuing reasoned opinions to the Board of Directors regarding transactions with related parties in the cases governed by the procedure.

RELATED-PARTY TRANSACTIONS

During the first nine months of 2024, low-value transactions with related parties of an ordinary nature and lesser importance were carried out, mainly attributable to contracts for the provision of services. All transactions with related parties carried out in the period were concluded in the interest of the Group and at market or standard conditions. The following table shows the values outstanding as at September 30, 2024.

(€/000)

Financial Transactions	Amount related to "Other related parties"	Total as per financial statement	% of financial statement total
Non-current financial assets	1,773	41,945	4.2%
Trade receivables	15,105	174,544	8.7%
Total assets	**16,878**	**216,489**	**7.8%**
Trade payables	1,671	63,209	2.6%
Total liabilities	**1,671**	**63,209**	**2.6%**

(€/000)

Costs/Revenues	Amount related to "Other related parties"	Total as per financial statement	% of financial statement total
Revenue from contracts with customers	39,078	280,613	13.9%
Other revenues	6,547	37,426	17.5%
Costs for services rendered	(703)	(15,390)	4.6%
Personnel expenses	(513)	(153,678)	0.3%
Administrative expenses	(218)	(70,003)	0.3%
Financial (Expense)/Income	281	(18,992)	(1.5)%
Total	**44,472**	**59,976**	**74.1%**

With 25.05% of the shares, the **ultimate parent company** is Avio S.à r.l., a company incorporated under Luxembourg law, whose capital is indirectly owned by FIG Buyer GP, LLC. The latter is the General Partner of Foundation Holdco LP, which is associated with affiliates of Mubadala Investment Company PJSC and certain members of the management of Fortress Investment Group LLC and entities controlled by them.
Avio S.à r.l. does not exercise any management or coordination powers over doValue pursuant to Articles 2497 et seq. of the Italian Civil Code.

The main relations with other **related parties** relate to:

- Securitisation SPVs: the Group carries out Master Servicing and Structuring activities: i.e. administrative, accounting, cash management and reporting services in support of the securitisation of loans; structuring services for securitisation transactions under Italian Law 130/1999 as well as performing the role of authorised entity in securitisation transactions. Some of these vehicles, fall within the scope of related parties and for the period the amount of revenues from contracts with customers for this category of customers amounts to €39.0 million, while other revenues are equal to €6.1 million with corresponding trade receivables of €14.0 million and trade payables of €0.9 million at September 30, 2024; for the vehicles Romeo SPV and Mercuzio Securitisation, for which the Group holds ABS notes, €1.8 million of financial assets and €281 thousand of financial income are also recorded;
- Companies affiliated to the Fortress group (FIG Italia, FIG LLC, Fortress Investment Group LLC, Arx Asset Management s.r.l., FNPL Esp Investment DAC): the Group mainly carries out due diligence on the indicated company and in the period accrued revenues for a total of €208 thousand, in addition to having trade receivables of €733 thousand at the end of the period; there is also an active staff secondment relationship with one of the companies, which generated income of €324 thousand;
- Boston Consulting Group: the Group utilizes consulting services from this firm, incurring €703 thousand recorded under costs for services rendered and trade payables;
- Mytilineos SA: the subsidiary doValue Greece relies on this provider for electricity supply at its headquarters, with a cost of €206 thousand for the period classified under administrative expenses, corresponding to trade payables of €24 thousand;

- ReoCo: the Group manages property assets for certain ReoCo (real estate owned companies), with revenues from contracts with customers of €108 thousand, other revenues during the period of €194 thousand and trade receivables of €146 thousand;
- Eurolife FFH General Insurance Single Member Societé Anonyme: the company manages pension funds and medical insurance for the employees of the subsidiary doValue Greece. At September 30, 2024, personnel expenses of €837 thousand.

CERTIFICATIONS AND REPORTS

Certification pursuant article 154 BIS, paragraph 2 of Italian Legislative Decree no. 58 of 24 February 1998 (the Consolidated Financial Law)

Pursuant to Article 154 bis, paragraph 2, of the "Consolidated Law on Finance", Mr Davide Soffietti, in his capacity as the Financial Reporting Officer with preparing the financial reports of doValue S.p.A, certifies that the accounting information contained in the 'Consolidated Interim Report as at September 30,2024', is consistent with the data in the supporting documents and the Group's books of accounts and other accounting records.

Rome, November 11, 2024

Davide Soffietti

Financial Reporting Officer

Building a better working world

EY S.p.A.
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00187 Roma

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Fax: +39 06 324755504
ey.com

Review report on the interim condensed consolidated financial statements

(Translation from the original Italian text)

To the Board of Directors of
doValue S.p.A.

Introduction

We have reviewed the attached interim condensed consolidated financial statements, comprising the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the cash flow statement and the related explanatory notes of doValue S.p.A. and its subsidiaries (the "doValue Group") as of and for the nine-month periods ended 30 September 2024 and 30 September 2023. The Directors are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with *International Standard on Review Engagements* 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the attached interim condensed consolidated financial statements of the doValue Group as of and for the nine-month periods ended 30 September 2024 and 30 September 2023 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Emphasis of Matter

Without modifying our conclusion, we draw attention to the paragraph "Restatement of the figures as of September 30, 2023 and for the nine-month period ended at such date" of the explanatory notes related to the approval, on 12 January 2024 by the Directors of doValue S.p.A., of the interim condensed consolidated financial statements as of and for the nine-month period ended 30 September 2023.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.975.000 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P.IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998

A member firm of Ernst & Young Global Limited

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Other matters

The interim condensed consolidated financial statements as of and for the nine-month period ended 30 September 2023 present comparative information related to the corresponding nine-month period ended 30 September 2022. Such comparative information has not been audited or reviewed.

Rome, 12 November 2024

EY S.p.A.

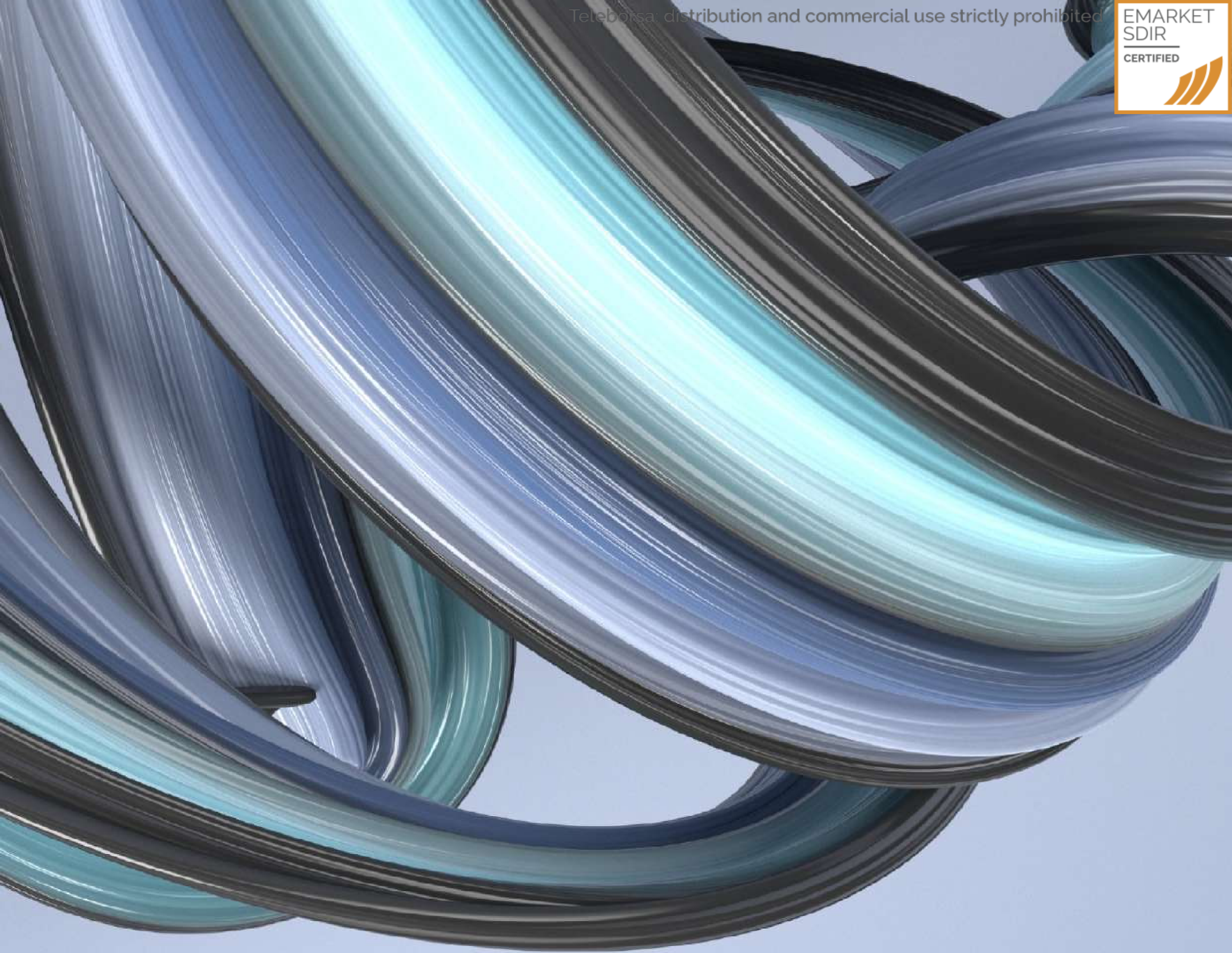
Signed by: Wassim Abou Said, Auditor

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

doValue

Leading the evolution of the servicing industry

Consolidated Interim Report
at September 30, 2023



Registered Office: Viale dell'Agricoltura, 7 - 37135 Verona
Share capital **€41,280,000.00 fully paid-up**

Parent Company of the doValue Group
Registered in the Company Register of Verona, Tax I.D. no. 00390840239 and VAT no. 02659940239
www.dovalue.it

CONTENTS

Governing and control bodies

BOARD OF DIRECTORS

Chairman	GIOVANNI CASTELLANETA (2)
CEO	MANUELA FRANCHI
Directors	FRANCESCO COLASANTI (2) GIOVANNI BATTISTA DAGNINO (4) CRISTINA FINOCCHI MAHNE (3) NUNZIO GUGLIELMINO (1) GIUSEPPE RANIERI ROBERTA NERI (4) MARELLA IDI MARIA VILLA (2) ELENA LIESKOVSKA (2)

BOARD OF STATUTORY AUDITORS

Chairman	NICOLA LORITO (6)
Statutory Auditors	FRANCESCO MARIANO BONIFACIO (6) CHIARA MOLON (5)
Alternate Auditors	SONIA PERON MAURIZIO DE MAGISTRIS

AUDIT FIRM — **EY S.p.A.**

Financial Reporting Officer — DAVIDE SOFFIETTI

At the date of approval of this document

(1) Chairman of the Appointments and Remuneration Committee
(2) Member of the Appointments and Remuneration Committee
(3) Chairman of the Risks, Related Party Transactions and Sustainability Committee
(4) Member of the Risks, Related Party Transactions and Sustainability Committee
(5) Chairman of Supervisory Committee, pursuant to Italian Legislative Decree 231/2001
(6) Member of Supervisory Committee, pursuant to Italian Legislative Decree 231/2001

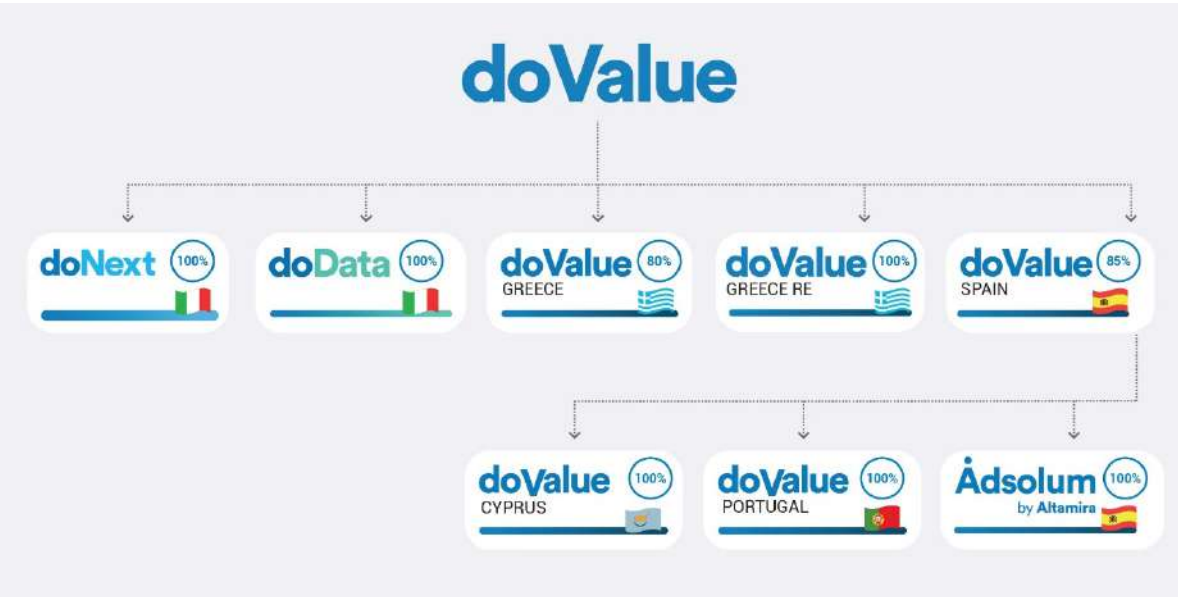
GROUP STRUCTURE

With more than 20 years of experience and approximately €118 billion of assets under management, the doValue Group is the main operator in Southern Europe in the management of credit portfolios and real estate assets deriving from non-performing loans.

The doValue Group offers to its customers, both banks and investors, services for the management of portfolios of non-performing loans (NPL), unlikely to pay (UTP), early arrears and performing loans. The doValue Group is also active in the management and development of real estate assets deriving from non-performing loans (real estate owned, REO).

In addition, the doValue Group offers a broad set of ancillary services (master legal services, due diligence services, data management services and master servicing activities).
The shares of the doValue Group have been listed on Euronext Milan since 2017. In addition, doValue has been admitted to the STAR segment of Euronext Milan in 2022.

The following chart shows the structure of the Group at September 30, 2023, and reflects the organic and external growth and diversification of doValue over 20 years of operations.



doValue: a story of growth and diversification

GBV		
€77 bn	2017	Listing on Borsa Italiana (now Euronext Milan)
€82 bn	2018	doBank enters the Greek servicing market and announces the acquisition of Altamira Asset Management, active in Spain, Portugal and Cyprus
€132 bn	2019	doBank renounce to its banking license and takes on the name doValue, completes the acquisition of Altamira (today doValue Spain) and becomes market leader in Southern Europe doValue announces the acquisition of Greek servicer FPS Loans and Credits Claim Management
€158 bn	2020	doValue completes the acquisition of FPS (today doValue Greece) and becomes market leader in Greece doValue has completed the issue of its first bond
€150 bn	2021	doValue signs an agreement for the investment in a stake of c.10% in Brazilian fintech company QueroQuitar doValue completes the issuance of its second bond doValue acquires an approximately 15% stake in Irish proptech company BidX1
€120 bn	2022	doValue admitted to the STAR segment of Euronext Milan Expiry of the contract with Sareb and off-boarding of its €21 bn portfolio

DIRECTORS' INTERIM REPORT ON THE GROUP

The summary results and financial indicators are based on accounting data and are used in management reporting to enable management to monitor performance.
They are also consistent with the most commonly used metrics in the relevant sector, ensuring the comparability of the figures presented.

The Group's business

The doValue Group provides services to banks and investors over the entire life-cycle of loans and real estate assets.

doValue's services are remunerated under long term contracts based on a fee structure that includes fixed fees based on the volume of assets under management and variable fees linked to the performance of servicing activities, such as collections from NPL receivables or the sale of customers' real estate assets or the number of real estate and business information services provided.

The Group provides services in the following categories:

NPL Servicing	The administration, management and recovery of loans utilising in court and out-of-court recovery processes for and on behalf of third parties for portfolios mainly consisting in non-performing loans. Within its NPL Servicing operations, doValue focuses on corporate bank loans of medium-large size and a high proportion of real estate collateral
Real Estate Servicing	The management of real estate assets on behalf of third parties, including: (1) Real estate collateral management: activities to develop or sell, either directly or through intermediaries, real estate assets owned by customers originally used to secure bank loans; (2) Real estate development: analysis, implementation and marketing of real estate development projects involving assets owned by customers; and (3) Property management: supervision, management and maintenance of customers' real estate assets, with the aim of maximising profitability through sale or lease
UTP Servicing	Administration, management and restructuring of loans classified as unlikely-to-pay, on behalf of third parties, with the aim of returning them to performing status; this activity is primarily carried out by the doNext subsidiaries pursuant to Art. 106 of the Consolidated Banking Act (financial intermediary) and doValue Greece, pursuant to Greek Law 4354/2015 (NPL Servicer under the license and supervision of the Bank of Greece)
Early Arrears and Performing Loans Servicing	The management of performing loans or loans past due by less than 90 days, not yet classified as non-performing, on behalf of third parties
Ancillary Services	These include: (1) Due Diligence: services for the collection and organisation of information in data room environments and advisory services for the analysis and assessment of loan portfolios for the preparation of business plans for Collection and Recovery activities; (2) Master Servicing and Structuring: administrative, accounting, cash management and reporting services in support of the securitisation of loans; structuring services for securitisation transactions as well as performing the role of authorised entity in securitisation transactions; and (3) Master Legal: management of legal proceedings at all levels in relation to loans, mainly non-performing, managed by doValue on behalf of third parties

doValue, in its capacity as Special Servicer, has received the following ratings confirmed in February 2022: "**RSS1- / CSS1-**" by Fitch Ratings, and **"Strong"** by Standard & Poor's, which are the highest ratings assigned to Italian operators in the sector. They have been assigned to the two companies since 2008, before any other operator in this sector in Italy. doNext, as a Master Servicer, received an MS2+ rating from Fitch Ratings in February 2022, which is an indicator of high performance in overall Servicing management capability.

In July 2020, doValue received the Corporate credit rating **BB with "Stable" outlook** from Standard & Poor's and Fitch. This rating has been confirmed by both agencies in relation to doValue's senior bonds issued with an original nominal value of €265.0 million and €300.0 million with maturity in 2025 and 2026, respectively.
The rating was confirmed in June 2023 by both Fitch and Standard & Poor's, both with "Stable" outlook.

Group Highlights

The tables below show the main economic and financial data of the Group extracted from the related condensed Financial Statements, which are subsequently presented in the section of the Group Results at September 30, 2023.

(€/000)

Key data of the consolidated income statement	9/30/2023 Restated	9/30/2022	Change €	Change %
Gross Revenues	335,154	425,529	(90,375)	(21.2)%
Net Revenues	304,637	380,013	(75,376)	(19.8)%
Operating expenses	(189,302)	(230,451)	41,149	(17.9)%
EBITDA	115,335	149,562	(34,227)	(22.9)%
EBITDA margin	34.4%	35.1%	(0.7)%	(2.1)%
Non-recurring items included in EBITDA	(79)	(2,357)	2,278	(96.6)%
EBITDA excluding non-recurring items	115,414	151,919	(36,505)	(24.0)%
EBITDA margin excluding non-recurring items	34.4%	35.7%	(1.3)%	(3.5)%
EBT	5,062	72,142	(67,080)	(93.0)%
EBT margin	1.5%	17.0%	(15.4%)	(91.1)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	39,181	(64,848)	n.s.
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	(14,202)	45,630	(59,832)	(131.1)%

(€/000)

Key data of the consolidated balance sheet	9/30/2023 Restated	12/31/2022	Change €	Change %
Cash and liquid securities	95,667	134,264	(38,597)	(28.7%)
Intangible assets	472,526	526,888	(54,362)	(10.3%)
Financial assets	52,374	57,984	(5,610)	(9.7%)
Trade receivables	158,902	200,143	(41,241)	(20.6%)
Tax assets	100,586	118,226	(17,640)	(14.9%)
Financial liabilities	696,930	684,984	11,946	1.7%
Trade payables	48,282	70,381	(22,099)	(31.4%)
Tax Liabilities	59,252	67,797	(8,545)	(12.6%)
Other liabilities	48,357	75,754	(27,397)	(36.2%)
Provisions for risks and charges	30,481	37,655	(7,174)	(19.1%)
Group Shareholders' equity	**48,896**	**136,559**	**(87,663)**	**(64.2%)**

In order to facilitate an understanding of the doValue Group's performance and financial position, a number of alternative performance measures ("Key Performance Indicators" or "KPIs") have been selected by the Group and are summarised in the table below.

(€/000)

KPIs	9/30/2023 Restated	9/30/2022	12/31/2022
Gross Book Value (EoP) - Group	117,768,420	137,343,130	120,478,346
Collections of the period - Group	3,398,809	3,906,556	5,494,503
LTM Collections / GBV EoP - Group - Stock	4.5%	4.0%	4.1%
Gross Book Value (EoP) - Italy	68,710,519	72,481,364	72,031,038
Collections of the period - Italy	1,163,734	1,218,305	1,707,403
LTM Collections / GBV EoP - Italy - Stock	2.5%	2.6%	2.5%
Gross Book Value (EoP) - Iberia	11,230,354	26,405,149	11,650,908
Collections of the period - Iberia	835,620	1,570,705	1,965,314
LTM Collections / GBV EoP - Iberia - Stock	9.6%	6.7%	9.2%
Gross Book Value (EoP) - Hellenic Region	37,827,547	38,456,618	36,796,401
Collections of the period - Hellenic Region	1,399,455	1,117,546	1,821,787
LTM Collections / GBV EoP - Hellenic Region - Stock	7.0%	5.0%	6.1%
Staff FTE / Total FTE Group	42.6%	44.0%	45.0%
EBITDA	115,335	149,562	198,708
Non-recurring items (NRIs) included in EBITDA	(79)	(2,357)	(2,979)
EBITDA excluding non-recurring items	115,414	151,919	201,687
EBITDA margin	34.4%	35.1%	35.6%
EBITDA margin excluding non-recurring items	34.4%	35.7%	36.1%
Profit (loss) for the period attributable to the shareholders of the Parent Company	(25,667)	39,181	16,502
Non-recurring items included in Profit (loss) for the period attributable to the Shareholders of the Parent Company	(11,465)	(6,449)	(34,061)
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	(14,202)	45,630	50,563
Earnings per share (Euro)	(0.32)	0.50	0.21
Earnings per share excluding non-recurring items (Euro)	(0.18)	0.58	0.64
Capex	9,160	13,733	30,833
EBITDA - Capex	106,175	135,829	167,875
Net Working Capital	110,620	140,074	129,762
Net Financial Position	(485,512)	(422,778)	(429,859)
Leverage (Net Debt / EBITDA excluding non-recurring items LTM)	2.9x	1.8x	2.1x

LEGENDA

Gross Book Value EoP: indicates the book value of the loans under management at the end of the reference period for the entire scope of the Group, gross of any potential write-downs due to expected loan losses.

Collections for period: used to calculate fees for the purpose of determining revenues from the servicing business, they illustrate the ability to extract value from the portfolio under management.

LTM collections Stock/GBV (Gross Book Value) EoP Stock: the ratio between total gross LTM collections on the Stock portfolio under management at the start of the reference year and the end-period GBV of that portfolio.

Group Staff FTE/Total FTE: the ratio between the number of employees who perform support activities and the total number of full-time employees of the Group. The indicator illustrates the efficiency of the operating structure and the focus on management activities.

EBITDA and Profit (loss) of the period attributable to the Shareholders of the Parent Company: together with other relative profitability indicators, they highlight changes in operating performance and provide useful information regarding the Group's financial performance. These data are calculated at the end of the period.

Non-recurring items: items generated in extraordinary operations such as corporate restructuring, acquisitions or disposals of entities, start-up of new businesses or entry into new markets.

EBITDA and Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items: are defined as EBITDA and Profit (loss) for the period attributable to core operations, excluding all items connected with extraordinary operations such as corporate restructuring, acquisitions or disposals of entities, start-up of new businesses or entry into new markets.

EBITDA Margin: obtained by dividing EBITDA by Gross Revenues.

EBITDA Margin excluding non-recurring items: obtained by dividing EBITDA excluding non-recurring items by Gross revenues.

Earnings per share: calculated as the ratio between net profit for the period and the number of outstanding shares at the end of the period.

Earnings per share excluding non-recurring items: the calculation is the same as that for earnings per share, but the numerator differs from net profit for the period excluding non-recurring items net of the associated tax effects.

Capex: investments in property, plant, equipment and intangibles.

EBITDA – Capex: calculated as EBITDA net of investments in property, plant and equipment and intangibles. Together with other relative profitability indicators, it highlights changes in operating performance and provides an indication on the Group's ability to generate cash.

Net Working Capital: this is represented by receivables for fees invoiced and accruing, net of payables to suppliers for invoices accounted for and falling due in the period.

Net Financial Position: this is calculated as the sum of cash, cash equivalents and highly-liquid securities, net of amounts due to banks and bonds issued.

Leverage: this is the ratio between the Net Financial Position and EBITDA excluding non-recurring items for the last 12 months (possibly adjusted pro-forma to take account of significant transactions from the start of the reference year). It represents an indicator of the Group's debt level.

Group Results at September 30, 2023

The operating results for the period are reported on the following pages, together with details on the performance of the portfolio under management.
At the end of this Directors' Interim Report on the Group, a reconciliation schedule is provided between the condensed income statement reported below and the income statement provided in the consolidated Financial Statements section.

PERFORMANCE

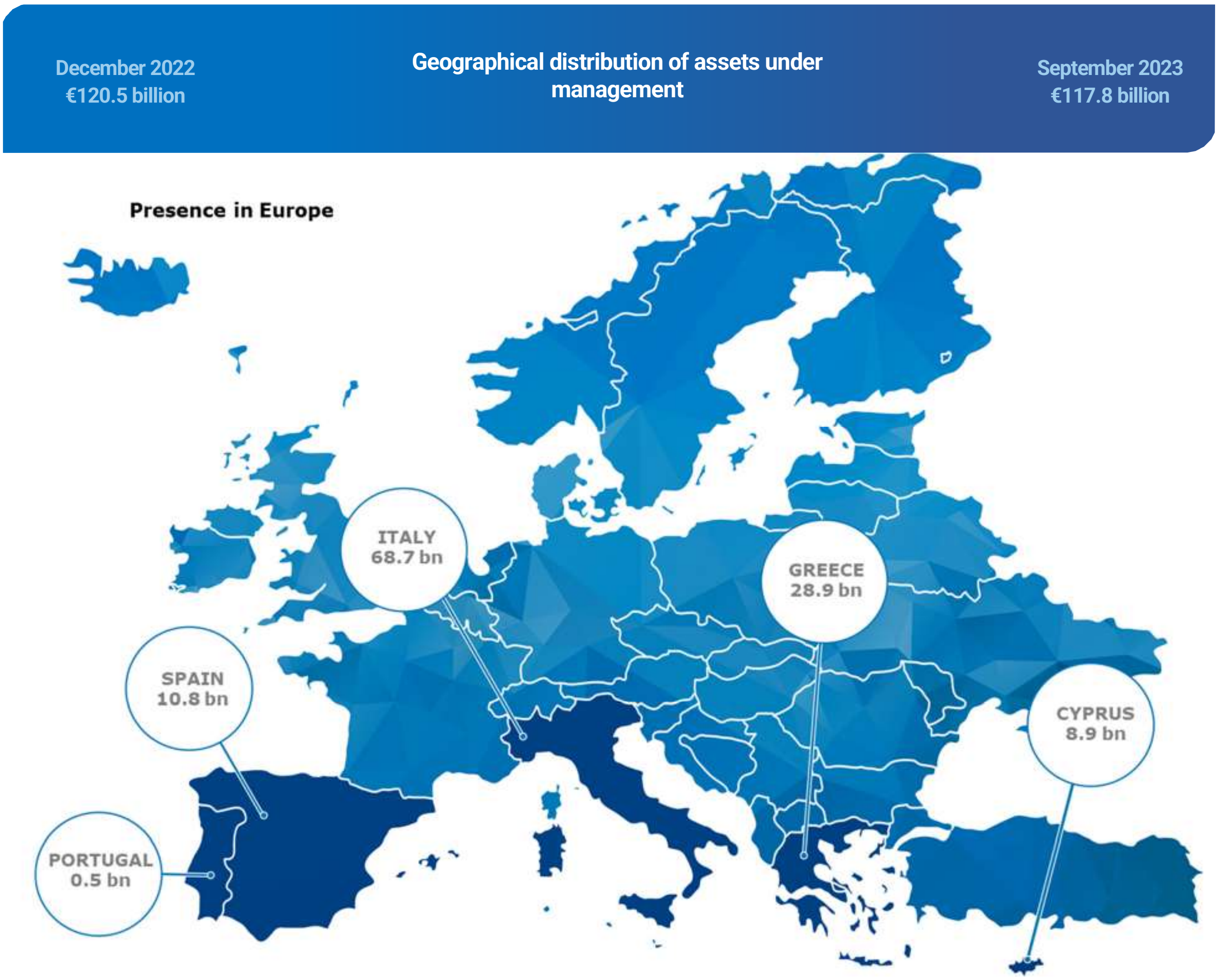
(€/000)

Condensed Income Statement	9/30/2023 Restated	9/30/2022	Change €	Change %
Servicing Revenues:	291,498	390,305	(98,807)	(25.3)%
o/w: NPE revenues	251,623	326,188	(74,565)	(22.9)%
o/w: REO revenues	39,875	64,117	(24,242)	(37.8)%
Co-investment revenues	1,064	1,141	(77)	(6.7)%
Ancillary and other revenues	42,592	34,083	8,509	25.0%
Gross revenues	**335,154**	**425,529**	**(90,375)**	**(21.2)%**
NPE Outsourcing fees	(10,692)	(16,111)	5,419	(33.6)%
REO Outsourcing fees	(7,256)	(19,514)	12,258	(62.8)%
Ancillary Outsourcing fees	(12,569)	(9,891)	(2,678)	27.1%
Net revenues	**304,637**	**380,013**	**(75,376)**	**(19.8)%**
Staff expenses	(141,751)	(158,580)	16,829	(10.6)%
Administrative expenses	(47,551)	(71,871)	24,320	(33.8)%
Total o.w. IT	*(19,604)*	*(25,578)*	*5,974*	*(23.4)%*
Total o.w. Real Estate	*(3,801)*	*(5,161)*	*1,360*	*(26.4)%*
Total o.w. SG&A	*(24,146)*	*(41,132)*	*16,986*	*(41.3)%*
Operating expenses	**(189,302)**	**(230,451)**	**41,149**	**(17.9)%**
EBITDA	**115,335**	**149,562**	**(34,227)**	**(22.9)%**
EBITDA margin	**34%**	**35%**	**(1)%**	**(2.1)%**
Non-recurring items included in EBITDA	(79)	(2,357)	2,278	(96.6)%
EBITDA excluding non-recurring items	**115,414**	**151,919**	**(36,505)**	**(24.0)%**
EBITDA margin excluding non-recurring items	**34.4%**	**35.7%**	**(1.3)%**	**(3.5)%**
Net write-downs on property, plant, equipment and intangibles	(76,437)	(47,919)	(28,518)	59.5%
Net provisions for risks and charges	(13,015)	(7,317)	(5,698)	77.9%
Net write-downs of loans	1,207	265	942	n.s.
EBIT	**27,090**	**94,591**	**(67,501)**	**(71.4)%**
Net income (loss) on financial assets and liabilities measured at fair value	1,586	(1,170)	2,756	n.s.
Net financial interest and commissions	(23,614)	(21,279)	(2,335)	11.0%
EBT	**5,062**	**72,142**	**(67,080)**	**(93.0)%**
Non-recurring items included in EBT	(11,833)	(8,490)	(3,343)	39.4%
EBT excluding non-recurring items	**16,895**	**80,632**	**(63,737)**	**(79.0)%**
Income tax for the period	(30,996)	(22,984)	(8,012)	34.9%
Profit (Loss) for the period	**(25,934)**	**49,158**	**(75,092)**	**n.s.**
Profit (loss) for the period attributable to Non-controlling interests	267	(9,977)	10,244	(102.7)%
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**(25,667)**	**39,181**	**(64,848)**	**n.s.**
Non-recurring items included in Profit (loss) for the period	(12,249)	(6,849)	(5,400)	78.8%
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(784)	(400)	(384)	96.0%
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	**(14,202)**	**45,630**	**(59,832)**	**(131.1)%**
Profit (loss) for the period attributable to Non-controlling interests excluding non-recurring items	517	10,377	(9,860)	(95.0)%
Earnings per share (in Euro)	**(0.32)**	**0.50**	**(0.82)**	**n.s.**
Earnings per share excluding non-recurring items (Euro)	(0.18)	0.58	(0.76)	(131.1)%

Portfolio under management

At September 30, 2023, the Group's Managed Portfolio (GBV) in the five core markets in Italy, Spain, Portugal, Greece and Cyprus amounted to €117.8 billion, with a slight decrease of 2.2% comparing with the balance of €120.5 billion at December 31, 2022.
New flows amounted to approximately 8.7 billion, of which roughly 17% related to the Italian market, 21% to the Iberian region and 62% to the Hellenic one.

The following chart shows the geographical breakdown of the GBV: in particular for each country the share managed at September 30, 2023 is highlighted.

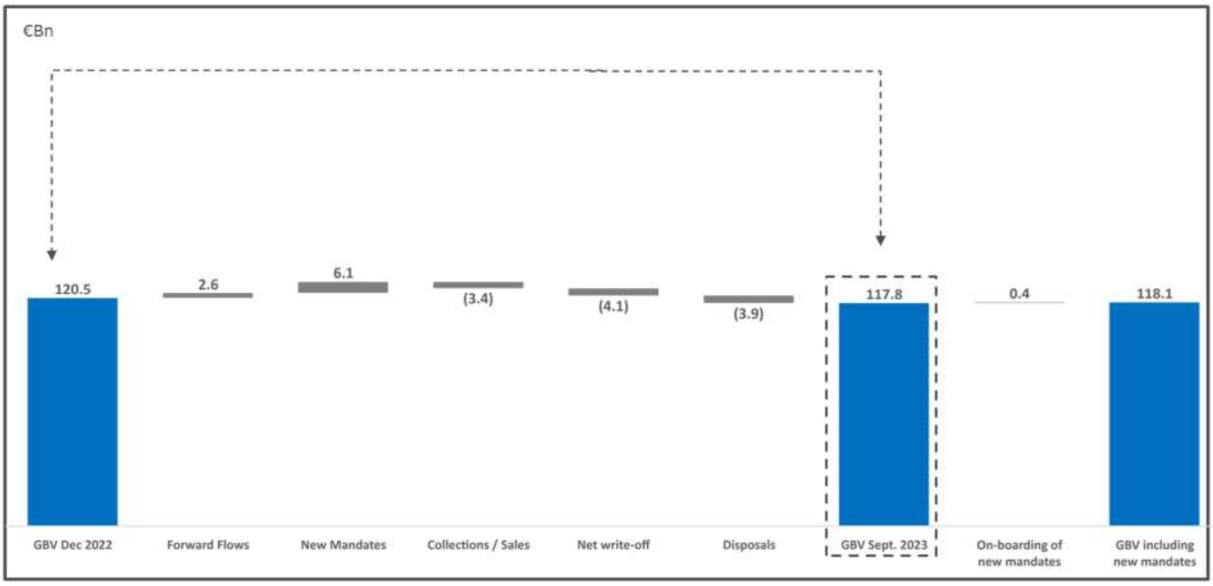


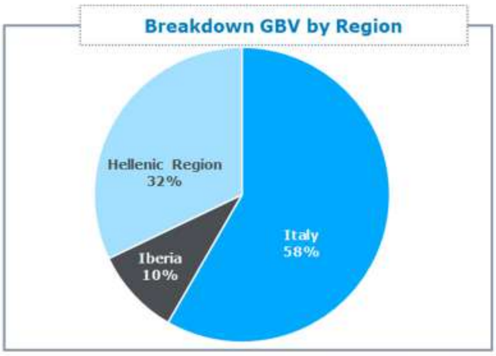
The evolution of the Managed Portfolio, which includes only onboarded portfolios, in the first nine months of 2023 was characterised by contracts related to new customers totalling €6.1 billion, of which approximately €4.5 billion in the Hellenic Region, roughly €0.7 billion in Iberia and about €0.9 billion in Italy.

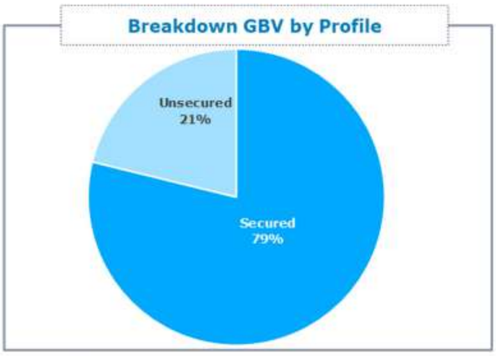
In addition to the flows listed above, a further €2.6 billion comes from existing customers which are onboarded through flow contracts.

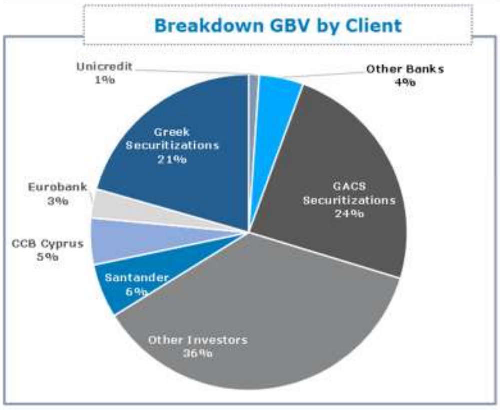
With respect to the decrease in GBV, during the period, disposals and write-offs totalled €3.9 billion and €4.1 billion, respectively.

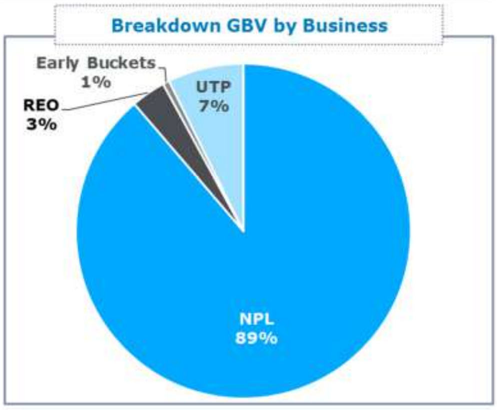
The Managed Portfolio is to be considered in further growth with respect to the picture described above, due to new mandates acquired and currently in the onboarding phase for a total of approximately €0.4 billion, related to portfolios of Italian leading institutions.











Group collections for the period amounted to €3.4 billion, down by approximately 13% on the same period of the previous year (€3.9 billion). The decrease is essentially due to the exit of the Sareb portfolio in Spain. Excluding the effect of the exit of the Sareb portfolio, the figure for the period would compare with €3.2 billion in the first nine months of 2022, with a 7% improvement in performance.

The geographical breakdown of collections for 2023 is as follows: €1.2 billion in Italy, €0.8 billion in Iberia and €1.4 billion in the Hellenic Region.

Performance

The first nine months of 2023 were persistently affected by international tension, inflationary pressures and increases in interest rates following monetary policy decisions by ECB.
In this complex framework, the doValue Group recorded **gross revenues** of €335.2 million, down 21% from €425.5 million at September 30, 2022. The comparison with the comparative period is particularly detrimental, but it should be remembered that the 2022 data still included the contribution of the Sareb portfolio (on a like-for-like basis, excluding the latter, the revenues for the first nine months of 2022 would be equal to €379.4 million, denoting a much lower drop of approximately 12%).
At a geographical level, the comparison with the same period of the previous year highlights a lower contribution from the Hellenic Region and a decrease recorded in Iberia (especially linked to the exit of the Sareb portfolio) and in Italy (lower NPL collections partially offset by better performance in the UTP sector and ancillary businesses).

Servicing revenues of **NPE and REO** assets amounted to €291.5 million (€390.3 million at September 30, 2022), down 25%. On a product basis, NPE revenues amounted to €251.6 million (€326.2 million in September 2022), down by approximately 23%, while REO revenues totalled €39.9 million and, compared to €64.1 million in the same period of the previous year, show a 38% decrease. As mentioned earlier, these trends are impacted by the partial contribution of the Sareb portfolio during the year which was offboarded between July and October 2022.

Co-investment revenues, equal to €1.1 million, are substantially in line with the comparative period and are represented by the revenues of the ABS securities of the Romeo SPV, Mercutio Securitization and Mexico Finance securitisations of which doValue holds 5%.

On the other hand, the contribution of **ancillary and other revenues** is more significant (€42.6 million) and a sharp increase compared to the €34.1 million balance at September 30, 2022. It originates mainly from income for data processing and provision services and other services closely related to the above-mentioned servicing activities, such as due diligence, master and structuring services and legal services, as well as services provided in the Rental, Real Estate Development and diversified Advisory and Portfolio Management areas.
These revenues accounted for 13% of total gross revenues for the period, compared to approximately 8% in the same period of the previous year.

(€/000)

	9/30/2023	9/30/2022	Change €	Change %
NPE revenues	251,623	326,188	(74,565)	(22.9)%
REO revenues	39,875	64,117	(24,242)	(37.8)%
Co-investment revenues	1,064	1,141	(77)	(6.7)%
Ancillary and other revenues	42,592	34,083	8,509	25.0%
Gross revenues	**335,154**	**425,529**	**(90,375)**	**(21.2)%**
NPE Outsourcing fees	(10,692)	(16,111)	5,419	(33.6)%
REO Outsourcing fees	(7,256)	(19,514)	12,258	(62.8)%
Ancillary Outsourcing fees	(12,569)	(9,891)	(2,678)	27.1%
Net revenues	**304,637**	**380,013**	**(75,376)**	**(19.8)%**

Net revenues decreased by 20% to €304.6 million, compared to approximately €380.0 million in the same period of the previous year.

NPE outsourcing fees fell sharply by 34% to €10.7 million (€16.1 million in the first nine months of 2022), with a decrease in all segments, as a result of lower collections through the external network and of a gradual internalization process underway in Italy.
This decrease in terms of cost is more than proportional to the decline in the related revenues, thereby indicating a partial recovery of efficiency in this segment.

REO outsourcing fees decreased to €7.3 million (€19.5 million in 2022), due to the combination of two opposing effects: the decrease in the managed portfolio in Spain and the stability of turnover in Greece due to the ongoing activities carried out by the subsidiary doValue Greece Real Estate. This segment was also affected by the lower number of auctions in Italy and Spain due to the macroeconomic conditions and to a strike by the Spanish courts, occured in the first part of the year.

Ancillary outsourcing fees amounted to €12.6 million compared to €9.9 million in the same period of 2022, up 27%, in line with the increase in volumes of the related revenues.
The impact of outsourcing fees on revenues fell from 11% in September 2022 to 9% in the current period as a result of the Sareb portfolio offboarding and of the Group's policy which increased the use of in-house personnel in the recovery of receivables under management.

Operating expenses amounted to €189.3 million compared to €230.5 million in the same period of 2022. The incidence on gross revenues is 56% compared to 54% of 2022. In details, **administrative expenses** amounted to €47.6 million (compared to €71.9 million at September 30, 2022). The decrease of approximately 34% shows a general reduction in all segments, particularly in Iberia, as a result of the restructuring that began in 2022.

Staff expenses amounted to €141.8 million, down 11% from €158.6 million in same period of the previous year.

(€/000)

	9/30/2023	9/30/2022	Change €	Change %
Staff expenses	(141,751)	(158,580)	16,829	(10.6)%
Administrative expenses	(47,551)	(71,871)	24,320	(33.8)%
o.w. IT	*(19,604)*	*(25,578)*	*5,974*	(23.4)%
o.w. Real Estate	*(3,801)*	*(5,161)*	*1,360*	(26.4)%
o.w. SG&A	*(24,146)*	*(41,132)*	*16,986*	(41.3)%
Operating expenses	**(189,302)**	**(230,451)**	**41,149**	**(17.9)%**
EBITDA	**115,335**	**149,562**	**(34,227)**	**(22.9)%**
o.w: Non-recurring items included in EBITDA	*(79)*	*(2,357)*	*2,278*	(96.6)%
o.w: EBITDA excluding non-recurring items	***115,414***	***151,919***	***(36,505)***	**(24.0)%**

The table below shows the number of FTEs (Full Time Equivalents) by geographical area.

FTEs BY REGION	9/30/2023	9/30/2022	Change	Change %
Italy	959	988	(29)	(2.9)%
Iberia	599	711	(112)	(15.8)%
Hellenic Region	1,570	1,518	52	3.4%
Total	**3,128**	**3,217**	**(89)**	**(2.8)%**

As a result of the trends described above, **EBITDA** stood at €115.3 million compared to €149.6 million in 2022, with an incidence on revenues equal to 34% against 36% in September 2022, whose amount was influenced by the contribution of the Sareb portfolio, absent in 2023.

In the first nine months of 2023 were recognised €79 thousand of non-recurring items for strategic consultancies; consequently, **EBITDA excluding non-recurring items** amounts to €115.4 million, compared to €151.9 million at September 2022 when these items not directly related to the business amounted to €2.4 million.

The Group's **EBIT** amounted to €27.1 million compared to €94.6 million in the same period of the previous year.
EBT amounted to €5.1 million compared to €72.1 million at September 30, 2022. This item includes the financial costs related to the two bond issues and to the Earn-out recognised following acquisition operations in Spain and Greece, the fair value difference related to minority co-investments in securitisation vehicles where the Group is the Servicer, and other minor items related to the application of IFRS 16.

(€/000)

	9/30/2023 Restated	9/30/2022	Change €	Change %
EBITDA	**115,335**	**149,562**	**(34,227)**	**(22.9)%**
Net write-downs on property, plant, equipment and intangibles	(76,437)	(47,919)	(28,518)	59.5%
Net provisions for risks and charges	(13,015)	(7,317)	(5,698)	77.9%
Net write-downs of loans	1,207	265	942	n.s.
EBIT	**27,090**	**94,591**	**(67,501)**	**(71.4)%**
Net income (loss) on financial assets and liabilities measured at fair value	1,586	(1,170)	2,756	n.s.
Net financial interest and commissions	(23,614)	(21,279)	(2,335)	11.0%
EBT	**5,062**	**72,142**	**(67,080)**	**(93.0)%**

EBT includes additional non-recurring items totalling €11.8 million (€8.5 million in 2022), which mainy refer to costs related to the early retirement incentive affecting all regions (especially Spain, following the exit of the Sareb portfolio) and to the tax claims in Italy and Spain.

Net write-downs on property, plant and equipment and intangibles amounted to €76.4 million compared to €47.9 million at September 30, 2022, with an increase of €28.5 million substantially attributable to the impairments accounted for the main intangible assets relating to doValue Spain and therefore to the Iberia region.
In particular, the long-term servicing contract with Santander was written down for €14.7 million, as well as the brand for €1.7 million and finally the goodwill for €12.5 million. For further details, please refer to the following section "Group financial position".
The balance of the item also includes the amortization of servicing contracts and the brand for doValue Spain and doValue Greece, amounting to a total of €22.9 million, as well as the amortization of right-of-use assets deriving from the recognition of leases in accordance with IFRS 16 for a total of €10.7 million. The remaining part of amortisation primarily concerns software licenses for technology investments made by the Group during the period equal to €11.7 million aimed at upgrading the IT platform.
Net provisions for risks and charges amounted to €13.0 million, compared to €7.3 million at September 30, 2022, and were mainly related to provisions for early retirement incentives, legal disputes and prudential provisions on receivables.
Net financial interest and commissions amounted to €23.6 million, against €21.3 million at September 30, 2022. This item mainly reflects the costs associated with the two bonds issued for the acquisitions made in Spain and Greece, implementing the Group's internationalisation strategy.

(€/000)

	9/30/2023 Restated	9/30/2022	Change €	Change %
EBT	**5,062**	**72,142**	**(67,080)**	**(93.0)%**
Income tax for the period	(30,996)	(22,984)	(8,012)	34.9%
Profit (Loss) for the period	**(25,934)**	**49,158**	**(75,092)**	**n.s.**
Profit (loss) for the period attributable to Non-controlling interests	267	(9,977)	10,244	(102.7)%
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**(25,667)**	**39,181**	**(64,848)**	**n.s.**
Non-recurring items included in Profit (loss) for the period	(12,249)	(6,849)	(5,400)	78.8%
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(784)	(400)	(384)	96.0%
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	**(14,202)**	**45,630**	**(59,832)**	**(131.1)%**
Earnings per share (in Euro)	**(0.32)**	**0.50**	**(0.82)**	**n.s.**
Earnings per share excluding non-recurring items (Euro)	***(0.18)***	***0.58***	***(0.76)***	***(131.1)%***

Income tax for the period amounted to €31.0 million, compared to €23.0 million in September 2022, due to the income mix developed during the period and of the effects of the write-downs on Italian and Iberian deferred taxes.
The **profit for the period attributable to the Shareholders of the Parent Company excluding non-recurring items** came to negative €14.2 million, compared to the positive result of €45.6 at September 30, 2022. Including non-recurring items, the **profit for the period attributable to the Shareholders of the Parent Company** is negative for €25.7 million, compared to a profit of €39.2 million of September 2022.

SEGMENT REPORTING

doValue's international expansion in the large market of Southern Europe, with the acquisition first of doValue Spain and later of doValue Greece, has led management to consider it appropriate to evaluate and analyse the business with a geographical segmentation.
This classification is tied to specific factors of the entities included in each category and to the type of market. The geographical regions thus identified were: Italy, Hellenic Region and Iberia. It should be noted that the Italy Region includes €3.7 million linked to the cost of the resources allocated to the Group and to the cost relating to the employment relationship with the previous Chief Executive Officer.
Based on these criteria, the following table shows the revenues and EBITDA (excluding non-recurring items) for the period for each of these business segments.

Gross revenues recorded in the first nine months of 2023 amounted to €335.2 million (€425.5 million in September 2022) and EBITDA excluding non-recurring items amounted to €115.4 million (€151.9 million in September 2022). Italy contributed 34% to the Group's gross revenues, Hellenic Region 51% and Iberia 15%.
The **EBITDA margin excluding non-recurring items** in Italy was 20% (23% excluding charges of €3.7 million mentioned above), 56% in the Hellenic Region and a negative 5% in Iberia.

(€/000)

	First Nine Months 2023			
Condensed Income Statement (excluding non-recurring items)	**Italy**	**Hellenic Region**	**Iberia**	**Total**
Servicing revenues	84,383	158,939	48,176	291,498
o/w NPE Revenues	*84,383*	*140,200*	*27,040*	*251,623*
o/w REO Revenues	-	*18,739*	*21,136*	*39,875*
Co-investment revenues	1,064	-	-	1,064
Ancillary and other revenues	27,674	12,737	2,181	42,592
Gross Revenues	**113,121**	**171,676**	**50,357**	**335,154**
NPE Outsourcing fees	(4,893)	(3,398)	(2,401)	(10,692)
REO Outsourcing fees	-	(3,141)	(4,115)	(7,256)
Ancillary Outsourcing fees	(12,157)	-	(412)	(12,569)
Net revenues	**96,071**	**165,137**	**43,429**	**304,637**
Staff expenses	(56,006)	(54,230)	(31,515)	(141,751)
Administrative expenses	(17,283)	(15,570)	(14,619)	(47,472)
o/w IT	*(6,685)*	*(7,153)*	*(5,766)*	*(19,604)*
o/w Real Estate	*(1,001)*	*(1,847)*	*(953)*	*(3,801)*
o/w SG&A	*(9,597)*	*(6,570)*	*(7,900)*	*(24,067)*
Operating expenses	**(73,289)**	**(69,800)**	**(46,134)**	**(189,223)**
EBITDA excluding non-recurring items	**22,782**	**95,337**	**(2,705)**	**115,414**
EBITDA margin excluding non-recurring items	**20.1%**	**55.5%**	**(5.4)%**	**34.4%**
Contribution to EBITDA excluding non-recurring items	**19.7%**	**82.6%**	**(2.3)%**	**100.0%**

(€/000)

Condensed Income Statement (excluding non-recurring items)	**First Nine Months 2023 vs 2022**			
	Italy	**Hellenic Region**	**Iberia**	**Total**
Servicing revenues				
First Nine Months 2023	84,383	158,939	48,176	291,498
First Nine Months 2022	105,204	190,077	95,024	390,305
Change	*(20,821)*	*(31,138)*	*(46,848)*	*(98,807)*
Co-investment revenues, ancillary and other revenues				
First Nine Months 2023	28,738	12,737	2,181	43,656
First Nine Months 2022	27,416	2,681	5,127	35,224
Change	*1,322*	*10,056*	*(2,946)*	*8,432*
Outsourcing fees				
First Nine Months 2023	(17,050)	(6,539)	(6,928)	(30,517)
First Nine Months 2022	(14,014)	(5,983)	(25,519)	(45,516)
Change	*(3,036)*	*(556)*	*18,591*	*14,999*
Staff expenses				
First Nine Months 2023	(56,006)	(54,230)	(31,515)	(141,751)
First Nine Months 2022	(63,253)	(53,285)	(42,042)	(158,580)
Change	*7,247*	*(945)*	*10,527*	*16,829*
Administrative expenses				
First Nine Months 2023	(17,283)	(15,570)	(14,619)	(47,472)
First Nine Months 2022	(20,482)	(18,705)	(30,327)	(69,514)
Change	*3,199*	*3,135*	*15,708*	*22,042*
EBITDA excluding non-recurring items				
First Nine Months 2023	22,782	95,337	(2,705)	115,414
First Nine Months 2022	34,871	114,785	2,263	151,919
Change	*(12,089)*	*(19,448)*	*(4,968)*	*(36,505)*
EBITDA margin excluding non-recurring items				
First Nine Months 2023	20.1%	55.5%	(5.4)%	34.4%
First Nine Months 2022	26.3%	59.5%	2.3%	35.7%
Change	*(6)p.p.*	*(4)p.p.*	*(8)p.p.*	*(1)p.p.*

Group Financial Position

INTRODUCTION

The balance sheet figures have been reclassified from a management perspective, in line with the representation of the reclassified income statement and the net financial position of the Group.
At the end of this Directors' Interim Report on the Group, in accordance with the same presentation approach for the income statement, we have included a reconciliation between the condensed balance sheet reported below and the table reported in the consolidated Financial Statements.

(€/000)

Condensed Balance Sheet	9/30/2023 Restated	12/31/2022	Change €	Change %
Cash and liquid securities	95,667	134,264	(38,597)	(28.7)%
Financial assets	52,374	57,984	(5,610)	(9.7)%
Property, plant and equipment	52,410	59,191	(6,781)	(11.5)%
Intangible assets	472,526	526,888	(54,362)	(10.3)%
Tax assets	100,586	118,226	(17,640)	(14.9)%
Trade receivables	158,902	200,143	(41,241)	(20.6)%
Assets held for sale	16	13	3	23.1%
Other assets	55,471	29,889	25,582	85.6%
Total Assets	**987,952**	**1,126,598**	**(138,646)**	**(12.3)%**
Financial liabilities: due to banks/bondholders	581,179	564,123	17,056	3.0%
Other financial liabilities	115,751	120,861	(5,110)	(4.2)%
Trade payables	48,282	70,381	(22,099)	(31.4)%
Tax liabilities	59,252	67,797	(8,545)	(12.6)%
Employee termination benefits	8,582	9,107	(525)	(5.8)%
Provisions for risks and charges	30,481	37,655	(7,174)	(19.1)%
Other liabilities	48,357	75,754	(27,397)	(36.2)%
Total Liabilities	**891,884**	**945,678**	**(53,794)**	**(5.7)%**
Share capital	41,280	41,280	-	n.s.
Reserves	37,289	83,109	(45,820)	(55.1)%
Treasury shares	(4,006)	(4,332)	326	(7.5)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	16,502	(42,169)	n.s.
Net Equity attributable to the Shareholders of the Parent Company	**48,896**	**136,559**	**(87,663)**	**(64.2)%**
Total Liabilities and Net Equity attributable to the Shareholders of the Parent Company	**940,780**	**1,082,237**	**(141,457)**	**(13.1)%**
Net Equity attributable to Non-Controlling Interests	47,172	44,361	2,811	6.3%
Total Liabilities and Net Equity	**987,952**	**1,126,598**	**(138,646)**	**(12.3)%**

Cash and liquid securities are down by €38.6 million on the previous year end as a result of the financial trend of the period described in the note to the Net Financial Position.

Financial assets amounted to €52.4 million, a decrease of €5.6 million compared to December 31, 2022 (€58.0 million).

The item is broken down in the following table.

(€/000)

Financial assets	9/30/2023	12/31/2022	Change €	Change %
At fair value through profit or loss	**43,172**	**42,323**	**849**	**2.0%**
Debt securities	20,953	18,145	2,808	15.5%
CIUs	21,968	23,628	(1,660)	(7.0)%
Equity instruments	197	197	-	n.s.
Non-hedging derivatives	54	353	(299)	(84.7)%
At fair value through OCI	**8,309**	**10,171**	**(1,862)**	**(18.3)%**
Equity instruments	8,309	10,171	(1,862)	(18.3)%
At amortized cost	**893**	**5,490**	**(4,597)**	**(83.7)%**
L&R with banks other than current accounts and demand deposits	54	4,433	(4,379)	(98.8)%
L&R with customers	839	1,057	(218)	(20.6)%
Total	**52,374**	**57,984**	**(5,610)**	**(9.7)%**

Financial assets "at fair value through profit or loss" increased by an overall €0.8 milioni. In detail, debt securities show an increase of €2.8 million, almost entirely attributable to positive valuation effects detected on one of the Cairo portfolios. CIU units relating to the reserved closed-end alternative securities fund Italian Recovery Fund (formerly Atlante II), decreased by €1.7 million mainly due to the cancellation and distribution of some units for €2.3 million, compensated by valuation effects for €0.6 million. Finally, the category includes the fair value attributed to the non-hedging derivative on BidX1 and representative of the value of the residual call option, which highlights a valuation decrease of €0.3 million in the period.
Financial assets "at fair value through OCI", which include the non-controlling interests held in the Brazilian fintech company QueroQuitar S.A. (11.46%) and in the Irish proptech company BidX1 (17.7%), showed a reduction in valuation of €1.9 million attributable exclusively to the latter company.
Financial assets "at amortised cost" decreased by €4.6 million mainly attributable to the sale to third parties, completed in January 2023, of the limited recourse loan for a specific business activity, following the termination of the latter by mutual consent.

Property, plant and equipment amounted to €52.4 million, down by €6.8 million on December 31, 2022. The decrease is mainly due to the amortisation charge of the period (€12.6 million), partially offset by new purchases of €5.7 million relating largely to lease contracts on buildings and cars (€4.3 million).

Intangible assets went from €526.9 million to €472.5 million, down €54.4 million. The decrease is mainly attributable to the combined effect of reductions of €64.0 million (of which €34.6 million for amortisation and €29.4 million for write-downs) and increases of €9.7 million mainly related to software purchases (including the portion classified as assets under development and payments on account).
The write-downs of a total of €29.4 million of intangible assets mainly derive from the results of an impairment test carried out on the values as at September 30, 2023, in which the prospective information has been determined in line with that relating to the last quarter of 2023 deriving from the Budget 2023 approved by the Board of Directors on December 22, 2022 and with the Group Industrial Plan 2022-2024 approved by the Board of Directors on January 25, 2022, with the exception of intangible assets attributable to the Iberia region for which the test was performed on the basis of the preliminary 2024-2026 Business Plan approved by the Board of Directors on January 12, 2024.
The test, which compares the estimated values in use with the related book values net of depreciation for the period, highlighted the need to write down the "long-term servicing contracts" category for €14.7 million referred to the Santander contract of doValue Spain, the "brands" category for €1.7 million relating to the brand attributable to the subsidiary doValue Spain, as well as goodwill allocated to Iberia region for €12.5 million.

The following is a breakdown of intangible assets:

(€/000)

Intangible assets	9/30/2023 Restated	12/31/2022	Change €	Change %
Software	41,756	44,441	(2,685)	(6.0)%
Brands	20,267	24,581	(4,314)	(17.6)%
Assets under development and payments on account	10,975	10,791	184	1.7%
Goodwill	224,367	236,897	(12,530)	(5.3)%
Long-term servicing contracts	175,161	210,178	(35,017)	(16.7)%
Total	**472,526**	**526,888**	**(54,362)**	**(10.3)%**

In particular, the most significant portion of intangible assets is due to Group's two acquisitions, relating respectively to doValue Spain and its subsidiaries, carried out at the end of June 2019, and the business combination of doValue Greece completed in June 2020, as summarised below:

(€/000)

	9/30/2023 Restated		
Intangible assets	doValue Spain Business Combination	doValue Greece Business Combination	Total
Software and relative assets under development	12,310	21,677	33,987
Brands	20,198	-	20,198
Goodwill	111,534	112,391	223,925
Long-term servicing contracts	17,560	157,601	175,161
Total	**161,602**	**291,669**	**453,271**

	12/31/2022		
Intangible assets	doValue Spain Business Combination	doValue Greece Business Combination	Total
Software and relative assets under development	13,073	22,532	35,605
Brands	24,508	-	24,508
Goodwill	124,064	112,391	236,455
Long-term servicing contracts	35,404	174,776	210,180
Total	**197,049**	**309,699**	**506,748**

The **tax assets** listed below amounted to €100.6 million at September 30, 2023, compared to €118.2 million at December 31, 2022. The €17.6 million decrease is mainly due to releases of "Deferred tax assets", of which €13.2 million derive from the cancellation non-recoverable DTA for tax losses carried forward and temporary differences of the Iberian region and €1.4 million from the cancellation of DTA of the Parent Company doValue.

(€/000)

Tax assets	9/30/2023 Restated	12/31/2022	Change €	Change %
Current tax assets	**5,010**	**5,407**	**(397)**	**(7.3)%**
Paid in advance	-	1,006	(1,006)	(100.0)%
Tax credits	5,010	4,401	609	13.8%
Deferred tax assets	**82,908**	**101,758**	**(18,850)**	**(18.5)%**
Write-down on loans	41,846	49,391	(7,545)	(15.3)%
Tax losses carried forward in the future	16,341	19,300	(2,959)	(15.3)%
Property, plants and equipment / Intangible assets	12,981	18,241	(5,260)	(28.8)%
Other assets / liabilities	3,682	5,243	(1,561)	(29.8)%
Provisions	8,058	9,583	(1,525)	(15.9)%
Other tax receivables	**12,668**	**11,061**	**1,607**	**14.5%**
Total	**100,586**	**118,226**	**(17,640)**	**(14.9)%**

The breakdown of **tax liabilities** equal to €59.3 million, is also shown below, which shows a decrease of €8.5 million compared to the 2022 balance of €67.8 million. The change of the period is primarly related to the €8.2 million reduction in deferred tax liabilities, partly associated with the impairment of intangible assets in the Iberia region as described above (€4.1 million). The remaining portion is attributed to the Purchase Price Allocation (PPA) process of doValue Spain and doValue Greece, along with the additional reduction in tax-related debt for the period (€1.3 million).

(€/000)

Tax liabilities	9/30/2023 Restated	12/31/2022	Change €	Change %
Taxes for the period	9,182	10,478	(1,296)	(12.4)%
Deferred tax liabilities	42,828	51,003	(8,175)	(16.0)%
Other tax payables	7,242	6,316	926	14.7%
Total	**59,252**	**67,797**	**(8,545)**	**(12.6)%**

At September 30, 2023, **financial liabilities – due to banks/bondholders** went from €564.1 million to €581.2 million, up by €17.1 million.
This increase is due, on the one hand, to the portion of accrued unpaid interest and to the temporary use of a 12-month revolving credit line of €25 million, and, on the other hand, to the reduction of €5.0 million deriving from two buy-back transactions of existing bonds which were concluded by repurchasing part of the debt on the market at a discount so as to reduce the total amount of liabilities by more than the required financial outlay, with the consequent recognition of an income equal to €0.5 million.

At September 30, 2023, the residual liability at amortised cost for the two bonds issued was as follows:
- 2020-2025 bond with a nominal value of €264.0 million, interest rate 5.0%: €261.1 million;
- 2021-2026 bond with a nominal value of €296.0 million, interest rate 3.4%: €294.6 million.

Other financial liabilities at September 30, 2023 are detailed below:

(€/000)

Other financial liabilities	9/30/2023	12/31/2022	Change €	Change %
Lease liabilities	44,033	49,938	(5,905)	(11.8)%
Earn-out	50,198	44,649	5,549	12.4%
Put option on non-controlling interests	-	21,894	(21,894)	(100.0)%
Hedging derivatives	-	-	-	n.s.
Other financial liabilities	21,520	4,380	17,140	n.s.
Total	**115,751**	**120,861**	**(5,110)**	**(4.2)%**

"Lease liabilities" include the discounted value of future lease payments, in accordance with the provisions of IFRS 16.
The liability for the Earn-out refers (i) to the doValue Spain operation in the amount of €21.6 million, which represents a portion of the acquisition price, integrated of the interest component and (ii) to the acquisition of doValue Greece for €28.6 million that is related to the achievement of some EBITDA targets within a ten-year time frame and the first payments of which will not be due before 2024.
Last September 29th, the notification was received for the exercise of the sale option of the residual minority share (equal to 15%) of doValue Spain. The "Put option on non-controlling interests" liability, equal to €21.9 million at December 31, 2022, was therefore cancelled in the reference period as the related amount of €21.5 million defined between the parties was included among the "Other financial liabilities" category following the exercise of the option.
Please note that the expiry of the put option was extended to the end of September 2023 through the agreement signed on June 26, 2023, with which the exercise price of the option was also defined; it should also be noted that the formalization and execution of the transfer of the minority share of doValue Spain took effect from October 24, 2023 ("Transfer date").
The component of "Other financial liabilities" which at December 31, 2022 was equal to €4.4 million, was eliminated at September 30, 2023 following the termination of the limited recourse loan for a specific business activity in January 2023, as a result of the sale of the related loan recognised under financial assets.

Provisions for risks and charges amounted to €30.5 million (€37.7 million at the end of 2022), with a reduction of €7.2 million attributable to the "Other" category for €5.4 million and mainly due to the release of the provision for "Curing fees" pursuant to IFRS 15 on variable fees, as well as, in relation to the "legal and tax disputes" category, to the release of €2.5 million of a risk provision by the subsidiary doValue Spain following the signing, on December 27, 2023, of a settlement agreement with a client.

(€/000)

Provisions for risks and charges	9/30/2023 Restated	12/31/2022	Change €	Change %
Legal and Tax disputes	18,081	19,867	(1,786)	(9.0)%
Staff expenses	558	535	23	4.3%
Other	11,842	17,253	(5,411)	(31.4)%
Total	**30,481**	**37,655**	**(7,174)**	**(19.1)%**

Other liabilities went from €75.8 million to €48.4 million with a decrease of €27.4 million mainly due to the settlement of debts towards employees for performance bonuses and early retirement incentives, as well as the release of the portion referring to first nine months of 2023 of the deferred income on the advance payment of servicing fee and other residual items.

(€/000)

Other liabilities	9/30/2023	12/31/2022	Change €	Change %
Amounts due to personnel	24,980	31,495	(6,515)	(20.7)%
Debts related to servicing contracts	17,073	16,895	178	1.1%
Accrued expenses/deferred income and other debts	6,304	27,364	(21,060)	(77.0)%
Total	**48,357**	**75,754**	**(27,397)**	**(36.2)%**

Shareholders' equity attributable to Shareholders of the Parent Company amounted to €48.9 million, compared to €136.6 million at December 31, 2022.

NET WORKING CAPITAL

(€/000)

Net Working Capital	9/30/2023	9/30/2022	12/31/2022
Trade receivables	158,902	197,849	200,143
Trade payables	(48,282)	(57,775)	(70,381)
Total	**110,620**	**140,074**	**129,762**

The balance for the period was €110.6 million, a marked improvement compared to €129.8 million in December 2022: this decrease is the result of the reduction showed in all the geographical areas of reference. In terms of revenues over the last 12 months, the NWC accounts for 24% in line with the 23% at the end of 2022. This trend is particularly appreciable if considered within the current macroeconomic framework.

NET FINANCIAL POSITION

(€/000)

	Net Financial Position	9/30/2023	9/30/2022	12/31/2022
A	Cash	95,667	159,518	134,264
B	**Liquidity (A)**	**95,667**	**159,518**	**134,264**
C	Current bank debts	(25,418)	(25,104)	(163)
D	Bonds issued - current	(3,865)	(3,896)	(9,740)
E	**Net current financial position (B)+(C)+(D)**	**66,384**	**130,518**	**124,361**
G	Bonds issued - non-current	(551,896)	(553,296)	(554,220)
H	**Net financial position (E)+(F)+(G)**	**(485,512)**	**(422,778)**	**(429,859)**

At September 30, 2023, the **net financial position** amounted to €485.5 million, compared to €429.9 million at the end of 2022.

The trend for the period was characterised by planned investments of approximately €9.2 million, mainly in Italy and in the Hellenic Region, the working capital trends explained above, as well as the payment of taxes of €20.0 million (largely attributable to the Hellenic Region) and financial expenses related to the two bond issues for €23.3 million. It should be noted that dividends of approximately €52.6 million were paid

during the period (of which €5.0 million to the minority shareholders of the Greek subsidiary doValue Greece).
Therefore, "Cash" amounted to €95.7 million, compared to €134.3 million at the end of 2022, as a result of the above trends.
In addition to the current cash level, the Group had €93.5 million of available credit lines of, bringing total liquidity (cash plus available lines) to approximately €190 million.
The **net current financial position** remains positive at €66.4 million (€124.4 million at the end of 2022), reflecting a balanced overall capital structure.
With respect to its debt structure, from time to time, depending on market conditions and other factors, doValue or one of its affiliates may repurchase or acquire an interest in its outstanding debt securities, whether such securities are traded above or below their nominal value, using its cash or in exchange for other securities or other consideration, in any case through market purchases or through privately negotiated or other transactions.
Despite the ongoing turbulence which affected the reference markets also in this quarter of the year, the Group's net financial position was not significantly impacted, also considering the structure of the collection deadlines scheduled by the waterfall that, especially domestically, envisage payment terms close to the end of the quarter.

CONDENSED CASH FLOW

(€/000)

Condensed Cash flow	9/30/2023	9/30/2022	12/31/2022
EBITDA	115,335	149,562	198,708
Capex	(9,160)	(13,733)	(30,833)
EBITDA-Capex	**106,175**	**135,829**	**167,875**
as % of EBITDA	92%	91%	84%
Adjustment for accrual on share-based incentive system payments	(4,761)	4,810	5,557
Changes in Net Working Capital (NWC)	(10,269)	(26,950)	(15,137)
Changes in other assets/liabilities	(53,175)	(49,771)	(74,697)
Operating Cash Flow	**37,970**	**63,918**	**83,598**
Corporate Income Tax paid	(19,961)	(25,368)	(44,042)
Financial charges	(23,329)	(20,200)	(27,146)
Free Cash Flow	**(5,320)**	**18,350**	**12,410**
(Investments)/divestments in financial assets	2,285	2,428	3,664
Dividends paid to minority shareholders	(5,000)	(5,002)	(5,002)
Dividends paid to Group shareholders	(47,618)	(36,763)	(39,140)
Net Cash Flow of the period	**(55,653)**	**(20,987)**	**(28,068)**
Net financial Position - Beginning of period	(429,859)	(401,791)	(401,791)
Net financial Position - End of period	(485,512)	(422,778)	(429,859)
Change in Net Financial Position	**(55,653)**	**(20,987)**	**(28,068)**

(*) It should be noted that for the sole purpose of better representing the dynamics involving the net working capital, a reclassification was made of the movements related to the "Advance to Suppliers" and to the "Contractual Advance from ERB" from item "Changes in other assets/liabilities” to item “Changes in Net Working Capital (NWC)” for a total of €29.4 as at Sept-23; €19.5m in Sept-22 and €17.9m in Dec-22

The **Operating Cash Flow** for the period was positive at €38.0 million, (€63.9 million at September 30, 2022 and it is the result of the profit margins achieved during the period, with EBITDA of €115.3 million and capital expenditure of €9.2 million following the implementation of the technological transformation of the Group.
The change in net working capital, in the reference period, is negative with a result of €10.3 million (compared with a cash absorption of €26.9 million in September 2022). The change in the current period is mainly linked to the deferred collection to the end of 2023 and the beginning of 2024 of part of the fees relating to the disposal carried out in Greece on the assets under management.
“Changes in other assets/liabilities” amounting to -€53.2 million, mainly includes payments related to voluntary exits as well as items related to periodic rents treated according to the IFRS 16 methodology and to advanced payments for some residential projects under development in the Iberian area.
Taxes paid amounted to €20.0 million and essentially refer to direct taxes paid in the Hellenic area and in Italy (€25.4 million in September 2022).
Financial charges paid amounted to €23.3 million (€20.2 million in September 2022), reflecting the average cost (at a fixed rate) incurred following the bonds issued to support the Group's international growth process. These transactions allowed the Group to replace credit lines with a pre-established repayment plan, including interest and principal, with instruments with bullet repayment for the principal and interimly payment of coupons. This allowed for a greater balance of sources, extending deadlines and a lower interest expense given the current interest rate curve.
The dynamics described above therefore determine a negative **Free Cash Flow** of €5.3 million against the value of €18.3 million in the comparative period, especially by virtue of the lower level of EBITDA developed in 2023 as fully described in the section dedicated to the notes on the economic results.
“(Investments)/disinvestments in financial assets” were positive for €2.3 million and mainly included the collection of the units of the Italian Recovery Fund alternative reserved investment fund.

It should be noted that in the current period the payment of approximately €47.5 million in dividends was made, consisting almost entirely of the amounts approved by the last Shareholders' Meeting and a further €5.0 million to the minority shareholders of the Greek subsidiary doValue Greece.

Therefore, the **net cash flow of the period** was negative by €55.6 million, compared to a negative amount of €21.0 million in the same period of 2022. It should be noted that, excluding the disbursement of dividends, the cash flow generated would have been substantially neutral, also including the buy-back operations of the bond issues amounting to approximately €5 million.

Significant events during the period

RESIGNATION OF THE CHIEF EXECUTIVE OFFICER AND APPOINTMENT OF MANUELA FRANCHI AS NEW CEO

On March 17th, 2023 the Chief Executive Officer Andrea Mangoni announced his intention to resign from his role to take on new professional opportunities.
The Board of Directors has activated the relevant internal procedures aimed at starting the succession process for the role of Chief Executive Officer. In line with the remuneration policy adopted by the Company, there were no indemnities nor benefits in relations to the cessation of the role of Chief Executive Officer.
On April 27th, 2023, the Board of Directors of doValue S.p.A. has co-opted Manuela Franchi as acting Chief Executive Officer of the Group, with the aim of ensuring full continuity and stability in the management of the Group.
Following an in-depth selection process of internal and external candidates activated by the doValue Board of Directors, on August 3, 2023 Manuela Franchi was finally confirmed by unanimous decision in her role as CEO for the Group.

SHAREHOLDERS' MEETING

The Ordinary Shareholders' Meeting of doValue was held on April 27, 2023. In particular, the Shareholders' Meeting:

- approved the separate Financial Statements for the year 2022, the destination of the profit for the year 2022 and the distribution of the dividend;
- examined the second section of the Report on the remuneration policy and on the remuneration paid in the financial year 2022 or related thereto, pursuant to article 123-ter of the TUF and art. 84-Quater of Consob Regulation no. 11971/1999 (the "Issuers' Regulation"), expressing a favourable opinion;
- granted a new authorisation to purchase treasury shares;
- approved the amendments to the By-Laws.

DIVIDEND DISTRIBUTION

On March 23, 2023, the Board of Directors of DoValue resolved to propose to the shareholders the distribution of a dividend of €0.60 per share (for a total of approximately €47.5 million, considering the number of treasury shares currently held by the Company). The dividend, which was subsequently approved by the Shareholders in their Meeting on April 27, 2023, was paid on May 10, 2023 (with ex-dividend date on May 8, 2023 and record date on May 9 2023).

ARBITRATION IN SPAIN

With regard to the developments following the agreement reached with the Tax Authority in 2021 by the subsidiary doValue Spain Servicing S.A. (hereinafter “doValue Spain”), on May 11, 2023, the International Court of Arbitration of the International Chamber of Commerce issued the arbitral award condemning Altamira Asset Management Holdings S.L. (hereinafter "AAMH") to repay approximately €28 million, plus legal interest, in favor of the doValue Group. Simultaneously, doValue S.p.A. is obligated to make the Earn Out payment. The amounts related to the Spanish tax claim were paid in 2021 by doValue Spain to the Spanish Tax Authority in the context of the inspection launched in connection to facts and events occurred prior to the acquisition performed by doValue which took place in 2019.
In response to this arbitral award, AAMH has initiated legal action before, the competent Spanish courts, seeking the partial annulment of the arbitral award concerning its obligation to pay the tax claim imposed under the arbitral award.

TAX AUDIT IN ITALY

Regarding the formal closure of the tax audit that the Parent Company has received by the Italian Tax Authority concerning the fiscal years 2015, 2016 and 2017, prior to the listing, at the end of April 2023, a tax assessment was received in connection with the 2016 finding and for which it filed a tax settlement proposal to activate the adequate protection measures and demonstrate, supported by a pool of professionals, the reasons for the correctness of the own conduct.

OTHER RELEVANT ACTIVITIES

Since the beginning of 2023, doValue has been active on several fronts. A summary of all the main initiatives and key mandates is shown below.

- **MSCI ESG Research**: in March 2023, MSCI ESG Research has upgraded the Group's MSCI ESG rating from "AA" to "AAA". MSCI ESG Research measures a company's resilience to environmental, social and governance ("ESG") risks on a long-term horizon. The upgrade by MSCI ESG Research is a tangible example of doValue's commitment in adopting best practices in the interest of its stakeholders, in particular clients, capital providers (equity holders and bond holders), employees, and the broader social and environmental ecosystem in which the Company operates.

- **Moody's Analytics rating**: in July 2023, Moody's Analytics upgraded its ESG rating to "Robust" from "Limited".

- **Project Souq**: in February 2023, doValue completed a €630 million GBV secondary portfolio disposal in Greece to Intrum. The portfolio has been carved out from the Cairo I and Cairo II HAPS securitisation vehicles, which have been managed by doValue since their creation. The disposal allows doValue to accelerate its collection activity in Greece (for which it received a Collection fee in Q1 2023) whilst obtaining the long-term servicing mandate on the dismissed portfolio.

- **Fino 1 GACS securitisation**: in January 2023, thanks to the strong performance of doValue in the management of the securitisation Fino 1, in the context of which the GACS guarantee was granted by the Italian Ministry of Economy and Finance, the Class A senior notes of this securitisation have been repaid.

- **Efesto Fund**: between December 2022 and January 2023, the Efesto Fund has received commitments for UTP contributions for an aggregate amount of €1.1 billion (partially already onboarded as of March 31st, 2023), including sizeable commitments from two primary Italian banks.

- **Bond buy-back**: as part of an exercise to optimize its liabilities and make better use of available cash, doValue bonds were purchased and subsequently cancelled, for a nominal value of approximately €5.0 million.

- **doValue Spain Put Option**: the expiry date of the put option on the minority interest of 15% in doValue Spain was extended from the end of June 2023 to September 2023.

- **Onboarding of SKY portfolio in Cyprus**: on September 28, 2023 doValue announced the completion of the acquisition transaction of the Sky portfolio, which includes the onboarding by doValue Cyprus of the Sky portfolio assigned by Cerberus Capital Management for a value total of approximately €2.3 billion of Non-Performing Exposures originating from Alpha Bank Cyprus, of which €2.1 billion represent new assets under management.

Significant events after the end of the period

In accordance with IAS 10, it is hereby disclosed that the figures included in the Consolidated Interim Report at September 30, 2023 approved by the Board of Directors on November 9, 2023 have been restated to reflect the effects of the following events occurred after such date and up to January 12, 2024, date of approval of this Consolidated Interim Report.

BUSINESS PLAN 2024-2026

On January 12, 2024, the doValue Board of Directors approved the preliminary 2024-2026 Business Plan for the Iberia region, while the new 2024-2026 Plan for the entire doValue Group is being finalized and will be presented in a subsequent Board of Directors meeting.
The preliminary Business Plan of the Iberia region envisages lower targets compared to the previous 2022-2024 plan in consideration of the current situation of the subsidiaries in Spain and Portugal and the macroeconomic context.

SETTLEMENT AGREEMENT DOVALUE SPAIN

On December 27, 2023, a settlement agreement was signed with a client of the subsidiary doValue Spain. Specifically, this agreement entails the final settlement of any past, present, or future liabilities arising from the contract, with the client making a payment to the Group. The subsidiary doValue Spain received this payment at the end of December 2023.

The following additional significant events that occurred after the closing of the period are listed below, which the Group considers non-adjusting events in accordance with IAS 10.

SHARE BUYBACK PROGRAM

On October 9, 2023 doValue S.p.A. announced the initiation, as from October 10, 2023, of its share buyback programme for a maximum amount of 2,000,000 shares to restore the own shares reserve to service the share-based incentive plan for the Group's management.

COMMENCEMENT OF THE SALE PROCESS OF DOVALUE PORTUGAL

In November 2023, the Board of Directors of doValue Spain, as the sole shareholder of the subsidiary doValue Portugal Unipessoal Limitada, resolved to initiate the sale process. This decision was made in light of the negative economic and financial outlook of the company, despite the initiatives undertaken to mitigate its financial losses.

ARBITRATION IN SPAIN

With regard to the enforcement action initiated by the Parent Company doValue S.p.A. and its subsidiary doValue Spain Servicing S.A. in July 2023 to request the execution and associated payment of sums due from Altamira Asset Management Holdings S.L. (hereinafter "AAMH"), on December 21, 2023, the competent court in Madrid issued an enforcement order, condemning AAMH to pay the amount specified in the arbitral award, leading to the seizure of all assets owned by AAMH. The enforcement procedure is subject to legal opposition.
In light of the above, the Group holds a contingent asset and anticipates realizing an amount of at least approximately €22 million.

TAX AUDIT IN ITALY

With reference to the tax assessment for the year 2016, following the inability to reach a settlement agreement, on December 16, 2023, the settlement procedure was formally closed, and a judicial appeal was filed.
On December 19, 2023, a tax assessment was also received regarding the 2017 fiscal year finding. The Parent Company is currently evaluating, with the support of its consultant, the actions to be taken within the legal timeframe.

DOVALUE INTEGRATES TEAM 4 COLLECTION & CONSULTING S.L.U.

On December 29, 2023 doValue Spain signed the acquisition of full control of Team 4 Collection & Consulting S.L.u. ("Team4"), a subsidiary of the Arvato Group (Bertelsmann).This integration accelerates doValue Spain's strategy to expand its capabilities in the management of small unsecured tickets, a rapidly growing market segment in the region and in Europe, and is consistent with its strategy aimed at growing its business through increased diversification and a wider base of clients. The acquisition is neutral in terms of net leverage and net financial position of doValue. Team4 recorded €3.5 million of net revenue in 2022 with €2.5 billion of asset under management (GBV) and is expected to achieve €4.2 million of net revenues in 2023. Thanks to its technical and human infrastructure Team4 it is able to effectively serve a diverse range of top clients in the Spanish market, both in the financial sector and the consumer space. Team4 has developed a unique platform with capabilities to efficiently manage collection services, both amicable and judicial. Its proprietary software and robust IT infrastructure provide a strong foundation for managing and optimizing collection processes. The acquisition is expected to generate immediate synergies through the internalization of outsourcing services that currently doValue Spain sources from external companies for managing unsecured tickets. The integration will allow doValue to also expand its customer base toward non-banking clients which represent almost 25% of Team4's assets under management. Under the agreement Team4 will continue to serve Arvato Group and Arvato Group's multinational's customers operating in Spain.

OTHER RELEVANT ACTIVITIES

- **doValue Spain Put option**: following the notification received last September 29th for the exercise of the sale option of the residual minority stake (equal to 15%) of doValue Spain, it is noted that the formalization and execution of the transfer of the minority stake took effect from October 24, 2023;

- **S&P Global rating**: in November 2023, S&P Global has confirmed its Issuer Credit Rating at "BB" with "Stable" outlook; the rating and outlook apply also to doValue's Senior Secured Notes listed on the Luxemburg Stock Exchange;

- **New servicing in Spain:** in December 2023 the Group has secured the servicing contract on approximately €500 million GBV of secured NPLs in Spain. Approximately €170 million GBVs were already being serviced by doValue; with this transactions doValue secures this amount and adds approximately €330 million of additional GBVs. The management of the portfolio will begin in the first quarter of 2024.

Outlook for operations

The Group is currently advancing its Business Plan for the period 2022-2024 and simultaneously finalizing the new Plan for the three-year period 2024-2026 to account for changing market scenarios. The latter, which is in the completion phase at the time of approval of this Consolidated Interim Report, may follow new development guidelines and a renewed operational model, leveraging the positive results achieved so far on a more efficient cost structure obtained through the implementation of the doTransformation program.

Regarding the current market context, it is expected that:

- activities in Italy will continue in line with the trends observed in 2023, with revenues slightly contracting due to new business inflows not yet sufficient to offset the collection rate;
- activities in the Hellenic Region will be supported by an acceleration of Collections, also driven by potential portfolio sales in the secondary market on behalf of clients, which should lead to a stable year-on-year margin;
- activities in Iberia will fully reflect the offboarding of the Sareb portfolio following the contract expiration, partially offset by cost reduction resulting from the reorganization of Spanish activities that has already affected the latter part of 2022.

Main risks and uncertainties

The financial position of the doValue Group is adequately scaled to meet its needs, considering the activity carried out and the results achieved.

The financial policy pursued is aimed at fostering the stability of the Group, which in view of its operations does not currently or prospectively intend to engage in speculative investment activity.

The main risks and uncertainties, considering the Group’s business, are essentially connected to the macroeconomic situation which could have consequences on the general trend of the economy and on the generation of non-performing exposures. Furthermore, elements of uncertainty remain linked to the effect inflationary dynamics and the increase in interest rates that could have repercussions on the ability of debtors to repay their exposures.

At the date of approval of this Consolidated Interim Report, considering the high degree of uncertainty linked to these extraordinary circumstances, the actual impacts, direct and indirect, on the Group’s business cannot be estimated.

GOING CONCERN

In order to express an opinion on the going concern assumption used to prepare this interim condensed consolidated Financial Statements, the risks and uncertainties to which the Group is exposed were carefully assessed:

- in particular, account was taken of the forecasts regarding the macroeconomic scenarios impacted by the combination of the inflation, the increase in interest rates, the deterioration of the economic climate, geopolitical risks and the uncertainties relating to future developments;
- in the sustainability assessment of assets at September 30, 2023, account was taken of the Group's solid capital base, financial position and ability to generate cash flows, as reflected in the Group’s 2022-2024 Business Plan and in the preliminary one relating to the three-year period 2024-2026 for the Iberia region, as well as the characteristics of doValue's specific business model, which is capable of responding flexibly to the various phases of the economic cycle;
- finally, account was taken of assets under management, as well as the contribution of new portfolio management contracts recorded in the first nine months of 2023.

From the analyses carried out and on the basis of the assumptions reported above, no uncertainties have emerged in relation to events or circumstances which, considered individually or as a whole, could give rise to doubts regarding the Group's ability to continue as a going concern.

Other information

MANAGEMENT AND COORDINATION

At September 30, 2023, 25.05% of the shares of the Parent Company doValue are owned by its largest shareholder, Avio S.a r.l, the reference shareholder, a company incorporated in Luxembourg, affiliated to the Fortress Group, which in turn was acquired by Softbank Group Corporation in December 2017.
A further 3.22% of doValue shares are held by other investors similarly connected with Softbank Group Corporation, with an overall stake held by the latter of 28.27%.
At September 30, 2023, the residual 71.73% of the shares were placed on the market and 1.04% consisted of 832,618 treasury shares, measured at cost, for a total of €4.0 million held by the Parent Company.
The reference shareholder does not exercise any management or coordination power over doValue pursuant to Article 2497 et seq. of the Italian Civil Code, as it does not issue directives to doValue and, more generally, does not interfere in the management of the Group. Accordingly, the strategic and management policies of the doValue Group and all of its activities in general are the product of the independent self-determination of the corporate bodies and do not involve external management by Avio.
The Parent Company doValue exercises its management and coordination powers over its direct subsidiaries as provided for in the legislation referred to above.

TRANSACTIONS IN TREASURY SHARES

At September 30, 2023, doValue held 832,618 treasury shares, equal to 1.04% of the total share capital. Their book value is €4.0 million and they are presented in the Financial Statements as a direct reduction of Shareholders' Equity under "Treasury shares" pursuant to article 2357-ter of the Italian Civil Code.
The ordinary Shareholders' meeting of April 27, 2023 revoked the authorisation to purchase and sell treasury shares conferred by said meeting to doValue's Board of Directors by means of resolution of April 28, 2022.
At the same time, a new authorisation to purchase treasury shares in one or more transactions was conferred, according to the same terms and conditions pursuant to the previous Shareholders' meeting resolution, i.e. up to 8,000,000 ordinary shares of doValue S.p.A., equal to 10% of the total, for a period of 18 months from the Shareholders' meeting approval.

RESEARCH AND DEVELOPMENT

During the period the Group continued to invest in a number of technological innovation projects, which are expected to bring a competitive advantage in the future.

PEOPLE

The doValue Group's business is related to people, and the improvement and development of professional skills are strategic drivers to ensure sustainable innovation and growth. doValue continues to invest in its people through policies aimed at the improvement and development of human resources, with the aim of consolidating a climate of company satisfaction.
At September 30, 2023, the number of Group employees was 3,146, compared to 3,212 at the end of 2022.

RELATED-PARTY TRANSACTIONS

In compliance with the provisions of the "Rules for Transactions with Related Parties" referred to in Consob Resolution no. 17221 of March 12, 2010, as amended, any transaction with related parties and connected persons shall be concluded in accordance with the procedure approved by the Board of Directors, whose most recent update was approved at the meeting held on June 17, 2021.
This document is available to the public in the "Governance" section of the company website www.dovalue.it.

With reference to paragraph 8 of Article 5 - "Public information on transactions with related parties" of the Consob Regulation cited above, it should be noted that:

A. on the basis of the Policy in relation to transactions with related parties adopted by the Board of Directors of doValue S.p.A., in the first nine months of 2023, no significant transactions were carried out;

B. in the first nine months of 2023, no transactions with related parties were carried out, under different conditions from normal market conditions which have significantly influenced the balance sheet and financial position of the Group;
C. in the first nine months of 2023, there have been no changes or developments to individual transactions with related parties already described in the most recent financial report that have had a significant effect on the Group's balance sheet or results in the reference period.

ATYPICAL OR UNUSUAL OPERATIONS

Pursuant to Consob communication no. 6064293 of July 28, 2006, it should be noted that in the first half 2023 the doValue Group did not carry out any atypical and/or unusual transactions, as defined by the same communication, according to which atypical and/or unusual transactions are those transactions that, due to their significance/relevance, the nature of the counterparties, the subject matter of the transaction, the way in which the transfer price is determined and the timing of the event (close to the end of the financial year) can give rise to doubts as to the accuracy/completeness of the information in the Financial Statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders.

DISCLOSURE ON THE OPT-OUT OPTION

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, as 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.

RECONCILIATION OF EQUITY AND PROFIT FOR THE YEAR OF THE PARENT COMPANY

In application of Consob Communication no. DEM/6064293 dated July 28, 2006, the Parent Company's shareholders' equity and result are reconciled below with the related consolidated amounts.

(€/000)

	9/30/2023 Restated		9/30/2022	
	Shareholders' Equity	Profit (loss) of the period	Shareholders' Equity	Profit (loss) of the period
doValue's S.p.A. separate Financial Statements	135,754	6,175	170,953	16,012
- difference arising from the investments' carrying values and the relative subsidiaries' Equity	(61,753)	-	(49,628)	-
- Results of the subsidiaries, net of minority interest	-	33,452	-	40,595
Cancellation of dividends	-	(28,330)	-	(28,612)
Other consolidation adjustments	562	(36,964)	562	11,186
Consolidated Financial Statements attributable to the Shareholders of the Parent Company	**74,563**	**(25,667)**	**121,887**	**39,181**

Rome, January 12, 2024

The Board of Directors

RECONCILIATION OF THE CONDENSED AND THE STATUTORY INCOME STATEMENT

PL_G_IAS

(€/000)	9/30/2023 Restated	9/30/2022
NPE revenues	**251,623**	**326,188**
o.w. Revenue from contracts with customers	251,623	326,153
o.w. Other revenues	-	35
REO revenues	**39,875**	**64,117**
o.w. Revenue from contracts with customers	39,873	61,544
o.w. Other revenues	2	2,573
Co-investment revenues	**1,064**	**1,141**
o.w. Financial (expense)/income	1,064	1,141
Ancillary and other revenues	**42,592**	**34,083**
o.w. Financial (expense)/income	28	9
o.w. Revenue from contracts with customers	6,263	7,538
o.w. Other revenues	34,786	26,774
o.w. Costs for services rendered	-	(611)
o.w. Other operating (expense)/income	1,515	373
Gross revenues	**335,154**	**425,529**
NPE Outsourcing fees	**(10,692)**	**(16,111)**
o.w. Costs for services rendered	(10,630)	(16,088)
o.w. Administrative expenses	(62)	(23)
REO Outsourcing fees	**(7,256)**	**(19,514)**
o.w. Costs for services rendered	(7,256)	(19,514)
Ancillary Outsourcing fees	**(12,569)**	**(9,891)**
o.w. Costs for services rendered	(449)	(1,241)
o.w. Administrative expenses	(12,082)	(8,650)
o.w. Other operating (expense)/income	(38)	-
Net revenues	**304,637**	**380,013**
Staff expenses	**(141,751)**	**(158,580)**
o.w. Personnel expenses	(141,780)	(158,769)
o.w. Other revenues	29	189
Administrative expenses	**(47,551)**	**(71,871)**
o.w. Personnel expenses	**(1,538)**	**(3,956)**
o.w. Personnel expenses - o.w. SG&A	(1,538)	(3,956)
o.w. Administrative expenses	**(49,966)**	**(68,432)**
o.w. Administrative expenses - o.w. IT	(22,199)	(25,629)
o.w. Administrative expenses - o.w: Real Estate	(3,900)	(5,161)
o.w. Administrative expenses - o.w. SG&A	(23,867)	(37,642)
o.w. Other operating (expense)	**(15)**	**(24)**
o.w. Other operating (expense)/income - o.w. SG&A	(15)	(24)
o.w. Other revenues	**3,968**	**563**
o.w. Other revenues - o.w. IT	2,595	51
o.w. Other revenues - o.w: Real Estate	99	-
o.w. Other revenues - o.w. SG&A	1,274	512
o.w. Costs for services rendered	**-**	**(22)**
o.w. Costs for services rendered - o.w. SG&A	-	(22)
Total "o.w. IT"	*(19,604)*	*(25,578)*
Total "o.w. Real Estate"	*(3,801)*	*(5,161)*
Total "o.w. SG&A"	*(24,146)*	*(41,132)*
Operating expenses	**(189,302)**	**(230,451)**
EBITDA	**115,335**	**149,562**
EBITDA margin	**34%**	**35%**
Non-recurring items included in EBITDA	(79)	(2,357)
EBITDA excluding non-recurring items	**115,414**	**151,919**
EBITDA margin excluding non-recurring items	34%	36%
Net write-downs on property, plant, equipment and intangibles	**(76,437)**	**(47,919)**
o.w. Depreciation, amortisation and impairment	(76,679)	(48,020)
o.w. Other operating (expense)/income	242	101
Net Provisions for risks and charges	**(13,015)**	**(7,317)**
o.w. Personnel expenses	(11,719)	(8,513)
o.w. Provisions for risks and charges	(1,564)	(2,296)
o.w. Other operating (expense)/income	23	3,688
o.w. Depreciation, amortisation and impairment	245	(196)

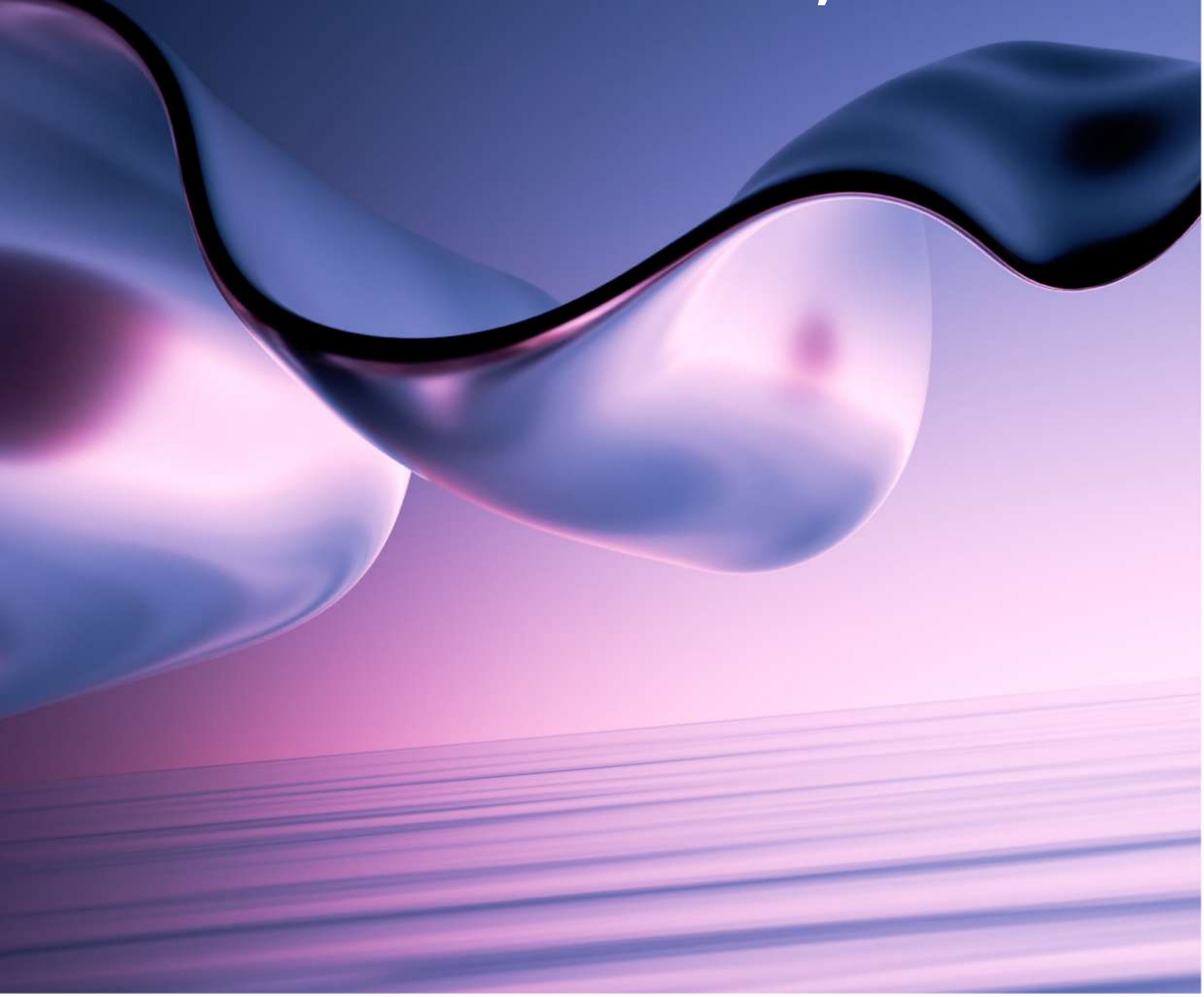
Net Write-downs of loans	**1,207**	**265**
o.w. Depreciation, amortisation and impairment	1,092	45
o.w. Other revenues	115	220
EBIT	**27,090**	**94,591**
Net income (loss) on financial assets and liabilities measured at fair value	**1,586**	**(1,170)**
o.w. Financial (expense)/income	1,586	(1,170)
Financial interest and commissions	**(23,614)**	**(21,279)**
o.w. Financial (expense)/income	(23,614)	(21,105)
o.w. Costs for services rendered	-	(174)
EBT	**5,062**	**72,142**
Non-recurring items included in EBT	(11,833)	(8,490)
EBT excluding non-recurring items	16,895	80,632
Income tax for the period	**(30,996)**	**(22,984)**
o.w. Administrative expenses	(1,199)	(1,209)
o.w. Income tax expense	(29,797)	(21,775)
Profit (Loss) for the period	**(25,934)**	**49,158**
Profit (loss) for the period attributable to Non-controlling interests	267	(9,977)
Profit (Loss) for the period attributable to the Shareholders of the Parent Company	**(25,667)**	**39,181**
Non-recurring items included in Profit (loss) for the period	(12,249)	(6,849)
O.w. Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(784)	(400)
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	(14,202)	45,630
Profit (loss) for the period attributable to Non-controlling interests excluding non-recurring items	517	10,377
Earnings per share (in Euro)	**(0.32)**	**0.50**
Earnings per share excluding non-recurring items (Euro)	***(0.18)***	***0.58***

RECONCILIATION OF THE CONDENSED AND THE STATUTORY BALANCE SHEET

(€/000)

	9/30/2023 Restated	12/31/2022
Cash and liquid securities	**95,667**	**134,264**
Cash and cash equivalents	95,667	134,264
Financial assets	**52,374**	**57,984**
Non-current financial assets	52,374	53,604
Current financial assets	-	4,380
Property, plant and equipment	**52,410**	**59,191**
Property, plant and equipment	52,193	59,136
Inventories	217	55
Intangible assets	**472,526**	**526,888**
Intangible assets	472,526	526,888
Tax assets	**100,586**	**118,226**
Deferred tax assets	82,908	101,758
Other current assets	12,668	4,027
Tax assets	5,010	12,441
Trade receivables	**158,902**	**200,143**
Trade receivables	158,902	200,143
Assets held for sale	**16**	**13**
Assets held for sale	16	13
Other assets	**55,471**	**29,889**
Other current assets	52,509	27,813
Other non-current assets	2,962	2,076
Total Assets	**987,952**	**1,126,598**
Financial liabilities: due to banks/bondholders	**581,179**	**564,123**
Loans and other financing non-current	551,896	554,220
Loans and other financing current	29,283	9,903
Other financial liabilities	**115,751**	**120,861**
Loans and other financing current	-	4,380
Other non-current financial liabilities	48,730	54,158
Other current financial liabilities	67,021	62,323
Trade payables	**48,282**	**70,381**
Trade payables	48,282	70,381
Tax Liabilities	**59,252**	**67,797**
Tax payables	9,182	16,794
Deferred tax liabilities	42,828	51,003
Other current liabilities	7,242	-
Employee Termination Benefits	**8,582**	**9,107**
Employee benefits	8,582	9,107
Provision for risks and charges	**30,481**	**37,655**
Provisions for risks and charges	30,481	37,655
Other liabilities	**48,357**	**75,754**
Other current liabilities	39,349	66,553
Other non-current liabilities	9,008	9,201
Total Liabilities	**891,884**	**945,678**
Share capital	**41,280**	**41,280**
Share capital	41,280	41,280
Reserves	**37,289**	**83,109**
Valuation reserve	(2,724)	(906)
Other reserves	40,013	84,015
Treasury shares	**(4,006)**	**(4,332)**
Treasury shares	(4,006)	(4,332)
Profit (loss) for the period attributable to the Shareholders of the Parent Company	**(25,667)**	**16,502**
Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	16,502
Net Equity attributable to the Shareholders of the Parent Company	**48,896**	**136,559**
Total Liabilities and Net Equity attributable to the Shareholders of the Parent Company	**940,780**	**1,082,237**
Net Equity attributable to Non-Controlling Interests	**47,172**	**44,361**
Net Equity attributable to Non-controlling interests	47,172	44,361
Total Liabilities and Net Equity	**987,952**	**1,126,598**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT SEPTEMBER 30, 2023



1. FINANCIAL STATEMENTS AT SEPTEMBER 30, 2023

CONSOLIDATED BALANCE SHEET

(€/000)

	NOTE	9/30/2023 Restated	12/31/2022
Non-current assets			
Intangible assets	1	472,526	526,888
Property, plant and equipment	2	52,193	59,136
Non-current financial assets	3	52,374	53,604
Deferred tax assets	4	82,908	101,758
Other non-current assets	5	2,962	2,076
Total non-current assets		**662,963**	**743,462**
Current assets			
Inventories	6	217	55
Current financial assets	3	-	4,380
Trade receivables	7	158,902	200,143
Tax assets	8	5,010	12,441
Other current assets	5	65,177	31,840
Cash and cash equivalents	9	95,667	134,264
Total current assets		**324,973**	**383,123**
Assets held for sale	10	**16**	**13**
Total assets		**987,952**	**1,126,598**
Shareholders' Equity			
Share capital		41,280	41,280
Valuation reserve		(2,724)	(906)
Other reserves		40,013	84,015
Treasury shares		(4,006)	(4,332)
Profit (loss) for the period attributable to the Shareholders of the Parent Company		(25,667)	16,502
Net Equity attributable to the Shareholders of the Parent Company		**48,896**	**136,559**
Net Equity attributable to Non-controlling interests		**47,172**	**44,361**
Total Net Equity	11	**96,068**	**180,920**
Non-current liabilities			
Loans and other financing	12	551,896	554,220
Other non-current financial liabilities	13	48,730	54,158
Employee benefits	14	8,582	9,107
Provisions for risks and charges	15	30,481	37,655
Deferred tax liabilities	4	42,828	51,003
Other non current liabilities	17	9,008	9,201
Total non-current liabilities		**691,525**	**715,344**
Current liabilities			
Loans and other financing	12	29,283	14,283
Other current financial liabilities	13	67,021	62,323
Trade payables	16	48,282	70,381
Tax liabilities	8	9,182	16,794
Other current liabilities	17	46,591	66,553
Total current liabilities		**200,359**	**230,334**
Total liabilities		**891,884**	**945,678**
Total Net Equity and liabilities		**987,952**	**1,126,598**

CONSOLIDATED INCOME STATEMENT

(€/000)

	NOTE	9/30/2023 Restated	9/30/2022
Revenue from contracts with customers	20	297,758	395,235
Other revenues	21	38,900	30,354
Total revenue		**336,658**	**425,589**
Costs for services rendered	22	(18,334)	(37,650)
Personnel expenses	23	(155,038)	(171,238)
Administrative expenses	24	(63,309)	(78,314)
Other operating (expense)/income	25	1,728	4,138
Depreciation, amortisation and impairment	26	(75,343)	(48,171)
Provisions for risks and charges	27	(1,564)	(2,296)
Total costs		**(311,860)**	**(333,531)**
Operating income		**24,798**	**92,058**
Financial (Expense)/Income	28	(20,935)	(21,125)
Profit (Loss) before tax		**3,863**	**70,933**
Income tax expense	29	(29,797)	(21,775)
Net profit (loss) from continuing operations		**(25,934)**	**49,158**
Profit (Loss) for the period		**(25,934)**	**49,158**
o.w. Profit (loss) for the period attributable to the Shareholders of the Parent Company		(25,667)	39,181
o.w. Profit (loss) for the period attributable to Non-controlling interests		(267)	9,977
Earnings per share	30		
basic		(0.32)	0.50
diluted		(0.32)	0.50

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€/000)

	NOTE	9/30/2023 Restated	9/30/2022
Profit (Loss) for the period		**(25,934)**	**49,158**
Other comprehensive income after tax not recyclable to profit or loss:			
Equity instruments designated at fair value through comprehensive income	3	(1,863)	(597)
Defined benefit plans	14	46	388
Other comprehensive income after tax recyclable to profit or loss:			
Total other comprehensive income after tax		**(1,817)**	**(209)**
Comprehensive income	11	**(27,751)**	**48,949**
o.w. Comprehensive income attributable to Shareholders of the Parent Company		(27,484)	38,972
o.w. Comprehensive income attributable to Non-controlling interests		(267)	9,977

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY (Note 11)

AT 9/30/2023 Restated

(€/000)

	Share capital	Valuation reserve	Other reserves: Reserves from profit and/or withholding tax	Other reserves: Other	Treasury shares	Net profit (loss) for the period	**Net equity attributable to Shareholders of the Parent Company**	**Net equity attributable to Non-controlling interests**	**Total Net Equity**
Initial balance	**41,280**	**(906)**	**25,774**	**58,241**	**(4,332)**	**16,502**	**136,559**	**44,361**	**180,920**
Allocation of the previous year profit to reserves	-	-	19,471	(322)	-	(19,149)	**-**	**-**	**-**
Dividends and other payouts	-	-	(19,471)	(28,030)	-	-	**(47,501)**	**(5,000)**	**(52,501)**
Changes in reserves	-	(1)	-	(10,209)	-	2,647	**(7,563)**	**8,078**	**515**
Stock options	-	-	255	(5,696)	326	-	**(5,115)**	**-**	**(5,115)**
Comprehensive income of the period	-	(1,817)	-	-	-	(25,667)	**(27,484)**	**(267)**	**(27,751)**
Final balance	**41,280**	**(2,724)**	**26,029**	**13,984**	**(4,006)**	**(25,667)**	**48,896**	**47,172**	**96,068**

AT 12/31/2022

(€/000)

	Share capital	Valuation reserve	Other reserves		Treasury shares	Net profit (loss) for the period	**Net equity attributable to Shareholders of the Parent Company**	**Net equity attributable to Non-controlling interests**	**Total Net Equity**
			Reserves from profit and/or withholding tax	Other					
Initial balance	**41,280**	**(1)**	**50,864**	**45,436**	**(4,678)**	**23,744**	**156,645**	**37,358**	**194,003**
Allocation of the previous year profit to reserves	-	-	(535)	24,279	-	(23,744)	**-**	**-**	**-**
Dividends and other payouts	-	-	(24,996)	(14,553)	-	-	**(39,549)**	**(5,002)**	**(44,551)**
Changes in reserves	-	-	(346)	(1,400)	-	-	**(1,746)**	**2,032**	**286**
Stock options	-	-	787	4,479	346	-	**5,612**	**-**	**5,612**
Comprehensive income of the period	-	(905)	-	-	-	16,502	**15,597**	**9,973**	**25,570**
Final balance	**41,280**	**(906)**	**25,774**	**58,241**	**(4,332)**	**16,502**	**136,559**	**44,361**	**180,920**

AT 9/30/2022

(€/000)

	Share capital	Valuation reserve	Other reserves		Treasury shares	Net profit (loss) for the period	Net equity attributable to Shareholders of the Parent Company	Net equity attributable to Non-controlling interests	Total Net Equity
			Reserves from profit and/or withholding tax	Other					
Initial balance	**41,280**	**(1)**	**50,864**	**45,436**	**(4,678)**	**23,744**	**156,645**	**37,358**	**194,003**
Allocation of the previous year profit to reserves	-	-	(535)	24,279	-	(23,744)	**-**	**-**	**-**
Dividends and other payouts	-	-	(24,996)	(14,553)	-	-	**(39,549)**	**(5,002)**	**(44,551)**
Changes in reserves	-	-	(75)	(74)	-	-	**(149)**	**(278)**	**(427)**
Stock options	-	-	765	4,046	338	-	**5,149**	**-**	**5,149**
Comprehensive income of the period	-	(209)	-	-	-	39,181	**38,972**	**9,977**	**48,949**
Final balance	**41,280**	**(210)**	**26,023**	**59,134**	**(4,340)**	**39,181**	**161,068**	**42,055**	**203,123**

CONSOLIDATED CASH FLOW STATEMENT - INDIRECT METHOD -

(€/000)

	NOTE	9/30/2023 Restated	9/30/2022
Operating activities			
Profit (loss) for the period befor tax		**3,863**	**70,933**
Adjustments to reconcile the profit (loss) before tax with the net financial flows:		**92,937**	**77,074**
Capital gains/losses on financial assets/liabilities held for trading and on financial assets/liabilities measured at fair through profit or loss (+/-)	3	(2,995)	994
Depreciation, amortisation and impairment	26	75,343	48,171
Change in net provisions for risks and charges	15	1,564	2,296
Financial (Expense)/Income	28	23,786	20,803
Costs for share-based payments	11	(4,761)	4,810
Change in working capital		**19,388**	**(7,654)**
Change in trade receivables	7	41,487	8,281
Change in trade payables	16	(22,099)	(15,935)
Change in financial assets and liabilities		**9,019**	**2,109**
Other assets mandatorily measured at fair value	3	2,285	1,849
Financial assets measured at amortised cost	3	6,734	260
Other changes:		**(109,699)**	**(100,907)**
Interests paid	28	(23,331)	(23,821)
Payment of income taxes	29	(18,371)	(23,701)
Other changes in other assets/other liabilities		(67,997)	(53,385)
Cash flows generated by operations		**15,508**	**41,555**
Investing activities			
Purchases of property, plant and equipment	2	(1,423)	(4,695)
Purchases of intangible assets	1	(7,748)	(12,119)
Net cash flows used in investing activities		**(9,171)**	**(16,814)**
Funding activities			
Dividends paid	11	(52,618)	(41,765)
Loans obtained	12	25,000	25,000
Repayment of loans	12	(4,480)	(7,500)
Payment of principal portion of lease liabilities	19	(12,836)	(7,626)
Net cash flows used in funding activities		**(44,934)**	**(31,891)**
Net liquidity in the period		**(38,597)**	**(7,150)**
Reconciliation			
Cash and cash equivalents at the beginning of period	9	134,264	166,668
Net liquidity in the period		(38,597)	(7,150)
Cash and cash equivalents at the end of the period	9	**95,667**	**159,518**

ILLUSTRATIVE NOTES

2. ACCOUNTING POLICIES

General information

STATEMENT OF COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS

These interim condensed consolidated Financial Statements as at September 30, 2023 have been prepared in accordance with IAS 34 - Interim Financial Reporting. In accordance with paragraph 10 of mentioned IAS 34, the Group has opted to provide condensed consolidated financial statements.
The interim condensed consolidated financial statements do not provide all the information required in the annual consolidated financial statements. For this reason, it is necessary to read the interim condensed consolidated Financial Statements together with the consolidated Financial Statements as at December 31, 2022.
Although the Group has defined the half-year as the interim period of reference for the application of the aforementioned international accounting standard IAS 34 and the definition of interim financial statements therein, this Consolidated Interim Report as at September 30, 2023, has been prepared in compliance with said standard. This is done to have an interim report available for use (if necessary) in the documentation to be prepared in the context of potential refinancing transactions.
Furthermore, this Consolidated Interim Report as at September 30, 2023, takes into account the informational elements that emerged subsequent to the approval on November 9, 2023, of the previous Consolidated Interim Report as of the same date, published on the doValue Group's website, as described in the section "Restatement of data as of and for the nine months ended September 30, 2023" in these Illustrative Notes.

The preparation, the measurement and consolidation criteria and the accounting standards adopted to prepare these condensed consolidated Financial Statements are compliant with the accounting standards adopted in the preparation of the consolidated Financial Statements as at December 31, 2022, with the exception of the adoption of new or amended standards of the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee as set out in the paragraph "New accounting standards". The adoption of these amendments and interpretations did not have significant impacts on the Group's financial position or performance.

These interim condensed consolidated Financial Statements are accompanied by the Certification of the Financial Reporting Officer pursuant to Article 154-bis of Legislative Decree 58/1998.

BASIS OF PREPARATION

The interim condensed consolidated Financial Statements are prepared using the euro as the accounting currency, in accordance with the provisions of Art. 5(2) of Legislative Decree No 38/2005, and consist of:

- the **consolidated Financial Statements**, which include the consolidated balance sheet, the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes in consolidated Shareholders' Equity and the consolidated statement of cash flows (prepared using the "indirect method");
- the **Illustrative Notes**;

and are accompanied by the **Directors' Interim report on the Group**.

In the consolidated balance sheet, assets and liabilities are classified on a "current/non-current" basis with assets classified as held for sale and liabilities included in a disposal group classified as held for sale presented separately. Current assets, which include cash and cash equivalents, are those that are expected to be realised, sold or consumed in the Group's normal operating cycle; current liabilities are those that are expected to be settled in the Group's normal operating cycle.
The consolidated income statement presents a classification of costs by nature, while a separate statement has been prepared for the statement of comprehensive income.
The consolidated cash flow statement is prepared using the indirect method, with cash flows from operating, investing and financing activities presented separately.

The amounts stated are expressed in thousands of euros unless otherwise specified.

These Financial Statements have been prepared in application of the framework established by IAS 1 and the specific accounting standards approved by the European Commission and illustrated in the Section "Main items of the financial statements" of these Illustrative Notes.

The interim condensed consolidated Financial Statements have been prepared on a going concern basis in accordance with the provisions of IAS 1, and in compliance with the principles of accrual accounting, the relevance and materiality of accounting information and the prevalence of economic substance over legal form and with a view to fostering consistency with future presentations.
The accounting policies adopted in these interim condensed consolidated Financial Statements at September 30, 2023 for the recognition, classification, measurement and derecognition of assets and liabilities and the recognition of costs and revenues have not been updated from those adopted in the preparation of the consolidated Financial Statements for the year ended December 31, 2022.

No exceptions were made to the application of IAS/IFRS accounting standards.

Restatement of the figures as of September 30, 2023 and for the nine months period ended at such date

The figures as of and for the nine months ended September 30, 2023, included in the Consolidated Interim Report at September 30, 2023, approved by the Board of Directors on November 9, 2023 have been restated to reflect the effects of certain events occurred after such date and up to January 12, 2024.
These adjustments relate mainly to (i) the impairment of intangible assets and deferred tax assets of the Iberian region based on the Preliminary Industrial Plan 2024-2026 for this region approved by the Board of Directors on January 12, 2024, and (ii) the reversal of a risk provision following the signing of a settlement agreement with a customer.
Details of such events are disclosed in paragraph "Significant events after the end of the period" of the Directors' Interim Report on the Group and details of the reconciliation between the interim financial information approved on November 9, 2023, and the restated values, compliant with IAS 34, are disclosed in the Annexes.
The abovementioned restatement has the following effects on the consolidated income statement for the nine months ended September 30, 2023:

(€/000)

	9/30/2023 Restated	Change	9/30/2023 approved on November 09, 2023
Depreciation, amortisation and impairment	(75,343)	(28,210)	(47,133)
Provisions for risks and charges	(1,564)	2,459	(4,023)
Profit (Loss) before tax	**3,863**	**(25,751)**	**29,613**
Income tax expense	(29,797)	(10,959)	(18,838)
Profit (Loss) for the period	**(25,934)**	**(36,709)**	**10,775**
o.w. Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	(31,409)	5,742
o.w. Profit (loss) for the period attributable to Non-controlling interests	(267)	(5,300)	5,033

The effects on the consolidated balance sheet and on the shareholders' equity as of September 30, 2023, are the following:

(€/000)

	9/30/2023 Restated	Change	9/30/2023 approved on November 09, 2023
Intangible assets	472,526	(28,210)	500,735
Deferred tax assets	82,908	(14,541)	97,449
Total assets	**987,952**	**(42,751)**	**1,030,702**
Provisions for risks and charges	30,481	(2,459)	32,940
Deferred tax liabilities	42,828	(3,581)	46,409
Total liabilities	**891,884**	**(6,040)**	**897,924**
Total Net Equity	**96,068**	**(36,709)**	**132,778**
o.w. Net Equity attributable to the Shareholders of the Parent Company	48,896	(36,709)	85,606

Going concern

In preparing the consolidated Financial Statements as at September 30, 2023, the Directors consider the going concern assumption appropriate as, in their opinion, despite the macroeconomic context is still affected by the continuing of inflation and the resulting in rising interest rates, by military tensions and uncertainties related to future developments, no uncertainties have emerged related to events or circumstances that, considered individually or as a whole, could give rise to doubts regarding the business as a going concern. The assessment took into account the Group's equity, financial position as well as the outlook of the operations; the possible presence of events or conditions linked to the climate, which may have an impact on the Group as a going concern was also assessed, also noting the absence of such cases. Please also refer to the specific paragraph of the Directors' Interim Report on the Group.

RISKS AND UNCERTAINTIES ASSOCIATED WITH THE USE OF ESTIMATES

The application of accounting policies sometimes involves the use of estimates and assumptions that affect the amounts recorded in the Financial Statements and the disclosures regarding contingent assets and liabilities. For the purposes of the assumptions underlying estimates, we consider all information available at the date of preparation of the Financial Statements and any assumptions considered reasonable in the light of past experience and current conditions in the financial markets.
More specifically, estimation processes were adopted to support the book value of certain items recognised in the interim condensed consolidated Financial Statements at September 30, 2023, as required by accounting standards. These processes are essentially based on estimates of future recoverability of the values recognised and were conducted on a going concern basis. These processes supported the book values recognised as at September 30, 2023. Estimates and assumptions are reviewed regularly.
In view of the presence of uncertainty in the macroeconomic and market environment, the assumptions made, even if reasonable, might not hold in future scenarios in which the Group may operate. Accordingly, future results may differ from the estimates made for the purpose of preparing the Financial Statements, with the consequent probable need to make adjustments that currently cannot be foreseen or estimated to the book value of the assets and liabilities recognised in the Financial Statements. Moreover, the uncertainties of the future macroeconomic framework in which the Group operates have required a careful analysis and weighting of the new context in the parameters and information used in the valuation models of the recoverable amount of the Group's assets. These estimates and valuations are therefore difficult and inevitably involve elements of uncertainty, even in the presence of stable macroeconomic conditions.
The following sections discuss the key accounting policies for the purposes of providing a true and fair representation of the Group's financial position and performance, both with regard to the materiality of the values in the Financial Statements and the considerable judgement required in performing the assessments.

Estimation of accruing servicing revenues and the effects of the application of servicing contracts

Sales revenues associated with servicing contracts for the recovery of receivables managed under mandate are recognised on an accruals basis according to the Group's activities over time, using IT procedures and complex accounting processes that take account of the different contractual terms of each mandate. Servicing contracts contain numerous clauses specifying the rights and duties of the Group in relations with the participating clients, which can generate income on the one hand and contingent liabilities on the other connected with the possibility of non-performance of contractual obligations.
The amount of the estimated variable consideration is included in the transaction price in total or only to the extent that it is highly probable that when the uncertainty associated with the variable consideration is subsequently resolved, a significant downward adjustment of the amount of the cumulative revenues recorded will not occur.
At the end of the period, accrued revenues that have not yet been manifestly accepted by the customer are recognised. Depending on the terms of contract and the established practice, that acceptance may take the form of the issuance of an invoice or an explicit notice.
In addition, any certain or contingent liabilities must be prudentially determined in order to assess compliance with the obligations set out in the servicing agreement, taking due account of natural differences in interpretation of contractual clauses in the context of actual recovery operations.

Determination of the fair value of financial assets

In the presence of financial instruments not listed on active markets or illiquid and complex instruments, it is necessary to adopt appropriate valuation processes that require the use of a certain degree of judgement

concerning the choice of valuation models and the related input parameters, which may sometimes not be observable on the market.
A degree of subjectivity is present in the valuation on whether it is possible to observe or not certain parameters and the consequent classification in correspondence with the levels of the fair value hierarchy.
With particular reference to valuation methods and the unobservable inputs that may be used in fair value measurements, please see the specific section “Information on fair value”.

Estimation of the recoverability of deferred tax assets

The Group has significant deferred tax assets mainly arising from temporary differences between the date on which certain costs are recognised in the income statement and the date on which the same costs can be deducted. Deferred tax assets are written down to the extent that they are deemed unrecoverable given the outlook for performance and the resulting expected taxable income, taking due account of tax legislation, which allows those assets to be converted into tax credits under certain conditions, regardless of the Group's ability to generate future profits. In the “Assets” section on tax assets and tax liabilities in these Illustrative Notes, information is provided on the nature and the assessments conducted with regard to the recognition of deferred tax assets.

Estimation of provisions for risks and charges

The complexity of the situations that underline the existing disputes, along with the difficulties in the interpretation of applicable law, makes it difficult to estimate the liabilities that may result when pending lawsuits are settled. The valuation difficulties concern what may be due and how much time will elapse before liabilities materialise and are particularly evident if the procedure launched is in the initial phase and/or its preliminary investigation is in progress.
Information about the Group's main risk positions related to legal disputes (revocatory action and pending lawsuits) and tax disputes, is provided in the “Information on risks and risk management policies”, section “Operational risks – legal and tax risks”.

Estimation of impairment losses on intangible assets

At least on an annual basis, upon preparing the Financial Statements, the absence of lasting impairment losses on intangible assets is verified. This impairment test is usually conducted by determining the value in use or the fair value of the assets and verifying that the book value of the intangible asset is less than the greater of the respective value in use and the fair value less costs to sell.
Impairment testing for cash generating units (CGUs), to which almost all intangible assets with a definite life and goodwill have been attributed, is conducted with reference to value in use obtained through the application of the Discounted Cash Flow (DCF), under which the value of a CGU is a function of the cash flows that it will be able to generate looking forward, discounted using a specific rate. A similar procedure is used to estimate the recoverability of the values recognised for active long-term servicing contracts, which assess the business plans of the portfolios under management in order to verify their consequent capacity to generate adequate cash flows.
However, note that the parameters and information used to check the recoverability of intangible assets, including goodwill (in particular, the cash flow forecast for the various CGUs, as well as the discount rates used) are significantly influenced by macroeconomic conditions and market developments as well as the behaviour of counterparties, which could change unpredictably. Therefore, the Group assesses whether the general macroeconomic risks as well as those related to the climate risks could have a significant impact, such as the introduction of regulations on the reduction of the environmental impact linked to the properties under management (REO business), which can increase the direct costs of managing portfolios.
These risks in relation to climate-related issues are included as significant assumptions if they have a significant impact on the estimated recoverable value. With regard to the activities carried out by the Group with reference to interventions on the properties under management as part of the Real Estate business, the detection of significant impacts on the estimates of the recovery values due to climatic risks is excluded.
If the recoverable value of the assets undergoing impairment testing is determined on the basis of the associated fair value, it should also be noted that the significant and persistent volatility shown by the markets and the intrinsic difficulties in forecasting contractual cash flows mean that we cannot rule out the possibility that the assessments based on parameters drawn from the same markets and on contractual cash flow forecasts may subsequently prove not to be fully representative of the fair value of the assets.
With reference to the intangible assets recognised, it should be noted that these assets are mainly measured on the basis of the definitive Purchase Price Allocation (PPA) of the two business combinations concluded in previous years: i.e., the acquisition of control of doValue Spain Servicing S.A. and its subsidiaries in June 2019 and that of doValue Greece concluded in June 2020. The intangible asset arising

from the payment by doValue Greece of a consideration for the acquisition of the right to be appointed as Servicer of the "Frontier" contract was also measured.
Albeit taking into account the difficulty inherent in the formulation of even short- or medium-term forecasts in this climate of great ongoing uncertainty and considering that both doValue Spain and its subsidiaries and doValue Greece hold medium/long-term management contracts for existing loans (stock) and future positions (new flows) with leading banks and major investment funds, the Group carried out an impairment test in accordance with the international accounting standard IAS 36 "Impairment of assets".
The test was performed on the amounts of intangible assets and goodwill, resulting, as at September 30, 2023, and the updating of amortisation pertaining to the period.
To this end, following the business combinations, the Cash Generating Units (CGUs) were identified in the two geographical segmentation areas pertaining to doValue Spain and its subsidiaries and to doValue Greece, namely Iberia (Spain and Portugal) and Greece and Cyprus and the allocation of intangible assets and goodwill to the two separate CGUs was determined.
For the purposes of impairment testing, the forward-looking information determined in accordance with the 2023 last quarter data deriving from 2023 Budget approved by the Board of Directors on December 22, 2022 and with the Group's 2022-2024 Business Plan approved by the Board of Directors on January 25, 2022 was taken into consideration with the exception of intangible assets attributable to the Iberia region for which the test was performed on the basis of the preliminary 2024-2026 Business Plan approved by the Board of Directors on January 12, 2024.
This analysis revealed some evidence of impairment relating to the acquisition of doValue Spain, for a total of €16.4 million, such as differences between the value in use of the servicing contract attributable to Santander and the brand with the related net book value net of depreciation for the period.
As regards the comparison between the recoverable amount and the total net book value of the CGUs as at September 30, 2023, the model has highlighted for the "Iberia" CGU (Spain-Portugal) impairment losses for the goodwill recorded amounting to €12.5 million. However, it confirmed the recoverable value capacity for the CGU Greece-Cyprus, both concerning the doValue Greece acquisition and for the Cyprus component arising from the doValue Spain and its subsidiaries' acquisition.
The impairment losses have been allocated to the related consolidated income statement item and the residual amounts of intangible assets have been adjusted accordingly (for further details, see also Note 1 Intangible Assets below).

As regards the methodological approach to the impairment test, please refer to the Accounting policies in the paragraph "Other matters - Estimation of impairment losses of intangible assets " of the consolidated Financial Statements as at December 31, 2022. Furthermore, it should be noted that, for the purposes of estimating the recoverable value of intangible assets acquired through business combinations, doValue adopts the valuation models used in the PPA for consistency.

Business combination

The recognition of business combinations involves allocating the difference between the acquisition cost and the net book value to the assets and liabilities of the acquiree. For most of the assets and liabilities, the difference is allocated by recognising the assets and liabilities at their fair value. Any unallocated remainder is recognised as goodwill if positive; if negative, it is recognised in the income statement as revenue. In the process of allocating the cost of the business combination, the Group uses all available information; however, this process implies, by definition, complex and subjective estimations.
For information on the Group's business combinations, please refer to the specific "Business combinations relating to company enterprises or business branches" section.

SCOPE AND METHOD OF CONSOLIDATION

The preparation of the interim condensed consolidated Financial Statements at September 30, 2023, drew on the accounts at the same date of the companies included in the scope of consolidation reported in the table presented at the end of this paragraph.

The accounts as at September 30, 2023, of the companies included in the scope of consolidation were reclassified and adjusted appropriately to take consolidation requirements into account and, where necessary, align them with the Group accounting policies.

All of the companies in the scope of consolidation use the euro as their currency of account and, accordingly, no translations of foreign currency amounts have been necessary.

The following section shows the consolidation principles adopted by the Group in preparing the consolidated Financial Statements as at September 30, 2023.

Subsidiaries

Entities in which doValue holds direct or indirect control are considered subsidiaries. Control over an entity is determined when the Group is exposed, or has rights, to variable returns from its involvement with the investee and, at the same time, has the ability to affect those returns through its power over the entity.

In order to ascertain the existence of control, the following factors are considered:

- the purpose and design of the investee in order to identify the entity's objectives, the activities that determine its returns and how these activities are governed;
- power, in order to determine whether the investor has contractual rights that give it the ability to direct the relevant activities; to this end, only substantive rights that give the practical ability to govern are considered;
- the exposure or rights held in respect of the investee in order to assess whether the investor has relations with the investee whose returns are subject to changes that depend on the investee's performance;
- the ability to exercise its power over the investee to affect its returns;
- the existence of potential "principal-agent" relationships.

It is generally presumed that holding a majority of voting rights gives the investor control over the investee. When the Group holds less than a majority of voting rights (or similar rights), it considers all relevant facts and circumstances to determine whether it controls the investee, including:

- contractual agreements with other holders of voting rights;
- rights deriving from contractual agreements;
- the Group's voting rights and potential voting rights.

The Group reconsiders whether or not it has control over an investee if facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control. The consolidation of a subsidiary begins when the Group obtains control and ends when the Group loses control.

The book value of equity investments in companies consolidated on a line-by-line basis held by the Parent Company is eliminated - with the incorporation of the assets and liabilities of the investees - against the corresponding portion of shareholders' equity attributable to the Group.

Assets and liabilities, off-balance-sheet transactions, income and charges, as well as profits and losses occurring between companies within the scope of consolidation are fully eliminated, in accordance with the consolidation methods adopted.

The assets, liabilities, revenues and costs of the subsidiary acquired or sold during the year are included in the consolidated financial statements from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.

The difference between the amount received for the subsidiary and the book value of its net assets (including goodwill) at the same date is recognised in the income statement under "Profit (loss) from equity investments" for companies subject to line-by-line consolidation. The shareholding that may be retained must be recognised at fair value.

For companies included within the scope of consolidation for the first time, the fair value of the cost incurred to obtain control over the investee, including transactions costs, is measured as of the acquisition date.

If the disposal does not involve a loss of control, the difference between the amount received in the disposal of a portion of a subsidiary and the associated book value of the net assets is recognised with a balancing entry in Shareholders' equity.

Business combinations

IFRS 3 is the reference accounting standard for business combinations. The transfer of control of a business (or an integrated set of activities and assets conducted and managed together) constitutes a business combination. To this end, control is considered transferred when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

IFRS 3 requires identifying an acquirer for all business combinations. The latter is the entity that obtains control over another entity or group of assets. If it is not possible to identify a controlling entity on the basis of the definition of control described above, such as for example in the case of exchanges of equity interests, the acquirer shall be identified using other circumstances such as: the entity whose fair value is significantly greater, the entity that transfers cash, or the entity that issues new shares.
The acquisition, and therefore, the initial consolidation of the acquiree, must be recognised on the date on which the acquirer effectively obtains control over the company or assets acquired. When the transaction takes place as a single transfer, the date of transfer normally coincides with the acquisition date. However, it is always necessary to verify the possible presence of agreements between the parties that may lead to the transfer of control before the date of the exchange.

The consideration transferred as part of a business combination must be determined as the sum of the fair value, at the date of the exchange, of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control. In transactions involving payment in cash (or when payment is made using financial instruments comparable to cash) the price is the agreed consideration, possibly discounted if payment is to be made in instalments over a period longer than short term. If the payment is made using an instrument other than cash, therefore through the issue of equity instruments, the price is equal to the fair value of the means of payment, net of the costs directly attributable to the capital issue. Adjustments subject to future events are included in the consideration of the business combination at the acquisition date, if they are provided for in the agreements and only if they are probable, can be reliably determined and realised within the twelve months following the date of acquisition of control, while indemnities for a reduction of the value of the assets used are not considered as they are already considered either in the fair value of the equity instruments or as a reduction of the premium or increase in the discount on the initial issue in the case of the issue of debt instruments.

Any contingent consideration to be paid is recognised by the acquirer at fair value at the acquisition date. The purchaser shall classify an obligation to pay contingent consideration that meets the definition of a financial instrument as a financial liability or as shareholders' equity, based on the definitions of an equity instrument and a financial liability in IAS 32. The purchaser shall classify as an asset a right to the return of previously transferred consideration when certain conditions are met. The change in the fair value of the contingent consideration classified as an asset or liability, as a financial instrument that is subject to IFRS 9 Financial Instruments, must be recognised in the income statement in accordance with IFRS 9. The contingent consideration that does not fall under the scope of IFRS 9 is measured at fair value at the reporting date and the fair value changes are booked to the income statement.

Acquisition-related costs are the costs the acquirer incurs to effect a business combination. By way of example, these may include professional fees paid to auditors, experts, legal consultants, costs for appraisals and auditing of accounts, preparation of information documents required by regulations, as well as finder's fees paid to identify potential targets to be acquired if it is contractually established that the payment is made only in the event of a positive outcome of the combination, as well as the costs of registering and issuing debt and equity securities. The acquirer shall recognise acquisition-related costs in the periods in which these costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities, which shall be recognised in accordance with IAS 32 and IAS 39.

Business combinations are accounted for using the "acquisition method", under which the identifiable assets acquired (including any intangible assets not previously recognised by the acquiree) and the identifiable liabilities assumed (including contingent liabilities) are recognised at their respective fair values on the acquisition date. In addition, for each business combination, any non-controlling interests in the acquiree can be recognised at fair value (with a consequent increase in the consideration transferred) or in proportion to the non-controlling interest in the identifiable net assets of the acquiree.

If control is acquired in stages, the acquirer shall measure its previously held equity interest in the acquiree at its acquisition date fair value and recognise through profit or loss any difference compared to the previous carrying amount.
The excess of the consideration transferred (represented by the fair value of the assets transferred, the liabilities incurred or the equity instruments issued by the acquirer), the amount of any non-controlling

interests (determined as described above) and the fair value of interests previously held by the acquirer, over the fair value of the assets and liabilities acquired shall be recognised as goodwill. Conversely, if the latter exceeds the sum of the consideration, non-controlling interests and fair value of previously held interests, the difference shall be recognised in the income statement.

Business combinations may be accounted for provisionally by the end of the financial year in which the business combination is carried out and must be completed within twelve months of the acquisition date. Pursuant to IFRS 10, the recognition of additional interests in companies that are already controlled is considered as an equity transaction, i.e., a transaction with shareholders acting in their capacity as shareholders. Therefore, differences between the acquisition costs and the book value of non-controlling interests acquired are booked to Shareholders' Equity pertaining to the Group; similarly, sales of non-controlling interests without loss of control do not generate gains/losses recognised in the income statement but rather are recognised as changes in Shareholders' Equity pertaining to the Group.

Business combinations do not include transactions to obtain control over one or more entities that do not constitute a business or to obtain transitory control or, finally, if the business combination is carried out for the purpose of reorganisation, therefore between two or more companies or activities that already belong to the doValue Group and that does not involve a change in the control structure regardless of the percentage of third-party rights before and after the transaction (so-called combinations of entities under common control). These transactions are considered as having no economic substance. Accordingly, in the absence of an IAS/IFRS that specifically applies to the transaction and in compliance with the assumptions of IAS 8, which requires that - in the absence of a specific standard - an entity shall use its judgement in applying an accounting policy that produces relevant, reliable and prudent information that reflects the economic substance of the transaction, such transactions are accounted for by retaining the values of the acquiree in the financial statements of the acquirer. Mergers are a form of business combination, representing the most complete form of such combinations, as they involve the legal and financial merging of the entities participating in the transaction.

Whether they involve the formation of a new legal entity (merger of equals) or the absorption of one entity by another existing entity, mergers are treated in accordance with the criteria discussed above. Specifically:
- if the transaction involves the transfer of control of an entity, it is treated as a business combination pursuant to IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by retaining the accounting values of the merged company.

Associates

An associate is an entity over which an investor has significant influence but which is not controlled exclusively or jointly controlled. Significant influence is presumed when the investor:
- holds, directly or indirectly, at least 20% of the share capital of another entity,
  or
- is able, including through shareholders' agreements, to exercise significant influence through:
  - representation on the governing body of the company;
  - participation in decision-making processes, including participation in decisions about dividends or other distributions;
  - the existence of significant transactions between the investor and the investee;
  - the exchange of managerial personnel;
  - provision of essential technical information.

Note that only companies that are governed through voting rights can be classified as subject to significant influence.
Investments in associates are measured using the equity method. In accordance with IAS 36, the carrying amount of associates is tested as a single asset, comparing this with the recoverable amount (defined as the higher of its value in use and its fair value less costs of disposal).

Equity method

With the equity method, the investment in an associated company is initially recognised at cost. The book value of the equity investment in companies measured using the equity method include any goodwill (less any impairment loss) paid to purchase them. The investor's share of the profit or loss of the investee after the acquisition date is recognised in the income statement under "Profit (loss) from equity investments". Any dividends distributed reduce the book value of the equity investment.

If the investor's interest in a subsidiary's losses is equal to or greater than its book value, no further losses are recognised, unless the investor has assumed specific obligations to or made payments on behalf of the company.
Gains and losses on transactions with associates or joint arrangements are eliminated in proportion to the percentage interest in the company.

Any changes in the valuation reserves of associates or joint arrangements, which are recorded against the value changes in the associated item, are reported separately in the Statement of comprehensive income.

As at September 30, 2023, there were no companies measured using the equity method.

Investments in subsidiaries

The following table reports the companies included in the scope of consolidation:

	Company name	Headquarters and Registered Office	Country	Type of Relationship (1)	Owner relationship		Voting rights % (2)
					Held by	Holding %	
1.	doValue S.p.A.	Verona	Italy		Holding		
2.	doNext S.p.A.	Rome	Italy	1	doValue S.p.A.	100%	100%
3.	doData S.r.l.	Rome	Italy	1	doValue S.p.A.	100%	100%
4.	doValue Spain Servicing S.A.	Madrid	Spain	1	doValue S.p.A.	85%	85%
5.	doValue Portugal, Unipessoal Limitada	Lisbon	Portugal	1	doValue Spain Servicing S.A.	100%	100%
6.	doValue Cyprus Limited (formerly Altamira Asset Management Cyprus Limited)	Nicosia	Cyprus	1	doValue Spain Servicing S.A.	100%	100%
7.	doValue Special Projects Cyprus Limited (formerly doValue Cyprus Limited)	Nicosia	Cyprus	1	doValue S.p.A. + doValue Spain Servicing S.A.	94%+6%	94%+6%
8.	doValue Greece Loans and Credits Claim Management Société Anonyme	Moschato	Greece	1	doValue S.p.A.	80%	80%
9.	doValue Greece Real Estate Services single member Société Anonyme	Moschato	Greece	1	doValue S.p.A.	100%	100%
10.	Zarco STC, S.A.	Lisbon	Portugal	1	doValue Portugal, Unipessoal Limitada	100%	100%
11.	Adsolum Real Estate S.L.	Madrid	Spain	1	doValue Spain Servicing S.A.	100%	100%

Notes to the table

(1) Type of relationship:
1 = majority of voting rights at ordinary shareholders' meeting
2 = dominant influence at ordinary shareholders' meeting
3 = agreements with other shareholders
4 = other types of control
5 = centralized management pursuant to Article 39, paragraph 1, of Legislative Decree 136/2015
6 = centralized management pursuant to Article 39, paragraph 2, of Legislative Decree 136/2015

(2) Voting rights available in general meeting. The reported voting rights are considered effective

Changes in the scope of consolidation

There were no changes to the scope of consolidation in the first nine months of 2023.

However, it should be noted the change of the two Cypriot companies' name: from Altamira Asset Management Cyprus Limited to doValue Cyprus Limited and from doValue Cyprus Limited to doValue Special Projects Cyprus Limited.

Significant valuations and assumptions for determining the scope of consolidation

The doValue Group determines the existence of control and, as a consequence, the scope of consolidation, by ascertaining compliance with the requirements envisaged by IFRS 10 with regard to entities in which it holds exposures:

- the existence of power over the entities' relevant activities;
- exposure to variable returns;
- the ability to affect the returns.

The factors considered for the purpose of this assessment depend on the entity's method of governance, its purpose and its financial structure.

This analysis led to the inclusion of the subsidiaries listed in the previous section within the scope of consolidation at September 30, 2023.

SUBSEQUENT EVENTS

Please refer to the specific paragraph of the Directors' Interim Report on the Group for a description of the significant events, adjusting and non-adjusting, occurred after the end of the period.

OTHER MATTERS

NEW ACCOUNTING STANDARDS

The Group has adopted, for the first time, a number of accounting standards and amendments in preparing these interim condensed consolidated Financial Statements that took effect for financial years beginning as from January 1, 2023, where applicable, with a complete list of them set out below, showing that they did not have any substantial effect on the balance sheet and income statement figures reported:

- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (issued on 23 May 2023);
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information (issued on December 9, 2021);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (issued on May 7, 2021);
- Amendments issued by the IASB on February 12, 2021:
  - Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies;
  - Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates;
- IFRS 17 Insurance Contracts (issued on May 18, 2017); including Amendments to IFRS 17 (issued on June 25, 2020).

We also note the following amendments which come into force for financial years starting from January 1, 2024:

- Amendments to IAS 1 Presentation of Financial Statements:
  - Classification of Liabilities as Current or Non-current Date (issued on 23 January 2020);
  - Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020); and
  - Non-current Liabilities with Covenants (issued on 31 October 2022);
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on September 22, 2022).

Lastly, the new accounting standards, amendments and interpretations issued by IASB, but still not endorsed by the European Union, are reported below:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023);
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023).

Main items of the financial statements

As regards the criteria for the recognition, classification, measurement and derecognition of the main items of the financial statements, refer to the corresponding section of the Illustrative Notes to the consolidated Financial Statements as at December 31, 2022.

Information on fair value

Paragraph 9 of IFRS 13 defines fair value as "the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in an arm's length transaction at the measurement date".

Measurement at fair value assumes that the sale of an asset or transfer of a liability takes place in a principal market, which can be defined as the market with the highest trading volumes and levels for the asset/liability being measured. In the absence of a principal market, the most advantageous market should be taken as the reference, i.e. the market that maximises the amount that would be received in the sale of an asset or minimises the amount that would be paid in the transfer of a liability, after taking into account transaction costs.

With the aim of maximising the consistency and comparability of fair value measurements and related disclosures, IFRS 13 establishes a fair value hierarchy that divides the parameters used to measure fair value into three levels:

- Level 1: the fair value of the instrument is determined on the basis of listed prices observed on active markets;
- Level 2: the fair value of the instrument is determined on the basis of valuation models that use observable inputs onto active markets, such as:
  - prices listed on active markets for similar instruments;
  - observable parameters such as interest rates or yield curves, implied volatility, early payment risk, default rates and illiquidity factors;
  - parameters that are not observable but supported and confirmed by market data;
- Level 3: the fair value of the instrument is determined on the basis of valuation models that mainly use inputs that cannot be inferred from the market, which therefore involve the adoption of estimates and internal assumptions.

This classification aims to establish a hierarchy in terms of objectivity of the fair value according to the degree of discretion adopted, giving priority to the use of parameters observable on the market. The fair value hierarchy is also defined on the basis of the input data used in the fair value calculation models and not on the basis of the valuation models themselves.

Fair value levels 2 and 3: valuation techniques and inputs used

The information required by IFRS 13 with regard to accounting portfolios measured at fair value on a recurring basis is shown below. For financial assets not measured at fair value, the Group believes that the book value is a reasonable approximation of the fair value.
At the date of preparation of the interim condensed consolidated Financial Statements at September 30, 2023, there are no assets or liabilities measured at fair value on a non-recurring basis.

Assets and liabilities measured at fair value on recurring basis

ASSET BACKED SECURITIES

ABSs are measured using the discounted cash flow model, which is based on an estimate of the cash flows paid by the security and an estimate of a spread for discounting.

EQUITY INVESTMENTS

Equities are assigned to Level 1 when an active market price considered liquid is available and to Level 3 when there are no prices or the prices have been suspended permanently. Such instruments are classified as Level 2 only if the volume of activity on the listing market is significantly reduced.
For equities measured at cost, an impairment loss is recognised if the cost exceeds the recoverable amount significantly and/or for a long time.

INVESTMENT FUNDS

Funds are classified as Level 1 if they are listed on an active market; if this does not occur, they are classified as Level 3 and are assessed through a credit adjustment of the NAV based on the specific characteristics of the individual fund.

OTHER DERIVATIVES

The fair value of derivatives not traded on an active market derives from the application of mark-to-model valuation techniques. When there is an active market for the input parameters to the valuation model of the different components of the derivative, the fair value is determined on the basis of their market prices. Valuation techniques based on observable inputs are classified as Level 2 while those based on significant unobservable inputs are classified as Level 3.

Description of assessment techniques

In order to assess positions for which market sources do not provide a directly observable market price, specific valuation techniques that are common in the market and described below are used.

DISCOUNTED CASH FLOW

The valuation techniques based on the discounted cash flow generally consist in determining an estimate of the future cash flows expected over the life of the instrument. The model requires the estimate of cash flows and the adoption of market parameters for the discount: the discount rate or margin reflects the credit and/or funding spread required by the market for instruments with similar risk and liquidity profiles, in order to define a "discounted value". The fair value of the contract is the sum of the discounted future cash flows.

MARKET APPROACH

A valuation technique that uses prices generated by market transactions involving assets, liabilities or groups of identical or comparable assets and liabilities.

NAV

The NAV (Net Asset Value) is the difference between the total value of the fund's assets and liabilities. An increase in NAV coincides with an increase in fair value. Usually, for funds classified at Level 3, the NAV is a risk-free valuation; therefore, in this case, the NAV is adjusted to consider the issuer's default risk.

Hierarchy of fair value

Financial instruments are assigned to a certain fair value level based on whether the inputs used for valuation are observable.

When the fair value is measured directly using an observable quoted price in an active market, the instrument will be classified within Level 1. When the fair value must be measured using a comparable approach or a pricing model, the instrument will be classified in either Level 2 or Level 3, depending on whether all significant inputs used in the valuation are observable.

In the choice between the different valuation techniques, the one that maximises the use of the observable inputs is used.
All transfers between the levels of the fair value hierarchy are made with reference to the end of the reporting period.
The main factors that would prompt a transfer between fair value levels (both between Level 1 and Level 2 and within Level 3) include changes in market conditions and improvements in valuation models and the relative weights of unobservable inputs used in fair value measurement.

Fair value hierarchy: asset and liabilities measured at fair value on a recurring basis - breakdown by fair value level

The following table reports the breakdown of assets and liabilities measured at fair value by fair value hierarchy input level.

Level 3 of the category "Financial assets measured at fair value through profit or loss" mainly includes:

1. the value of the notes issued by the securitisation vehicle companies:
   - Romeo SPV and Mercuzio Securitisation, equal to 5% of the total securities;
   - Cairo, whose mezzanine notes were purchased on June 5, 2020 to coincide with the acquisition of the subsidiary doValue Greece;
   - Mexico, purchased in December 2021, remaining 5% of the total of subordinated securities issued by the vehicle;
   - Dores Securitization S.r.l., whose untranched notes were issued as part of a new funding operation and 20% subscribed by doNext;
2. Units in collective investment undertakings (CIUs): the equivalent of the amount paid for the subscription of the remaining 23.3 units of the Italian Recovery Fund (formerly Atlante II), reserved real estate investment fund, net of redemptions;
3. the fair value of the call option on equity instruments of the investee BidX1, subscribed at the same time as the purchase of the minority interest, which amounted to 17.7% of the company's share capital as at September 30, 2023.

Level 3 of the category "Financial assets recognised at fair value through comprehensive income" includes the value of the equity instruments relating to the minority interests in the aforementioned company BidX1 and in the brazilian fintech company QueroQuitar S.A. for 11,46%, for which the Group applies the option for the designation at fair value through comprehensive income.
The fair value of these financial liabilities was determined on the basis of the contracts for the acquisition of equity interests and the economic-financial parameters that can be drawn from the long-term plans of the acquired companies. Since these parameters are not observable on the market (either directly or indirectly), these liabilities are classified under Level 3.

Level 3 of the category relating to "Other financial liabilities" includes:

1. the Earn-out represented by the fair value of the liability relating to a portion of the acquisition price of doValue Spain;
2. the Earn-out represented by the fair value of the liability relating to a portion of the acquisition price of doValue Greece, which is linked to the achievement of certain EBITDA targets over a 10-year period;
3. the fair value of the liability linked to the put option to purchase residual minority interests in the subsidiary doValue Spain. At September 30, 2023, the fair value of this liability was classified under the item "Others" following receipt of the notification for the exercise of this option at the end of September 2023, with the effectiveness of the transaction postponed to the following month.

The fair value of these financial liabilities was determined on the basis of the contracts for the acquisition of equity interests and the economic-financial parameters that can be drawn from the long-term plans of the acquired companies. Since these parameters are not observable on the market (either directly or indirectly), these liabilities are classified under Level 3.

(€/000)

	9/30/2023			12/31/2022		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value through profit or loss	**-**	**-**	**43,172**	**-**	**-**	**42,323**
Units in collective investment undertakings (CIUs)	-	-	21,968	-	-	23,628
Debt securities	-	-	20,953	-	-	18,145
Equities	-	-	197	-	-	197
Non-hedging derivatives	-	-	54	-	-	353
Financial assets measured at fair value through comprehensive income	**-**	**-**	**8,309**	**-**	**-**	**10,171**
Equities	-	-	8,309	-	-	10,171
Total	**-**	**-**	**51,481**	**-**	**-**	**52,494**
Other financial liabilities	**-**	**-**	**71,718**	**-**	**-**	**66,543**
Earn-out	-	-	50,198	-	-	44,649
Put option on non-controlling interests	-	-	-	-	-	21,894
Others			21,520			-
Total	**-**	**-**	**71,718**	**-**	**-**	**66,543**

3. INFORMATION ON THE CONSOLIDATED BALANCE SHEET

Assets

NOTE 1 – INTANGIBLE ASSETS

(€/000)

	Software	Brands	Assets under development and payments on account	Goodwill	Other intangible assets	Total 9/30/2023 Restated	Total 12/31/2022
Gross opening balance	**175,010**	**46,885**	**10,791**	**236,897**	**436,418**	**906,001**	**872,403**
Initial reduction in value	(130,569)	(22,304)	-	-	(226,240)	(379,113)	(327,178)
Net opening balance	**44,441**	**24,581**	**10,791**	**236,897**	**210,178**	**526,888**	**545,225**
Changes in gross balance	**8,921**	**(1,686)**	**184**	**-**	**(14,712)**	**(7,293)**	**33,598**
Purchases	3,567	-	5,580	-	-	9,147	36,566
Impairment	(55)	(1,686)	(435)	-	(14,712)	(16,888)	(1,344)
Other changes	5,409	-	(4,961)	-	-	448	(1,624)
Changes in reduction in value	**(11,606)**	**(2,628)**	**-**	**(12,530)**	**(20,305)**	**(47,069)**	**(51,935)**
Amortisation	(11,693)	(2,628)	-	-	(20,305)	(34,626)	(53,559)
Impairment of goodwill	-	-	-	(12,530)	-	(12,530)	-
Other changes	87	-	-	-	-	87	1,624
Gross closing balance	**183,931**	**45,199**	**10,975**	**236,897**	**421,706**	**898,708**	**906,001**
Final reduction in value	(142,175)	(24,932)	-	(12,530)	(246,545)	(426,182)	(379,113)
Net closing balance	**41,756**	**20,267**	**10,975**	**224,367**	**175,161**	**472,526**	**526,888**

The **opening balances** are mainly represented by the value of multi-annual servicing contracts included in the item "other intangible assets" and by the goodwill deriving from the acquisitions completed by the Group: in June 2019, the acquisition of doValue Spain Servicing (hereinafter also "doValue Spain") and its subsidiaries, and in June 2020 the business combination of doValue Greece.

Thanks to the acquisition of doValue Greece, the following net values were recognised as at September 30, 2023:

- €21.7 million relating to software and related assets under development;
- €157.6 million related to multi-year servicing contracts ("SLAs"), of which €36.3 million related to the Frontier portfolio;
- €112.4 million relating to goodwill.

With regard to the acquisition of doValue Spain and its subsidiaries, the net values as at September 30, 2023, were as follows:

- €12.3 million relating to software and related assets under development;
- €20.2 million relating to the brand;
- €17.6 million relating to other intangible assets, which include the valuation of active long-term servicing contracts ("SLAs");
- €111.5 million relating to goodwill.

The **changes in gross balance** include "purchases", which during the period were concentrated on the development of the IT platform, with an increase in the "software" and "assets under development and payments on account" categories totalling €9.1 million and the "impairment" related to Iberia region for a total of €16.9 million primarily following the execution of the impairment test, as detailed below.
The "other changes", which mainly affect the "software" and "assets under development and payments on account" categories, relate to the reclassification of assets between the two categories in connection with the entry into use of software.

The **changes in reduction in value** mainly include "impairment of goodwill" of €12.5 million following the results of the impairment test as described below, as well as the amortisation charges for the period of €34.6 million. "Other intangible assets" include the values of long-term servicing contracts deriving from the evaluation of the doValue Spain and doValue Greece acquisition transactions and the "Frontier" contract, which are systematically amortised based on the direct margin curve for each contract over the course of its entire useful life, consistent with the best estimate of the cash flows from each individual contract. The amortisation charge of each contract was calculated to an extent corresponding to the direct margin posted in the period.

For the purpose of preparing the impairment test on the values as at September 30, 2023, continuing with the approach taken to the test performed on the data as at December 31, 2022, and June 30, 2023, the Cash Generating Units (CGUs) in the two geographical segmentation areas pertaining to doValue Spain and its subsidiaries and to doValue Greece, namely "Iberia" (Spain and Portugal) and the "Hellenic Region" (Cyprus and Greece) were used, and the allocation of intangible assets and goodwill to the two separate CGUs was determined.
For the purposes of carrying out the test, the prospective information has been determined in line with that relating to the last quarter of 2023 deriving from the 2023 Budget approved by the Board of Directors on December 22, 2022 and with the 2022-2024 Group Business Plan approved by the Board of Directors on January 25, 2022, with the exception of intangible assets attributable to the Iberia region for which the test was performed on the basis of the preliminary 2024-2026 Business Plan approved by the Board of Directors on January 12, 2024.
As part of the analysis, the current value in use attributable to the individual active servicing contracts was therefore consistently estimated, considering the respective expected cash flows over the entire useful life. With regards to the test performed on the other intangible assets, the analysis revealed evidence of impairment losses such as differences between the value in use of the servicing contracts and the related book value net of amortization for the period, for a total of €14,7 million relating to doValue Spain's Santander contract. Furthermore, the test performed on the brand item also revealed evidence of impairment, for a total of €1.7 million relating to the brand attributable to the subsidiary doValue Spain.

As regards goodwill, the comparison between the recoverable value and the aggregate net book value of the CGUs as of 30 September 2023, the model highlighted for the "Iberia" CGU (Spain-Portugal) impairment losses for the goodwill recorded equal to €12.5 million. However, it confirmed the recoverable value capacity for the CGU Greece-Cyprus, both concerning the doValue Greece acquisition and for the Cyprus component arising from the doValue Spain and its subsidiaries' acquisition.

The discount rate (WACC - Weighted Average Cost of Capital) used in the impairment analysis carried out on goodwill and other intangible assets was 7.6% for the Spain and Portugal CGU and 8.6% for the Cyprus component of the Greece and Cyprus CGU and 8.4% for the single Greece component in relation to the testing of the PPA of doValue Greece and the "Frontier" contract.

The following table summarises the outcome of the impairment test on the intangible assets of doValue Spain:

(€/000)

	Net present value	Net book value	Impairment
Software	9,575	9,575	-
Brand	20,198	21,885	(1,687)
Other ingible assets - SLAs	7,421	22,133	(14,712)
Intangible Assets - Iberia	**37,194**	**53,593**	**(16,399)**
Software	2,529	2,529	-
Other ingible assets - SLAs	20,503	10,139	-
Intangible Assets - Hellenic Region	**23,032**	**12,668**	**-**
Total	**60,226**	**66,261**	**(16,399)**

Similarly, the table summarising the impairment test performed on the value attributed to the intangible assets of doValue Greece is shown below.

(€/000)

	Net present value	Net book value	Impairment
Intangible Assets - SLAs - Regione Ellenica	**318,480**	**157,600**	**-**
Total	**318,480**	**157,600**	**-**

With regard to the methods used to carry out the test, please refer to the Section "Accounting Policies – Risks and uncertainties associated with the use of estimates" in the paragraph dedicated to Estimation of impairment losses on intangible assets.

NOTE 2 – PROPERTY, PLANT AND EQUIPMENT

(€/000)

	Buildings	Furniture	Electronic systems	Assets under development and payments on account	Other	Total 9/30/2023	Total 12/31/2022
Gross opening balance	**69,971**	**3,566**	**29,139**	**1,455**	**15,692**	**119,823**	**88,088**
Initial reduction in value	(33,408)	(3,086)	(13,428)	-	(10,765)	(60,687)	(53,939)
Net opening balance	**36,563**	**480**	**15,711**	**1,455**	**4,927**	**59,136**	**34,149**
Changes in gross balance	**1,284**	**695**	**(1,330)**	**385**	**683**	**1,717**	**31,735**
Purchases	3,265	191	148	827	1,273	5,704	41,973
o.w. Right of Use	*3,080*	-	*50*	-	*1,149*	*4,279*	*38,027*
Disposals and dismissals	(720)	-	-	-	(161)	(881)	-
Other changes	(1,261)	504	(1,478)	(442)	(429)	(3,106)	(10,238)
Changes in reduction in value	**(4,350)**	**(601)**	**(2,432)**	**-**	**(1,277)**	**(8,660)**	**(6,748)**
Amortisation	(7,072)	(213)	(3,794)	-	(1,556)	(12,635)	(16,626)
o.w. Right of Use	*(6,531)*	-	*(3,207)*	-	*(1,011)*	*(10,749)*	*(13,061)*
Other changes	2,722	(388)	1,362	-	279	3,975	9,878
Gross closing balance	**71,255**	**4,261**	**27,809**	**1,840**	**16,375**	**121,540**	**119,823**
Final reduction in value	(37,758)	(3,687)	(15,860)	-	(12,042)	(69,347)	(60,687)
Net closing balance	**33,497**	**574**	**11,949**	**1,840**	**4,333**	**52,193**	**59,136**

In the first nine months of 2023, the item recorded an overall decrease of €6.9 million, going from €59.1 million to €52.2 million.

The **changes in gross balance** mainly include "purchases", which in the period totalled €5.7 million (of which €4.3 million in rights of use) and consisted of the renewal of rental contracts, enlargments and improvements for certain premises in Italy and Cyprus, as well as renewals and additional car rentals in the category "Other".
The "other changes" in gross balance should be read together with the same component included under changes in reduction in value and are largely related to the disposal of depreciated assets.

The **changes in reduction in value** included depreciation of €12.6 million, of which €10.7 million related to rights of use.

Please see Note 19 for more details on changes in rights of use.

NOTE 3 –FINANCIAL ASSETS

(€/000)

	9/30/2023	12/31/2022
Non-current financial assets	**52,374**	**53,604**
Financial assets measured at fair value through profit or loss	**43,172**	**42,323**
Units in collective investment undertakings (CIUs)	21,968	23,628
Debt securities	20,953	18,145
Equities	197	197
Non-hedging derivatives	54	353
Financial assets measured at amortised cost	**893**	**1,110**
Loans to customers	839	1,057
Loans to banks	54	53
Financial assets measured at fair value through other comprehensive income	**8,309**	**10,171**
Equities	8,309	10,171
Current financial assets	**-**	**4,380**
Financial assets measured at amortised cost	**-**	**4,380**
Loans to customers	-	4,380
Total	**52,374**	**57,984**

Non-current financial assets measured at fair value through profit or loss include CIUs units, debt securities, equities and non-hedging derivatives.
CIUs units relate to 23.3 units of the restricted closed-end alternative securities investment fund denominated Italian Recovery Fund (formerly Atlante II). Partial repayments of €2.3 million were recorded during the period, which have been compensated by revaluation effects of €0.6 million, while additional shares to be subscribed of €1.1 million were recognised under commitments.
Debt securities increased by €2.8 million, almost entirely referred to positive evaluation effects accounted on one of the Cairo portfolios. The breakdown of debt securities is represented, for €16.7 million by the ABS securities of the Cairo securitisations acquired as part of the acquisition of doValue Greece, for €2.0 million by the value of the ABS securities relating to the Romeo SPV and Mercuzio Securitisation securitisations and, for €2.1 million by the co-investment in the Mexico securitisation notes and for €0.1 million by the fair value of new ABS securities subscribed by doNext and issued by the vehicle Dores Securitisation S.r.l. as part of a new finance operation.

Equities classified at fair value through profit or loss are attributable to the minority interests for which the Group has not exercised the envisaged option under IFRS 9 to measure these instruments at fair value through other comprehensive income without recycling to profit or loss.
Non-hedging derivatives include an option linked to the purchase of further equity interests in the company BidX1 mentioned below among the financial assets recognized at fair value through other comprehensive income.

The category of **non-current financial assets measured at amortised cost** include the non-current part of €0.9 million mainly related to loans to customers, which is stable comparing to the previous year. On the other hand, the **current** component is reduced to zero as a result of the transfer to third parties of the limited recourse loan for a specific business.

The category of **non-current financial assets measured at fair value through other comprehensive income** includes the value of equities relating to two companies for which the Group exercised the option available under IFRS 9 to measure these instruments at fair value through other comprehensive income without recycling to profit or loss:
- €1.5 million equal to 11.46% of the Brazilian fintech company QueroQuitar S.A. which operates in the field of digital collections;
- €6.8 million equal to 17.7% of BidX1, an Irish proptech company specialising in the promotion and execution of real estate transactions through online auction processes in real time. The reduction of the item by €1.9 million compared to 31 December 2022 originates from the fair value evaluation process and refers exclusively to the investment in BidX1.

Focus on securitisations

Over the years, the Group originated securitisations or invested in them through the subscription of the related debt securities, also assuming the role of Servicer. A brief description of these transactions is provided below.

On September 30, 2016, the assignment of the non-performing portfolio of the Parent Company doValue to the securitisation vehicle Romeo SPV S.r.l. (“Romeo”) was finalised. Romeo was established pursuant to Italian Law 130/1999. Subsequently, in the second quarter of 2017, the unsecured part of the portfolio was transferred to the vehicle Mercuzio Securitisation S.r.l. (“Mercuzio”) and, at the same time, the issue of ABSs was completed by both SPVs with a single tranching of the securities.

As originator, the Parent Company doValue subscribed a nominal value of notes equal to 5% of the total securities issued in order to comply with the provisions of the retention rule referred to in Regulation (EU) 575/2013 (the CRR).

In both transactions, doValue Group plays the role of Servicer and Administrative Services Provider.

At the same time as the acquisition of Eurobank FPS in June 2020 mezzanine notes of the 3 Cairo securitisations (Cairo I, Cairo II and Cairo III) were subscribed, the securities of which are backed by state guarantees (“Asset Protection Scheme”). The originator of this transaction is Eurobank, which sold €7.4 billion of performing and non-performing loans.

In December 2020, mezzanine and junior ABS securities were also subscribed for the Relais securitisation, which concerns lease receivables sold by UniCredit. However, these notes were sold in February 2021, while the Group maintained the roles of Master Servicer (performed by doNext) and Special Servicer (performed by doValue).

In the second half of 2021, in relation to the Mexico transaction, the Parent Company doValue subscribed an amount equal to €45.0 million of junior and mezzanine notes, equal to 95% of the notes issued by the vehicle and at the same time sold 90% of the total notes issued to a third investor; the remaining portion of notes recognised in the financial statements therefore corresponds to 5% class B (mezzanine) and 5% class C (junior). The Group is servicer of the portfolio through the subsidiary doValue Greece.

During the first quarter of 2023, the subsidiary doNext disbursed a loan which was transferred in the same period to the credit securitization company Dores Securitization S.r.l.. As part of this transaction, doNext subscribed 20% of the untranched notes issued by the SPV, corresponding to a nominal amount of €0.4 million, and assumed the roles of Master and Special Servicer.

NOTE 4 – DEFERRED TAX ASSETS AND LIABILITIES

The items report deferred tax assets by deductible temporary difference.

Deferred tax assets (hereinafter also referred to as "DTAs") include amounts in respect of loan write-downs, tax losses carried forward and deferred tax assets determined specifically on the basis of the stocks of the components to which they refer (e.g. litigation, provisions for employees).

In this regard, the Parent Company exercised the option to retain the possibility of converting deferred tax assets into tax credits pursuant to Article 11 of Italian Legislative Decree 59 of May 3, 2016, ratified with Italian Law 119 of June 30, 2016. This measure introduced the optional regime in order to eliminate issues that emerged at the Community level regarding the incompatibility of the DTA transformation legislation with the rules governing state aid, ensuring that the convertibility of qualifying DTAs into tax credits is only allowed following payment of a specific fee based on the amount of those DTAs.

With regard to the deferred tax assets referred to in Italian Law 214/2011, as a result of the express provision of Article 56 of Italian Decree Law 225 of 29/12/2010, the negative components corresponding to the deferred tax assets transformed into tax credits are not deductible, first offsetting on a priority basis decreases at the nearest maturity in an amount corresponding to a tax equal to the transformed DTAs.

The 2019 Budget Act (Italian Law 145/2018) modified the temporary mechanism provided for in Article 16, paragraphs 3-4 and 8-9 of Italian Decree Law 83/2015 concerning the deductibility for both IRES and IRAP purposes of the loan losses of banks, financial companies and insurance undertakings. The law essentially deferred to the current tax period as at December 31, 2026, for both IRES and IRAP purposes, the deductibility of 10% of write-downs and losses on loans to customers recognised for that purpose that were originally intended to be deducted for the current tax period as at December 31, 2018.

Article 1, paragraphs 712-715 of the 2020 Budget Act (Italian Law 160/2019) then provided for the deferral of the deduction of the negative IRES (corporate income tax) components. More specifically, the deductibility, for IRES and IRAP purposes, of the stock of write-downs and loan losses of credit and financial institutions, of 12%, originally established for the tax period under way as at December 31, 2019 was postponed to tax periods under way as at December 31, 2022 and the three subsequent tax periods. The deferral is made on a straight-line basis.

Article 42 of Italian Law Decree no. 17/2022 intervenes for the third time on the original deduction plan with a postponement technique substantially similar to that carried out by Italian Law no. 160/2019.

This law provides as follows: the portion that should have been deducted in the 2022 financial year is deferred to the current tax period as at December 31, 2023, and to the three following years. In this regard, it should be noted that the deferral affects only the 12% deduction originally envisaged by the Italian Law Decree no. 83/2015, but not also the 3% deduction envisaged by Article 1, paragraph 712, of Italian Law no. 160/2019, which instead remains deductible according to the "normal" time frame. Moreover, to partially mitigate the effects deriving from this deferral, paragraph 1-bis of Article 42 amends paragraph 1056 of Italian Law no. 145/2018, establishing that 53% of the 10% share pertaining to 2019 and deferred for IRES and IRAP purposes to 2026 is brought forward to December 31, 2022; for the remaining portion (47%), the deductibility of the portion itself remains fixed at 2026.
As a result of Italian Law Decree no. 17/2022, the pre-2015 recovery plan of adjustments is now the following: 5% in the current tax period as at December 31, 2016; 8% in the current tax period as at December 31, 2017; 12% in the current tax period as at December 31, 2020; 12% in the current tax period as at December 31, 2021; 8.3% (3% +5.3%) in the current tax period as at December 31, 2022; 18% (12% +3% +3%) for the current tax period as at December 31, 2023; 18% (12% +3% +3%) for the current tax period as at December 31, 2024; 11% (5% +3% +3%) for the current tax period as at December 31, 2025; 7.7% for the current tax period as at December 31, 2026. At the time of the conversion, the original regulation of Italian Law Decree no. 17/2022 (which envisaged the deferral of the portion to be reversed in 2021) was amended in two respects: i) on the one hand, the deferral to the 2022 portion instead of the 2021 portion was envisaged; ii) on the other hand, the deduction of the 2019 portion deferred to 2026 was partially brought forward to 2022.

As a result of these law provisions, the amount of the deferred tax assets relating to the Parent Company begins to change starting from the current year, through reversals with economic impact.

With regard to the provisions of IAS 12, deferred tax assets are subject to sustainability testing, taking account of forecast profits in future years and verifying that future taxable income will be available against which the deferred tax assets can be used.
The test carried out on the data as at September 30, 2023, took therefore into account the 2022-2024 Business Plan updated on the basis of the Preliminary Plan 2024-2026 relating to the Iberia region approved in the Board of Directors of January 12, 2024, and in general of estimates based on the most recent both endogenous and exogenous parameters.

As at September 30, 2023, additional DTAs totalling €8.5 million have been recognised mainly relating to tax losses that can be carried forward in the future. This increase was more than offset by lower deferred tax assets related to the cancellation of deferred tax assets for the period of €26.8 million mainly attributable to:

- "write-downs of non-recoverable items" for a total of €14.5 million of which €13.2 million attributable to the DTAs, both from tax losses and temporary differences, of the subsidiaries doValue Spain and doValue Portugal primarily following the execution of the sustainability test based on the Preliminary plan 2024-2026 of the Iberia region and €1.4 million for the DTAs recognized by the doValue Group to cover the portions of non-deductible interest expenses from previous fiscal periods; and
- movement of DTAs referred to in Law 214/2011 described above for €7.4 million.

The criteria used for the recognition of deferred tax assets can be summarised as follows:

- deferred tax assets correspond to the amounts of income tax that can be recovered in future years regarding temporary differences;
- the prerequisite for the recognition of deferred tax assets is that it is considered reasonably certain in view of corporate developments that taxable income will be generated against which the deductible temporary differences will be used.

Taxes were calculated by applying the tax rates established under current law in each country, using, only for doNext the additional IRES 3.5 percentage-point tax envisaged for Italian credit and financial institutions (Italian Law no. 208 of December 28, 2015).
With regard to the calculation of the Italian IRAP (regional business tax) rate as at September 30, 2023, doValue meets the requirements for classification as a non-financial holding company. In accordance with that classification, doValue determines its tax base on the same basis as ordinary companies and takes account of the difference between the interest income and similar income and the interest expense and similar charges to the extent provided for under tax law, also applying the increased rate (of 5.57% unless otherwise provided by the individual regions) levied on credit and financial institutions.

Deferred tax assets

Breakdown

(€/000)

	9/30/2023 Restated	12/31/2022
Provisions recognised through Income Statement	**82,573**	**101,408**
Writedowns of loans	41,846	49,391
Tax losses carried forward	16,341	19,300
Provisions for risks and charges	6,259	7,729
Property, plant and equipment / intangible assets	12,981	18,241
Administrative expenses	1,464	1,504
Other assets / liabilities	3,682	5,243
Provisions recognised through Equity	**335**	**350**
Defined benefit plans	335	350
Total	**82,908**	**101,758**

Change

(€/000)

	Recognised through Income Statement	Recognised through Equity	Total 9/30/2023 Restated	Total 12/31/2022
Opening balance	**101,408**	**350**	**101,758**	**112,640**
Increases	**8,545**	**-**	**8,545**	**4,093**
Deferred tax assets recognised during the period	8,104	-	8,104	4,008
- In respect of previous periods	95	-	95	1,005
- Accruals	8,009	-	8,009	3,003
Other changes	441	-	441	85
Decreases	**(27,380)**	**(15)**	**(27,395)**	**(14,975)**
Deferred tax assets derecognised during the period	(26,811)	(1)	(26,812)	(14,836)
- Reversals of temporary differences	(12,104)	-	(12,104)	(12,927)
- Writedowns of non-recoverable items	(14,540)	-	(14,540)	(1,909)
- Other	(167)	(1)	(168)	-
Other changes	(569)	(14)	(583)	(139)
Closing balance	**82,573**	**335**	**82,908**	**101,758**

Deferred tax liabilities

Breakdown

(€/000)

	9/30/2023 Restated	12/31/2022
Provisions recognised through Income Statement	**42,807**	**50,982**
Other assets / liabilities	43,360	50,809
Others	(553)	173
Provisions recognised through Equity	**21**	**21**
Defined benefit plans	21	21
Total	**42,828**	**51,003**

Change

(€/000)

	Recognised through Income Statement	Recognised through Equity	Total 9/30/2023 Restated	Total 12/31/2022
Opening balance	**50,982**	**21**	**51,003**	**54,350**
Increases	**879**	**-**	**879**	**2,621**
Deferred tax liabilities recognised during the period	879	-	879	2,620
- Accruals	879	-	879	2,620
Other changes	-	-	-	1
Decreases	**(9,054)**	**-**	**(9,054)**	**(5,968)**
Deferred tax liabilities derecognised during the period	(9,054)	-	(9,054)	(5,968)
- Reversals of temporary differences	(3,651)	-	(3,651)	-
- Other	(5,403)	-	(5,403)	(5,968)
Closing balance	**42,807**	**21**	**42,828**	**51,003**

Deferred tax liabilities derive mainly from business combinations and, in particular, from the exercise of the Purchase Price Allocation (PPA) as an overall tax effect of the fair value adjustments made to the values of the entry to consolidation of the companies acquired, namely doValue Spain and doValue Greece, both determined on the basis of the definitive PPA.
It should be noted that following the impairment of intangible assets, please refer to Note 1 - Intangible assets, the balance at September 30, 2023 was characterized by the derecognition of deferred tax liabilities for €4.1 million recorded in the "other" item.

NOTE 5 – OTHER ASSETS

The following table provides a breakdown of other current and non-current assets.

(€/000)

	9/30/2023	12/31/2022
Other non-current assets	**2,962**	**2,076**
Other current assets	**65,177**	**31,840**
Accrued income / prepaid expenses	4,022	2,152
Items for employees	651	823
Receivables for advances	45,283	21,966
Current receivables on taxes other than income tax	12,668	4,032
Other items	2,553	2,867
Total	**68,139**	**33,916**

Overall, the item increased by €34.2 million compared to December 31, 2022, mainly due to higher receivables for advances from customers within the Hellenic Region, particularly as a result of measures to increase legal recovery activities which already started during the last quarter of 2022; in addition to this, part of the increase is due to advances paid for a new real estate business project undertaken in Spain.

Other non-current assets mainly consist of security deposits.

NOTE 6 – INVENTORIES

As at September 30, 2023, the item amounted to €217 thousand, an increase compared to the balance as at December 31, 2022, which amounted to €55 thousand.
During the period, one of the two buildings present at the end of the previous year was sold and €200 thousand of suspended costs relating to the Iberian Region were recorded in relation to a real estate business project under construction.

NOTE 7 – TRADE RECEIVABLES

(€/000)

	9/30/2023	12/31/2022
Receivables	**160,286**	**201,828**
Receivables accruing (Invoices to be issued)	136,793	127,643
Receivables for invoices issued but not collected	23,493	74,185
Provisions	**(1,384)**	**(1,685)**
Provisions for expected losses on receivables	(1,384)	(1,685)
Total	**158,902**	**200,143**

Trade receivables arise in respect of invoices issued and accruing revenues mainly connected with servicing activities and real estate services under mandate and therefore mainly relating to the revenue item “revenues from contracts with customers”.
The item shows a net decrease of €41.2 million compared to the balance as at December 31, 2022, mainly attributable to the collection of invoices, partially offset by higher accruals for invoices to be issued at the end of the period.

Provisions for expected future credit losses amounted to around 1% of receivables.

NOTE 8 – TAX ASSETS AND TAX LIABILITIES

As at September 30, 2023, tax assets amounted to €5.0 million and include tax credits originating from Italian and Spanish companies.
Tax liabilities amount to €9.2 million and represent the payable to the tax authorities for taxes net of liquidations made in the period.

NOTE 9 - CASH AND CASH EQUIVALENTS

The balance of €95.7 million, with a decrease of €38.6 million compared with the €134.3 million reported as at December 31, 2022, represents the liquidity available at the end of the third quarter 2023. For information on the next evolution, please refer to the paragraph on the Net Financial Position in the Directors' Report on the Group.
For an analysis of changes in cash and cash equivalents, please refer to the Consolidated Cash Flow Statement.

NOTE 10 – ASSETS HELD FOR SALE AND RELATED LIABILITIES

The table shows the values relating to the total equity investment in the shares of special purpose vehicles (SPV) which the Group intends to liquidate or sell to third parties.
During the period a new vehicle in Spain has been created, similar to the one acquired at the end of 2022, with the view to transferring control in the current year.
Therefore, the value as at September 30, 2023, corresponds to three SPVs, one based in Italy and two based in Spain.

(€/000)

	9/30/2023	12/31/2022
Non-current assets:		
Intangible assets	-	-
Property, plant and equipment	-	-
Investments in associates and joint ventures	-	-
Non-current financial assets	16	13
Deferred tax assets	-	-
Other non-current assets	-	-
Total non-current assets	**16**	**13**
Current assets:		
Inventories	-	-
Current financial assets	-	-
Trade receivables	-	-
Tax assets	-	-
Other current assets	-	-
Cash and cash equivalents	-	-
Total current assets	**-**	**-**
Total assets held for sale	**16**	**13**
Non-current liabilities:		
Loans and other financing	-	-
Other non-current financial liabilities	-	-
Employee benefits	-	-
Provisions for risks and charges	-	-
Deferred tax liabilities	-	-
Other non-current liabilities	-	-
Total non-current liabilities	**-**	**-**
Current liabilities:		
Loans and other financing	-	-
Other current financial liabilities	-	-
Trade payables	-	-
Tax liabilities	-	-
Other current liabilities	-	-
Total current liabilities	**-**	**-**
Total liabilities associated with assets held for sale	**-**	**-**

Liabilities and Equity

NOTE 11 – NET EQUITY

(€/000)

	9/30/2023 Restated	12/31/2022
Net Equity attributable to the Shareholders of the Parent Company	**48,896**	**136,559**
Share capital	41,280	41,280
Treasury shares	(4,006)	(4,332)
Valuation reserve	(2,724)	(906)
Other reserves	40,013	84,015
Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	16,502
Net Equity attributable to Non-controlling interests	**47,172**	**44,361**
Total	**96,068**	**180,920**

As at September 30, 2023, the subscribed and paid-up **share capital** of the Parent Company amounted to €41.3 million divided into 80,000,000 ordinary shares with no par value.

The following table shows the shares outstanding at the reporting date.

(no. of shares)	9/30/2023	12/31/2022
Ordinary shares issued	80,000,000	80,000,000
Treasury shares	(832,618)	(900,434)
Total shares outstanding	**79,167,382**	**79,099,566**

Treasury shares, shown as a direct reduction of Shareholders' Equity, amounted to €4.0 million, compared to €4.3 million in the previous year.
The following table provides information on the changes in the number of treasury shares held, showing a decrease as a result of 67,816 performance stock grants (for a value of €326 thousand), which were allocated by doValue to the beneficiaries at the time of the 2022 incentive system, in accordance with the 2022 Remuneration Policy.
As at September 30, 2023, the number of treasury shares is 1.04% of the number of issued ordinary shares.

(no. of treasury shares)	9/30/2023	12/31/2022
Opening balance	900,434	972,339
Transfers due to exercise of performance stock grants	(67,816)	(71,905)
Closing balance	**832,618**	**900,434**

The **valuation reserve** as at September 30, 2023, amounted to a negative value of €2.7 million, (-€0.9 thousand as at December 31, 2022) and included the combined effect of the valuation of the severance indemnity pursuant to IAS 19 and that arising from the valuation of the Bidx1 equity.

Other reserves break down as follows:

(€/000)

	9/30/2023 Restated	12/31/2022
Reserves from allocation of profits or tax-suspended reserves	**26,029**	**25,774**
Legal reserve	8,256	8,256
Reserve art. 7 Law 218/90	2,304	2,304
Tax-suspended reserve from business combinations	2	2
Reserve from FTA IAS art. 7 par. 7 Lgs. Decree 38/2005	8,780	8,780
Reserve from FTA IAS IFRS 9	1,140	1,140
Reserve from retained earnings	(8,597)	(8,597)
Reserve from retained earnings - Share Based Payments	14,144	13,889
Other reserves	**13,984**	**58,241**
Extraordinary reserve	60,388	88,417
Reserve, Lgs. Decree no. 153/99	6,103	6,103
Legal reserve for distributed earnings	44	44
Reserve art. 7 Law 218/90	4,179	4,179
Reserve from business combinations	1,746	1,746
Share Based Payments Reserve	3,472	9,168
Consolidation reserve	(36,165)	(33,132)
Negative reserve for put option on non-controlling interests	(25,783)	(18,284)
Total	**40,013**	**84,015**

Overall, the item shows a decrease of €44 million due to the combination of the following main elements:

- €47.5 million decrease related to the dividends that the Shareholders' Meeting of April 27, 2023 resolved to distribute in full from the profit for 2022 equal to €19.5 million and €28.0 million the **extraordinary reserve.** Of the approved amount, €0.4 million not yet collected by shareholders as at September 30, 2023;
- €3.0 million increase in the **negative consolidation reserve** mainly due to the 2022 results of the subsidiaries;
- €7.5 million increase in the negative reserve associated with the recognition of the financial liability for the **option to purchase non-controlling interests** pursuant to IAS 32 which moved from -€18.3 million to -€25.8 million due to the portion exceeding the amount of equity pertaining to non-controlling interests with respect to the doValue Spain acquisition;
- €5.4 million net decrease of the **Share Based Payments** reserves accounted for pursuant to IFRS 2 in implementation of the post-IPO remuneration policy, which provides for the grant of shares as remuneration to certain categories of managers and as a consequence of the former CEO resignation (for further details, please refer to Note 18 – Share based payments).

Shareholders' equity attributable to Non-controlling interests amounted to €47.2 million, including the profit (loss) for the period attributable to non-controlling interests of €7.8 million, and refers to the 20% stake in doValue Greece held by Eurobank. The portion of shareholders' equity attributable to minority interests in doValue Spain, which also includes the negative result for the period attributable to minority interests equal to -€8.1 million, is absorbed by the recognition of the liability related to the "Put option on non-controlling interests", classified under item “others” among other financial liabilities at September 30, 2023 (please refer to Note 13 – Other financial liabilities).

NOTE 12 – LOANS AND OTHER FINANCING

(€/000)

	Interest Rate %	Due Date	9/30/2023	12/31/2022
Non-current loans and other financing			**551,896**	**554,220**
Bond 2020	5%	8/4/2025	258,917	258,056
Bond 2021	3,375%	7/31/2026	292,979	296,164
Current loans and other financing			**29,283**	**14,283**
Bank loans	Euribor3m+1,8%	12 months	25,418	126
Bank overdrafts	Euribor3m+1,9%	on demand	-	37
Due to other lenders		0	-	4,380
Bond 2020	5%	8/1/2023	2,200	5,521
Bond 2021	3,375%	7/31/2023	1,665	4,219
Total			**581,179**	**568,503**

The balance of loans and other financing as at September 30, 2023, includes the residual debt values at amortised cost of the following **bonds** (current and non-current portions):

- €261.1 million for the guaranteed senior bond loan issued on August 4, 2020, maturing in 2025, at the annual rate of 5% for a principal of €264.0 million (€265.0 million at issue), reduced by €1.0 million in the period due to the partial repurchase ("bond buy-back) by the Parent Company of its own debt securities. The liquidity deriving from this bond loan had been used to repay the bridge loan in the context of the acquisition of doValue Greece;
- €294.6 million for the guaranteed senior bond loan issued on July 22, 2021, maturing in 2026, at the annual fixed rate of 3.375%, for a principal amount of €296.0 million (€300.0 million at issue), reduced by €4.0 million in the period due to the partial repurchase ("bond buy-back) by the Parent Company of its own debt securities. The bond was used to repay the Facility Loan concluded to finance the purchase of the interest in doValue Spain and to refinance the pre-existing debt of the same investee.

The bonds were reserved for qualified investors and are listed on the Euro MTF multilateral trading system of the Luxembourg Stock Exchange.

The bond buyback transactions mentioned above for a total of €5.0 million were concluded by repurchasing part of its debt on the market below par, with the aim to reduce the total amount of liabilities by more than the required financial outlay. This therefore determined the recognition of a €0.5 million income.

The **bank loan** component includes €25.4 million relating almost completely to the use of a revolving credit line with a 12-month maturity aimed at temporary liquidity needs in the Hellenic Region.

The **due to other lenders** component at September 30, 2023 is nil following the termination in January 2023 of the limited recourse loan allocated for a specific business, as a consequence of the transfer of the related receivable recorded under financial assets.

NOTE 13 – OTHER FINANCIAL LIABILITIES

(€/000)

	9/30/2023	12/31/2022
Other non-current financial liabilities	**48,730**	**54,158**
Lease liabilities	31,923	38,109
Earn-out	16,807	16,049
Other current financial liabilities	**67,021**	**62,323**
Lease liabilities	12,110	11,829
Earn-out	33,391	28,600
Put option on non-controlling interests	-	21,894
Others	21,520	-
Total	**115,751**	**116,481**

Lease liabilities, split into current and non-current components, represent the recognition of the current value of the remaining lease payments following the introduction of IFRS 16. Please see Note 19 for information on changes in lease liabilities during the period.

The **Earn-out** liability recorded in the amount of €16.8 million under other non-current financial liabilities as well as €11.8 million under the current portion, relates to the debt arising from the acquisition of doValue Greece linked to the achievement of certain EBITDA targets over a ten-year period and any payments will not be due before 2024.
The remaining Earn-out portion recognised under current financial liabilities amounts to €21.6 million and is related to the portion of the acquisition price of doValue Spain which was supplemented by the component of interest expense for late payment of €4.1 million (of which €1.3 million already allocated under Provisions for risks and charges) relating to the arbitration with Altamira Asset Management Holdings S.L...

Last September 29, 2023 the notification was received for the exercise of the sale option of the residual minority share (equal to 15%) of doValue Spain. The **put option on non-controlling interests** liability, equal to €21.9 million at December 31, 2022, was therefore cancelled in the reference period as the related amount of €21.5 million, defined between the parties, was included among the category related to **other** financial liabilities category following the exercise of the option.
Please note that the expiry of the put option was extended to the end of September 2023 through the agreement signed on June 26, 2023, with which the exercise price of the option was also defined; it should also be noted that the formalization and execution of the transfer of the minority share of doValue Spain took effect from October 24, 2023 ("Transfer date").

Net financial indebtness

In accordance with the requirements of Consob Communication of July 28, 2006, and in compliance with the CESR Recommendation of February 10, 2005 "Recommendations for the consistent implementation of the EU Regulation on prospectuses", the Group's net financial indebtedness as at September 30, 2023, breaks down as follows.

(€/000)

Note			9/30/2023	12/31/2022
9	A	Cash on hand	3	5
9	B	Cash at banks and short-term deposits	95,664	134,259
	D	**Liquidity (A)+(B)+(C)**	**95,667**	**134,264**
3	E	Current financial assets	-	4,380
12	F	Current bank debt	(25,418)	(37)
12	G	Current portion of non-current debt	-	(126)
12, 13	H	Other current financial debt	(67,021)	(66,703)
	I	**Current financial indebtness (F)+(G)+(H)**	**(92,439)**	**(66,866)**
	J	**Net current financial indebtness (I)+(E)+(D)**	**3,228**	**71,778**
12	L	Bond Issued	(555,761)	(563,960)
12, 13	M	Other non-current loans	(48,730)	(54,158)
	N	**Non-current financial indebtness (K)+(L)+(M)**	**(604,491)**	**(618,118)**
	O	**Net financial indebtness (J)+(N)**	**(601,263)**	**(546,340)**

Compared with the net financial position, equal to €485.5 million reported in the Directors' Report on the Group, to which reference should also be made for further information, this table includes the items reported under letters E, H and M, for a total of €115.8 million.
The following table reconciles the two different representations:

(€/000)

		9/30/2023	12/31/2022
A	**Net financial indebtness**	**(601,263)**	**(546,340)**
	Other current financial debt	67,021	66,703
	Other non-current loans	48,730	54,158
	Current financial assets	-	(4,380)
B	**Items excluded from the Net financial position**	**115,751**	**116,481**
C	**Net financial position (A)+(B)**	**(485,512)**	**(429,859)**

NOTE 14 – EMPLOYEE BENEFITS

Within the Group, there are defined-benefit plans, or plans for which the benefit is linked to the salary and seniority of the employee.
The defined-benefit plans of the Italian companies mainly include "post-employment benefits" in accordance with applicable regulations, as well as other provisions of a contractual nature. For Greece, there is a defined-benefit plan on a mandatory basis.
In accordance with IAS 19, the obligations of defined-benefit plans are determined using the "Projected Unit Credit" method. This method envisages that the present value of the benefits accrued by each participant in the plan during the year is recognised as an operating cost, considering both future salary increases and the benefit allocation formula. The total benefit that the participant expects to acquire at the retirement date is divided into units, associated on the one hand with the seniority accrued at the valuation date and on the other with the expected future seniority until retirement.

Employee benefits changed as follows during the period.

(€/000)

	9/30/2023	12/31/2022
Opening balance	**9,107**	**10,264**
Increases	**469**	**3,008**
Provisions for the period	469	3,000
Other changes	-	8
Decreases	**(994)**	**(4,165)**
Benefits paid	(935)	(3,577)
Other changes	(59)	(588)
Closing balance	**8,582**	**9,107**

Overall, the item shows a balance substantially in line with the one at December 31, 2022, with a slight decrease of €0.5 million.

NOTE 15 – PROVISIONS FOR RISKS AND CHARGES

(€/000)

	Funds against the item "Provisions for risk and charges" of the income statement			Funds against other items of the income statement				
	Legal disputes	Out-of-court disputes and other provisions	Total funds against the item "Provisions for risk and charges" of the income statement	Potential liabilities for employee	Other	Total funds against other items of the income statement	Total 9/30/2023 Restated	Total 12/31/2022
Opening balance	**5,701**	**12,262**	**17,963**	**535**	**19,157**	**19,692**	**37,655**	**44,235**
Increases	**2,546**	**2,769**	**5,315**	**35**	**2,860**	**2,895**	**8,210**	**16,519**
Provisions for the period	2,433	2,289	**4,722**	34	2,683	**2,717**	**7,439**	**15,829**
Changes due to the passage of time and changes in the discount rate	94	121	**215**	1	-	**1**	**216**	**106**
Other changes	19	359	**378**	-	177	**177**	**555**	**584**
Decreases	**(1,937)**	**(6,154)**	**(8,091)**	**(11)**	**(7,282)**	**(7,293)**	**(15,384)**	**(23,099)**
Reallocations of the period	(97)	(3,276)	**(3,373)**	-	(7,162)	**(7,162)**	**(10,535)**	**(12,286)**
Utilisation for payment	(1,481)	(1,370)	**(2,851)**	(12)	(120)	**(132)**	**(2,983)**	**(10,591)**
Other changes	(359)	(1,508)	**(1,867)**	1	-	**1**	**(1,866)**	**(222)**
Closing balance	**6,310**	**8,877**	**15,187**	**559**	**14,735**	**15,294**	**30,481**	**37,655**

The item **legal disputes** recognised against the economic item "provisions for risks and charges" primarily includes funds in respect of the risks of litigation brought against the Group concerning its core activities, increasing by €0.6 million owing to the greater impact of the provisions for new disputes compared with the settlement of a number of disputes.

The item **out-of-court disputes and other provisions**, which mainly includes provisions for risks for which no litigation has currently been activated, decreased by €3.4 million comparing to the balance at December 31, 2022. This decrease is attributable for €2.5 million to the release of a risk provision by the subsidiary doValue Spain following a settlement agreement with a customer. For further details, please refer to the paragrapg "Significant events after the end of the period" of the Directors' Interim Report on the Group.

The item **potential liabilities for employees** includes provisions to finance any bonuses not governed by already existing agreements or determinable quantification mechanisms.

The dynamics of the item **other** is mainly due to the provision, release to the income statement and payment of the respective portions pertaining to the period of the variable fees connected to a particular type of fee ("Curing Fee"), in application of the provisions of the IFRS 15 accounting standard.

NOTE 16 – TRADE PAYABLES

(€/000)

	9/30/2023	12/31/2022
Payables to suppliers for invoices to be received	33,360	48,799
Payables to suppliers for invoices to be paid	14,922	21,582
Total	**48,282**	**70,381**

The amount at September 30, 2023 decreased by 31% equal to of €22.1 million, compared to the figure recorded as at December 31, 2022, which is attributable in equal percentage to both categories of debts to suppliers showed.

NOTE 17 – OTHER LIABILITIES

(€/000)

	9/30/2023	12/31/2022
Other non-current liabilities	**9,008**	**9,201**
Amounts to be paid to third parties	8,844	8,845
Deferral of government grants related to assets	164	356
Other current liabilities	**46,591**	**66,553**
Amounts to be paid to third parties	8,229	8,050
Amounts due to personnel	20,516	25,874
o.w. employees	*20,183*	*24,874*
o.w. members of Board of Directors and Auditors	*333*	*1,000*
Amounts due to pension and social security institutions	4,464	5,621
Current payables on taxes other than income tax	7,242	-
Items being processed	158	8,900
Deferral of government grants related to assets	277	352
Other accrued expenses / deferred income	5,480	16,088
Other items	225	1,668
Total	**55,599**	**75,754**

As September 30, 2023, this item amounted to €55.6 million compared to €75.8 million in 2022, with an overall decrease of €20.2 million.

With regard to **other non-current liabilities**, the main component "amounts to be paid to third parties" includes for €6.1 million to the liability towards Eurobank linked to the "advance compensation commission", subject to certain performance conditions, received by the Group in connection with the securitisation of the Mexico portfolio. The item includes also €2.8 million for the liability related to the acquisition of software under medium-long-term contracts in Italy and Greece.

The item **other current liabilities** showed an overall decrease of €20.0 million, which resulted mainly from the category "amounts due to personnel" and "amounts due to pension and social security institutions" following the liquidation of performance bonuses and redundancies, as well as from the "other accrued expenses/deferred income" category, which is reducing for the progressive release of the deferred income on the advance payment of the Hellenic servicing fees.

It is also noted that, compared to December 31, 2022, an "item being processed" of €6.0 million attributable to the subsidiary doValue Spain and referring to an advance payment for a portfolio management, was classified among the "amounts to be paid to third parties" at September 30, 2023.

NOTE 18 – SHARE-BASED PAYMENTS

The Shareholders' Meeting of doValue on April 27, 2023, approved the Report on the 2023 remuneration Policy and on the remuneration paid in 2022, maintaining unchanged the 2022-2024 Remuneration policy (hereinafter "the Policy"), which was approved by the Shareholders' Meeting of April 28, 2022 and which is applicable to Directors, Key Management Personnel and Members of Supervisory Bodies.
The new Remuneration Policy is based on the 2022-2024 time horizon, in line with the Business Plan and thus able to ensure a high degree of consistency to the entire Governance system, to favour the coverage of key roles and also to guarantee an attractive remuneration offer to people who are key to the Group's long-term strategy.
The three-year Policy confirmed the main characteristics of the previous Remuneration Policy, while introducing some elements:

- maintenance of the variable remuneration strategy for Key management personnel, broken down as follows:
  - a short-term Management By Objectives (MBO) incentive plan to encourage annual performance, both financial and non-financial, with a focus on skills and conduct to improve alignment with doValue values across the Group;
  - a long-term incentive plan (LTI) to promote the alignment of participants with the long-term interests of the Stakeholders, to attract and retain individuals who are key to the long-term success of the Group, and to promote the "One-Group culture";
  - an increased focus on ESG metrics as a key element in strengthening doValue's sustainability plan;
  - a review of the Peer Group in order to identify the relative "Total Shareholders Return" (TSR), to take into account the new structure of the doValue Group.

The Policy envisages remuneration systems in some cases based on the use of its own financial instruments. In detail, they include the following types of remuneration:

- a portion of the fixed remuneration and the entire variable component of the Chief Executive Officer is paid in shares;
- a part of the variable remuneration of Key management personnel, specifically that deriving from the long-term incentive (LTI) plan, is paid in shares. The LTI plan provides for an annual grant ("rolling" plan) based entirely on doValue's shares ("Performance shares") and based on a 3-year vesting period. The objective of the 2022-2024 cycle is in line with the 2022-2024 Business Plan, while the objectives of the 2023-2025 and 2024-2026 cycles are set at the beginning of 2023 and 2024. The plan grants beneficiaries the right to receive, on a rolling basis, free company shares if a given set of return conditions is respected at the end of the vesting period.

The variable component of remuneration of the Chief Executive Officer indicated above is paid in part up-front and in part deferred over 3 years. The up-front portion is paid after the approval, by the Shareholders' Meeting, of the financial statements for the accrual period and no later than the month following approval. The deferred variable portion is instead postponed on a pro-rata basis on the three-year period following assignment of the variable up-front portion.
The disbursement of the deferred portion of the variable component of the Chief Executive Officer is subject to assessment of access gate, vesting and malus conditions, measured as at December 31 of the year prior to vesting.

For the shares allocated to Executives with Strategic Responsibilities (DIRS) of the LTI plans, provision is made for a 1-year retention period for 50% of the shares accrued, while for the Chief Executive Officer, the shares received can be sold on a quarterly basis, for a maximum amount not exceeding 25% of the shares allocated.

The Group uses treasury shares for these remuneration plans.

The reference price for calculating the number of shares to be assigned as the equivalent value of the variable remuneration of the LTI plan is determined by using the average of the closing prices in the 3 months prior to the day on which the Board of Directors approves each cycle.
Without prejudice to the right to compensation for any additional damages, after payment of the variable compensation, the Company reserves the right, within 5 years from the granting date of the variable remuneration, to ask the beneficiary to repay the bonus ("clawback"), in specific cases of fraudulent behaviour or gross negligence, violations of laws or the Code of Ethics and Company rules, or the allocation of a bonus based on data which later turns out to be manifestly incorrect or intentionally altered. Malus conditions are also applicable if one of the clawback clauses occurs during the performance period.

For more details on the mechanisms and terms of attribution of the shares, please refer to the information documentation published on the internet website of the doValue Group www.doValue.it ("Governance/Remuneration" section).

Effects of the voluntary resignation of the former Chief Executive Officer of the Group
The former Group CEO, having communicated his intention to voluntary resign as of April 28, 2023, in advance of the expiry of the mandate coinciding with the date of the shareholders' meeting that will approve the 2024 Financial Statements, basing on the current Remuneration Policy, the former Group CEO was not entitled to any form of remuneration, except for the fixed remuneration accrued up to the date. Considering this, any other entitlement to remuneration not yet paid or assigned and for which the vesting period is not completed has been cancelled.
Consistently with the Remuneration Policy and contract provisions, the upfront portion of the 2022 MBO awarded was paid after the Shareholders' Meeting of April 27, 2023 which approved the 2022 financial statements, while any deferred MBO regarding 2022 has been cancelled.

The amount recognised in the income statement as a consequence of the former CEO resignation is reflected in a specific equity reserve.

NOTE 19 – LEASES

The Group entered into lease contracts in place for buildings, electronic equipment (hardware) and cars, which are classified as "other tangible assets" and are used for operations or assigned to employees.
The property leases generally have an original term ranging from a minimum of 4 to a maximum of 7 years, those referring to hardware 8 years, while the vehicle leases generally have an original term of 4 years.
The liabilities in respect of these lease contracts are secured by the lessors' ownership of the leased assets. In general, the Group cannot sublet its leased assets to third parties. Most of the leases include renewal or cancellation options typical of property leases, while none envisage variable payments.
The following table reports the carrying amounts of right-of-use assets and changes in the period:

(€/000)

	Buildings	Electronic system	Other tangible assets	Total 9/30/2023	Total 12/31/2022
Opening balance	**33,886**	**14,219**	**2,545**	**50,650**	**26,024**
Increases	**3,613**	**50**	**1,149**	**4,812**	**27,907**
Purchases	3,080	50	1,149	4,279	38,027
Other changes	533	-	-	533	(10,120)
Decreases	**(6,368)**	**(3,207)**	**(1,182)**	**(10,757)**	**(3,281)**
Amortisation	(6,531)	(3,207)	(1,011)	(10,749)	(13,061)
Other changes	163	-	(171)	(8)	9,780
Closing balance	**31,131**	**11,062**	**2,512**	**44,705**	**50,650**

Information is provided below on the carrying amounts of the lease liabilities (included in the item "Other financial liabilities") and their changes in the period:

(€/000)

	9/30/2023	12/31/2022
Opening balance	**49,938**	**26,366**
Increases	**7,069**	**35,908**
New liabilities	2,933	34,936
Financial expenses	1,049	963
Other changes	3,087	9
Decreases	**(12,974)**	**(12,336)**
Payments	(12,836)	(11,941)
Other changes	(138)	(395)
Closing balance	**44,033**	**49,938**
o.w.: Non-current lease liabilities	31,923	38,109
o.w.: Current lease liabilities	12,110	11,829

The amounts recognised in profit or loss are provided in the following table:

(€/000)

	9/30/2023	9/30/2022
Amortisation of right-of-use assets	(10,749)	(8,396)
Financial expenses from lease liabilities	(1,049)	(456)
Total	**(11,798)**	**(8,852)**

4. INFORMATION ON CONSOLIDATED INCOME STATEMENT

NOTE 20 – REVENUE FROM CONTRACTS WITH CUSTOMERS

(€/000)

	9/30/2023	9/30/2022
Servicing services	129,252	205,967
Servicing for securitisations	138,799	133,509
REO services	29,707	55,759
Total	**297,758**	**395,235**

The item as a whole decreased by 25% compared to September 30, 2022.
This result is due to lower revenues recorded in the component of the **servicing services** (-37%) and of revenues from **REO services (-47%)**, only partially offset by the positive performance of **servicing for securitisation** (+4%).
This contraction, in line with the Group's expectations, is the result of the worsening macroeconomic conditions that are affecting the market to which must be added the effect of the off-boarding of the Sareb portfolio in Spain which took place between July and October 2022.
At a geographical level there was a negative difference between the two periods in comparison in all regions.

Performance obligations

Servicing services under mandate and for securitisation transactions
The servicing services include the administration, management and recovery of loans utilising in-court and out-of-court recovery processes on behalf and under the mandate of third parties for portfolios mainly consisting of non-performing loans.
These services normally include a performance obligation that is fulfilled over time: in fact, the customer simultaneously receives and uses the benefits of the recovery service and the service provided improves the credit that the customer controls.
For the recognition of revenues, the Group applies a valuation method based on the outputs represented by both the assets managed and the collections on each position under mandate, so as to recognise revenues for an amount equal to that for which it has the right to invoice the customer.
The Group, following a more precise interpretation of some clauses provided for in the Service Level Agreement signed between doValue Greece and Eurobank connected to a particular type of fee ("Curing Fee") and in application of the provisions of the IFRS15 accounting standard relating to variable fees, has aligned the relative method of recording revenues, which sees as a counterpart the establishment of a specific provision for risks and charges against possible penalties on stock and flow restructured portfolios.

Real estate services under mandate
This involves the management of real estate assets on behalf of and under the mandate of third parties, including the management of real estate guarantees as well as the development and management of the properties subject to mandate.
As with the servicing services mentioned above, there is an obligation to perform over time because the customer receives and simultaneously uses the benefits of the property management and/or sale service.
For revenue recognition, the Group applies a valuation method based on the outputs of property management activities and sales on each managed position, so as to recognise revenues for an amount equal to that for which it has the right to invoice the customer.
The breakdown of revenue from contracts with Group customers is shown below:

(€/000)

First Nine Months 2023	Italy	Hellenic Region	Iberia	Infrasector	Group
Servicing services	15,392	86,820	35,033	(7,993)	**129,252**
Servicing for securitisations	73,989	64,810	-	-	**138,799**
REO services	-	7,338	25,915	(3,546)	**29,707**
Total revenue	**89,381**	**158,968**	**60,948**	**(11,539)**	**297,758**

First Nine Months 2022	Italy	Hellenic Region	Iberia	Infrasector	Group
Servicing services	26,877	132,479	53,710	(7,099)	**205,967**
Servicing for securitisations	85,864	47,645	-	-	**133,509**
REO services	-	9,953	50,775	(4,969)	**55,759**
Total revenue	**112,741**	**190,077**	**104,485**	**(12,068)**	**395,235**

NOTE 21 – OTHER REVENUES

(€/000)

	9/30/2023	9/30/2022
Administrative Servicing/Corporate Services Provider	14,284	12,917
Information services	5,164	3,263
Recovery of expenses	1,646	750
Due diligence & Advisory	3,751	1,910
Ancillary REO services	2,483	8,753
Other revenues	11,572	2,761
Total	**38,900**	**30,354**

The item shows an increase of 28% compared to the first nine months of 2022 and finds its origin in all the categories of other revenues exposed above, with the exception of the **ancillary REO services** component, which in the comparison period mainly included revenues of Sareb portfolio ended in the latter part of 2022. The **other revenues** component includes income from the Hellenic Region relating to ancillary services provided to SPV customers.

NOTE 22 – COSTS FOR SERVICES RENDERED

(€/000)

	9/30/2023	9/30/2022
Costs related to Assets Under Management	(10,979)	(19,318)
Brokerage fees	(7,355)	(16,996)
Costs for services	-	(1,336)
Total	**(18,334)**	**(37,650)**

The item, which includes the fees of the recovery network, was halved overall compared to the same period of the previous year (-51%) following the decrease in the portfolios managed in Iberia and in Italy which also generated the reduction in revenues as reported above.
The remuneration mechanism of the external network, directly related to revenues, combined with the flexibility of the collaboration agreements, allows the Group to reduce these direct costs to protect its margins in cyclical phases of business slowdown.

NOTE 23 – PERSONNEL EXPENSES

(€/000)

	9/30/2023	9/30/2022
Payroll employees	(153,267)	(162,137)
Members of Board of Directors and Board of Statutory Auditors	4,099	(6,119)
Other personnel	(5,870)	(2,982)
Total	**(155,038)**	**(171,238)**

Average number of employees by category

	9/30/2023	9/30/2022
Payroll employees	**2,889**	**3,067**
a) Executives	111	133
b) Managers	920	939
c) Other employees	1,858	1,995
Other staff	**250**	**171**
Total	**3,139**	**3,239**

The item shows an overall reduction of 9% compared to September 30, 2022: in detail, there is a reduction of 5% in the "payroll employees", while the "members of the Board of Directors and Statutory Auditors" component shows a positive amount due to the effect the release of provisions for deferred variable compensation in favor of the former Chief Executive Officer, who resigned on April 27, 2023. The residual component "other personnel", which mainly includes temporary agency work, instead recorded an increase which partially offsets the previous item.

In line with the objectives of the 2022-2024 Business Plan, personnel expenses include charges related to early retirement incentives totaling €11.8 million, of which €6.0 million only in Iberia following the restructuring program already started in 2022.
Regarding the breakdown of the cost for employee benefits included in this item, please refer to Note 14 – Employee benefits.

NOTE 24 – ADMINISTRATIVE EXPENSES

(€/000)

	9/30/2023	9/30/2022
External consultants	(15,354)	(28,670)
Information Technology	(25,514)	(27,005)
Administrative and logistical services	(9,145)	(6,445)
Building maintenance and security	(1,826)	(2,845)
Insurance	(1,638)	(1,543)
Indirect taxes and duties	(1,566)	(1,738)
Postal services, office supplies	(415)	(675)
Indirect personnel expenses	(1,333)	(2,544)
Debt collection	(929)	(262)
Utilities	(1,953)	(1,960)
Advertising and marketing	(3,212)	(3,439)
Other expenses	(424)	(1,188)
Total	**(63,309)**	**(78,314)**

The item as a whole showed a reduction of 19% compared to the the same period of the previous year. This trend is mainly driven by lower costs for external consultants, and it is also a result of the restructuring program in Iberia.

NOTE 25 – OTHER OPERATING (EXPENSE)/INCOME

(€/000)

	9/30/2023	9/30/2022
Government grants	281	101
Reductions in assets	(116)	62
Other expenses	(98)	(267)
Other income	1,661	4,242
Total	**1,728**	**4,138**

The item, equal to €1.7 million compared to €4.1 million in the first nine months of 2022, reveals a decrease of €2.4 million essentially due to the effect of the income present in the comparison period relating to an insurance indemnity for €4.1 million.

NOTE 26 – DEPRECIATION, AMORTISATION AND IMPAIRMENT

(€/000)

	9/30/2023 Restated	9/30/2022
Intangible assets	**(64,044)**	**(37,294)**
Amortisation	(34,626)	(36,704)
Impairment	(29,418)	(590)
o.w. Impairment on goodwill	(12,530)	-
Property, plant and equipment	**(12,635)**	**(10,726)**
Amortisation	(12,635)	(10,726)
Financial assets measured at amortised cost	**829**	**45**
Writedowns	(324)	(41)
Writebacks	1,153	86
Trade receivables	**245**	**(196)**
Writedowns	(38)	(262)
Writebacks	283	66
Other assets	**262**	**-**
Writebacks	262	-
Total	**(75,343)**	**(48,171)**

The item shows an increase of 56% compared to the same period of the previous year.
In detail, the **intangible assets** component includes impairment losses of €29.4 million in the period compared to €0.6 million in the previous period, in addition to the amortization which reflects the trend of the amortization curves on long-term contracts based on the relevant business plans.
The impairment recorded in the period derives from the results of the impairment test. As part of the aforementioned analysis, evidence of impairment emerged on servicing contracts, for a total of €14.7 million referring to the Santander contract of doValue Spain, as well as €1.7 million referring to the brand attributable to the the same subsidiary and to €12.5 million relating to the goodwill of the "Iberia" CGU. For further details, please refer to Note 1 - Intangible assets.

The **property, plant and equipment** category includes the effects of the IFRS 16 standard for depreciation on rights of use which, for the first nine months of 2023, had an impact of €10.7 million compared to €8.4 million at September 30, 2022.
The "write-backs" component of **financial assets measured at amortized cost** is linked to the repayment of a previously written-down receivable.

NOTE 27 – PROVISIONS FOR RISKS AND CHARGES

(€/000)

	9/30/2023 Restated			9/30/2022		
	Provisions	**Reallocations**	**Total**	**Provisions**	**Reallocations**	**Total**
Legal disputes	(2,527)	97	**(2,430)**	(1,535)	1,005	**(530)**
o.w. Employee disputes	*(36)*	*18*	***(18)***	-	11	***11***
Out-of-court disputes and other risk provisions	(2,410)	3,276	**866**	(2,545)	779	**(1,766)**
Total	**(4,937)**	**3,373**	**(1,564)**	**(4,080)**	**1,784**	**(2,296)**

The item, whose net balance showed an increase of €0.7 million compared to the same period of 2022, consists of operational changes in provisions for legal disputes and out-of court disputes and other risk provisions allocated to meet legal and contractual obligations that are presumed will require an outflow of economic resources in subsequent years.
As at September 30, 2023, the item showed a negative balance of €1.6 million (€2.3 million as at September 30, 2022), due to the combined effect of the releases for provisions of previous years that are no longer needed and prudential provisions relating to both legal disputes and operational risks and other charges.
In particular, we note the release of a fund for €2.5 million by the subsidiary doValue Spain following a settlement agreement with a customer. For further details, please refer to the section "Significant events after the end of the period" of the Directors' Interim Report on the Group.

NOTE 28 – FINANCIAL (EXPENSE)/INCOME

(€/000)

	9/30/2023	9/30/2022
Financial income	**2,836**	**1,304**
Income from financial assets measured at fair value through P&L	1,064	1,141
Income from financial assets measured at amortised cost	1,307	134
Income from financial liabilities measured at amortised cost	454	-
Other financial income	11	29
Financial expense	**(26,766)**	**(21,435)**
Expense from financial liabilities measured at amortised cost	(20,121)	(20,200)
Other financial expenses	(6,645)	(1,235)
Net change of other financial assets and liabilities measured at fair value through P&L	**2,995**	**(994)**
Financial assets - o.w.: debt securities	2,716	(1,962)
Financial assets - o.w.: units in collective investment undertakings	577	353
Financial assets - o.w.: non-hedging derivatives	(298)	615
Total	**(20,935)**	**(21,125)**

Financial income amounted to €2.8 million and was mainly due to income from the ABS securities (€1.1 million), from interest income on term deposits (€1.3 million) and finally from income (€0.5 million) realized from the partial repurchase by the Parent Company of its own debt securities, at a lower market value than the issue value (for further details, see Note 12).
Financial expense (€26.8 million) includes interest expense accrued on outstanding 2020 and 2021 bonds, while the component of "other financial expenses" mainly includes the portion of interest calculated in accordance with IFRS 16 as well as €2.8 million million in interest expense for late payment related to the arbitration with Altamira Asset Management Holdings S.L. and connected to the Earn-out for the acquisition of doValue Spain.
The **net change of other financial assets and liabilities measured at fair value through profit or loss** is attributable to the fair value delta relating to the notes in the portfolio.

NOTE 29 – INCOME TAX EXPENSE

Every country in which the doValue Group operates has an independent tax system in which the determination of the tax base, the level of the tax rates, the nature, the type and the timing of the formal obligations differ from one another.
At September 30, 2023, as regards tax rates and with reference to the countries in which the Group operates, the income tax of the companies is established at a nominal rate of 25% in Spain, 21% in Portugal (to which a "Municipal Surtax" of 1.5% is added and an additional "State surtax" of 3%, 5% or 9% depending on the disposable income bracket), 22% in Greece and 12.5% in Cyprus.
In Italy, the standard corporate income tax rate (IRES) is 24%, to which a surcharge of 3.5% is added, applicable exclusively to banks and financial institutions (Italian Law no. 208 of December 28, 2015), which applies to the subsidiary doNext.
In addition to IRES, in Italy, IRAP (regional business tax) must be added. As at September 30, 2023, in order to determine the IRAP rate of the Parent Company doValue, maintenance of the requirements of non-financial equity holding was verified, with the subsequent application of the rate envisaged for banks and the extension of the tax base also to financial charges and income; the nominal rate for banks and financial institutions is 4.65% (to which each Region can independently apply an increase of 0.92%, up to a theoretical rate of 5.57% plus a further 0.15% for the regions with a health deficit).

Income taxes for the period have been restated and amount to €29.8 million, an increase compared to the figure of 2022 when they amounted to €21.8 million.
It has to highlight that the data for the period includes elements not present in the balance at September 30, 2022, such as mainly €14.5 million of DTAs impairment due to subsequent irrecoverability (see Note 4 for details) and €4.1 million of reduction in deferred tax liabilities following the impairment of intangible assets of doValue Spain (see Note 1 for details).

NOTE 30 – EARNINGS PER SHARE

(€/000)

	9/30/2023 Restated	**9/30/2022**
Profit (loss) for the period attributable to the Shareholders of the Parent Company [A]	**(25,667)**	**39,181**
Weighted average number of shares outstanding for the purposes of calculation of profit (loss) per share		
basic [B]	79,154,865	79,084,698
diluted [C]	79,154,865	79,084,698
Earnings (loss) per share (in euro)		
basic [A/B]	(0.32)	0.50
diluted [A/C]	(0.32)	0.50

The basic earnings per share are calculated by comparing the economic result attributable to holders of ordinary equity instruments of the Parent Company doValue to the weighted average number of shares outstanding, net of treasury shares.
Diluted earnings per share are equal to the basic earnings as there are no other categories of shares other than ordinary shares and there are no instruments convertible into shares.

5. INFORMATION ON RISKS AND RISK MANAGEMENT POLICIES

INTRODUCTION

The doValue Group, in line with the regulations that apply to it and applicable best practices, has an Internal Control System that is composed of instruments, organisational structures, company rules and regulations targeted at allowing, through an adequate process of company risk identification, measurement, management and monitoring, a sound, correct company management consistent with the pre-established performance targets and protection of company assets as a whole.
The Group Internal Control System is based on control bodies and departments, information flows and mechanisms to involve the applicable parties and Group governance mechanisms. More specifically, the Group has structured its internal control organisational model by aiming to ensure integration and coordination between the actors within the Internal Control System, in compliance with the principles of integration, proportionality and cost-effectiveness, as well as ensuring reliability, accuracy, trustworthiness and timeliness of financial information.

Financial risks

CREDIT RISK

Credit risk is the risk that a counterparty will not fulfil its obligations linked to a financial instrument or a commercial contract, therefore leading to a financial loss. This risk mainly derives from economic and financial factors, or from the possibility of a default situation of a counterparty.
The Group is exposed to credit risk deriving mainly from its operating activities, i.e. from trade receivables and, to a lesser extent, from its financing activities, deposits with leading banks and financial institutions and other financial instruments, as well as reduced non-performing positions owned.
Trade receivables, which are at very short term and are settled with payment of the related invoice, are essentially attributable to servicing contracts under which the Group companies accrue receivables in respect of their counterparties, who may default due to insolvency, economic events, liquidity shortages, operational deficiencies or other reasons.
In order to limit this risk, the Group monitors the positions of individual customers, analyses expected and actual cash flows in order to promptly undertake any recovery actions.
Pursuant to IFRS 9, at each reporting date, these receivables are subject to an assessment aimed at verifying whether there is evidence that the carrying amount of the assets cannot be fully recovered.
As at September 30, 2023, the main trade counterparties were represented by banks and important Investors with high credit standing and Vehicle Companies established pursuant to the provisions of Italian Law 130/1999.
For a quantitative analysis, please see the Note on trade receivables.
With regard to individual non-performing positions, which concern a marginal number of positions acquired over time, the procedures and tools supporting the activity of the workout units always enable position managers to prepare accurate forecasts of the amounts and timing of expected recoveries on the individual relationships in accordance with the state of progress in the recovery management process. These analytical evaluations take account of all the elements objectively connected with the counterparty and are in any case conducted by the position managers in compliance with the principle of sound and prudent management.

As regards the credit risk relating to relations with banks and financial institutions, the Group only uses partners with a high credit standing.

LIQUIDITY RISK

The liquidity risk is manifested as the inability to raise, an economically sustainable manner, the financial resources necessary for the Group’s operations.
The two main factors that determine the Group’s liquidity situation are, on the one hand, the resources generated or absorbed by operating and investment activities and, on the other, the expiry and renewal characteristics of the debt or liquidity of financial investments and market conditions.
The Group has adopted a series of policies and processes to optimise the management of financial resources, thereby reducing liquidity risk.
The Parent Company doValue identifies and monitors liquidity risk on a current and forward-looking basis. In particular, the prospective assessment takes account of probable developments in the cash flows connected with the Group’s business.
One of the main instruments for mitigating liquidity risk is the holding of reserves of liquid assets and revolving credit lines. The liquidity buffer represents the amount of liquid assets held by the Group and readily usable under stress conditions and deemed appropriate in relation to the risk tolerance threshold specified.
In order to ensure efficient liquidity management, from the second quarter of the current financial year, treasury activities are largely centralised at the Holding level, with liquidity needs being met primarily from cash flows generated by the ordinary course of business and any surpluses being managed appropriately.
Management believes that the funds and credit lines currently available, in addition to the liquidity that will be generated by operations and financing activities, will enable the Group to meet its requirements for investment, working capital management and repayment of debt as it falls due.

(€/000)

	On demand	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	9/30/2023	12/31/2022
Loans and other financing	**-**	**3,953**	**25,330**	**551,896**	**-**	**581,179**	**568,503**
Bank loans	-	88	25,330	-	-	25,418	126
Bank overdraft	-	-	-	-	-	-	37
Due to other lenders	-	-	-	-	-	-	4,380
Bonds	-	3,865	-	551,896	-	555,761	563,960
Other financial liabilities	**113**	**23,979**	**42,929**	**38,326**	**10,404**	**115,751**	**116,481**
Lease liabilities	113	2,459	9,538	28,306	3,617	44,033	49,938
Earn-out	-	-	33,391	10,020	6,787	50,198	44,649
Put option on non-controlling interests	-	-	-	-	-	-	21,894
Others	-	21,520	-	-	-	21,520	
Trade payables	**11,545**	**14,558**	**19,683**	**2,496**	**-**	**48,282**	**70,381**
Other current liabilities	**4,711**	**20,745**	**21,135**	**8,113**	**895**	**55,599**	**75,754**
Total	**16,369**	**63,235**	**109,077**	**600,831**	**11,299**	**800,811**	**831,119**

MARKET RISK - INTEREST RATE RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will change due to variations in the market price. The market price includes three types of risk: interest rate risk, currency risk and other price risks, such as, for example, the equity risk. The financial instruments affected by market risk include loans and financing, deposits, debt and equity instruments and financial derivative instruments.

The Group, which uses external financial resources in the form of debt and uses available liquidity in bank deposits, is exposed to interest rate risk, which represents the risk that the fair value or future cash flows of a financial instrument will change due to variations in market interest rates. The Group's exposure to the risk of variations in market interest rates is related to medium-term indebtedness with variable interest rates.

Thanks to the 2020 and 2021 fixed rate bonds, the structure of the Group's current medium-term debt is no longer exposed to interest rate risk.

ASSETS ALLOCATED FOR A SPECIFIC BUSINESS ACTIVITY

"Vitruvian" asset allocated for a specific business activity

On January 9, 2023, the contract to assign the loans was finalised with the investor investor Vitruvian Investments SA and therefore, as at September 30, 2023, there are no longer values representing the assets in question, which originated in 2021 against the collection by the subsidiary doNext of funds deriving from a passive loan contract allocated for a specific business activity and governed by articles 2447 - bis, paragraph 1 lett. B and 2447 – decies of the Italian civil code.

Operational risks

Operational risk is the risk of incurring losses due to the inadequacy or the failure of procedures, human resources and internal systems, or to external events.
This includes the following risks identified as part of the Group's activity and business:

- transactional and process risks that include:
  - the risks related to day-to-day operations borne by asset managers (e.g. timeliness of file allocation, requirements, mortgage guarantees);
  - the handling of complaints from debtors and/or other third parties;
  - the calculation of potential losses related to specific events ("risk events");
- the risk of conduct, with a special reference to whistle-blowing events and violations of the corporate code of ethics;
- external fraud;
- IT risk, to be understood as the unavailability of software applications in use, vulnerabilities in software applications and security incidents in the computer network;
- the concentration and performance risk of third-party suppliers used by the various Group companies, with a special reference to outsourcing services.

The objective of monitoring these risks is to mitigate their potential impact and/or probability from a cost/benefit perspective in line with the defined Risk Appetite.

The doValue Group adopts a set of controls, principles and rules to manage operational risk. In terms of organisation, the Enterprise Risk Management Function (hereinafter "ERM") was established in July 2022, whose mission is to ensure integrated risk management throughout the Group, acting as a facilitator of business growth and development by identifying, measuring and managing potential risks that may affect the Group.
The Enterprise Risk Management function was placed at Group level within the "Group Organisation & Enterprise Risk Management" area, reporting directly to the General Manager Corporate Functions.
ERM's main organisational responsibilities are:

- ensuring a Risk-Informed approach, i.e. providing information to doValue's Management and Board of Directors in order to support the decision-making process, based not only on expected performance but also on the underlying risk profile;
- guaranteeing integrated monitoring of potentially applicable risk categories at Group level, in line with the model of second-level controls;
- defining a common framework within the Group for identifying, assessing, measuring and monitoring risks, linking strategies, policies, processes and operating mechanisms and receiving information flows from local "Risk Management" functions and other functions where necessary;
- ensuring Group-wide monitoring, analysis and reporting on the evolution of risks, their mitigation actions, the overall risk profile and compliance with identified risk tolerance thresholds;
- supporting the monitoring of provisions for risks and charges in the Consolidated Financial Statements in cooperation with Group Finance.

In order to monitor and manage the Group's risks, a system of information flows has been implemented between the Group functions and local Risk Management on the different types of operational risk, which are summarised in a "Tableau de Bord" (TdB) to provide an overview of the risks monitored at Group level. This TdB, which is shared quarterly with the Chief Executive Officer and the Committees and interimly with the doValue Board of Directors, includes in particular a set of Key Risk Indicators (KRIs), prepared monthly and/or quarterly, considering local peculiarities and existing regulations.

LEGAL AND TAX RISKS

Risks connected with litigations

The Group operates in a legal and legislative context that exposes it to a vast range of possible litigation connected with the core business of servicing loan recovery under mandate, potential administrative irregularities and labour litigation.
The associated risks are assessed periodically in order to quantify a specific allocation to the "Provision for risks and charges" whenever an outlay is considered probable or possible on the basis of the information that becomes available, as provided for in the specific internal policies.

Risks connected with tax disputes

Regarding the events following the agreement reached with the Tax Authority in 2021 by the subsidiary doValue Spain Servicing S.A. (hereinafter "doValue Spain"), on May 11, 2023, the International Court of Arbitration of the International Chamber of Commerce issued the arbitral award condemning Altamira Asset Management Holdings S.L. (hereinafter "AAMH") to repay approximately €28 million, plus legal interest, in favor of the doValue Group. Similarly, doValue S.p.A. is required to make the Earn Out payment. The amounts related to the Spanish tax claim were paid in 2021 by doValue Spain to the Spanish Tax Authority in the context of the inspection launched in connection to facts and events occurred prior to the acquisition performed by doValue which took place in 2019. In response to this arbitral award, AAMH has initiated legal action, before the competent Spanish courts, seeking the partial annulment of the arbitral award concerning its obligation to pay the tax claim imposed under the arbitral award.
Regarding the enforcement action initiated by the Parent Company doValue and its subsidiary doValue Spain in July 2023 to enforce and collect the sums due from AAMH, on December 21, 2023, the competent court in Madrid issued an enforcement order, condemning AAMH to pay the amount specified in the arbitral award, leading to the seizure of all assets owned by AAMH. The enforcement procedure is subject to legal opposition.
In light of the above, the Group holds a contingent asset and expects to realize an amount of at least approximately €22 million.

Additionally, concerning the formal closure of the tax audit that the Parent Company has received by the Italian Tax Authority concerning the fiscal years 2015, 2016 and 2017, prior to the listing, at the end of April 2023, a tax assessment was received in connection with the 2016 finding and for which it filed a tax settlement proposal to activate the adequate protection measures and demonstrate, supported by a pool of professionals, the reasons for the correctness of the own conduct. Following the inability to reach a settlement agreement, on December 16, 2023, the settlement procedure was formally closed, and a judicial appeal was filed.
On December 19, 2023, a tax assessment was also received regarding the 2017 fiscal year finding. The Parent Company is currently evaluating, with the support of its consultant, the actions to be taken within the legal timeframe.
Considering the above for both tax assessments, the Company has deemed the risk of potential liabilities possible and considers the provision allocated in the financial statements appropriate, thereby confirming the assessments made in the Consolidated half-year Report as of June 30, 2023.

Capital management

For the purposes of the management of the Groups capital, it was defined that this includes the share premium reserve and all other reserves attributable to the shareholders of the Parent Company. The main objective of capital management is to maximise value for shareholders, safeguard business continuity, as well as support the development of the Group.
The Group therefore intends to maintain an adequate level of capitalisation, which at the same time makes it possible to achieve a satisfactory economic return for shareholders and to guarantee efficient access to external sources of financing.
The Group constantly monitors the evolution of the level of indebtedness to be compared to shareholders' equity and taking into account the generation of cash from the businesses in which it operates.
There are currently no financial covenants linked to a gearing ratio, i.e. the ratio between the net debt and the total capital plus the net debt, illustrated below.

(€/000)

	9/30/2023 Restated	12/31/2022
Loans and other financing (Note 12)	581,179	568,503
Other financial liabilities (Note 13)	115,751	116,481
Trade payables (Note 16)	48,282	70,381
Other liabilities (Note 17)	55,599	75,754
Less: cash and cash equivalents (Note 9)	(95,667)	(134,264)
Net debt (A)	**705,144**	**696,855**
Equity	48,896	136,559
Equity and net debt (B)	**754,040**	**833,414**
Gearing ratio (A/B)	**94%**	**84%**

The table below reconciles the **net debt** figure shown in the previous table with the **net financial indebtedness** presented in Note 13 of the "Information on the consolidated balance sheet" section.

(€/000)

	9/30/2023	12/31/2022
Net financial indebtness (Note 13)	**601,263**	**546,340**
Trade payables (Note 16)	48,282	70,381
Other liabilities (Note 17)	55,599	75,754
Current financial assets (Note 3)	-	4,380
Net debt (A)	**705,144**	**696,855**

Commitments and guarantees provided

As at September 30, 2023, there were commitments totalling €1.1 million relating to units in collective investment undertakings (CIUs) to be subscribed for the restricted closed-end alternative securities investment fund denominated Italian Recovery Fund (formerly Atlante II) (see also Note 3).

The guarantees issued as at September 30, 2023, amounted to €0.9 million and are related to rented operating properties.

6. SEGMENT REPORTING

In accordance with IFRS 8, segment reporting was prepared as a breakdown of revenues by Region, intended as the location in which services are provided.
For management purposes, the Group is organised into business units based on the geographical areas of the southern European region in which it operates following the corporate acquisitions in Europe (doValue Spain at the end of June 2019 and doValue Greece in June 2020), illustrated below:

- **Italy:** includes the companies operating in Italy, namely the Parent Company doValue, doData and doNext;
- **Hellenic Region:** includes doValue Greece, doValue Greece RES, based in Greece, and investee companies of the doValue Spain based in Cyprus;
- **Iberia**: includes companies based in Spain and Portugal, namely doValue Spain with the subsidiary Adsolum and doValue Portugal with the subsidiary Zarco, respectively.

(€/000)

First Nine Months 2023 Restated	Italy	Hellenic Region	Iberia	Infrasector	Group
Revenue from contracts with customers	89,381	158,968	60,948	(11,539)	297,758
Other revenues	27,663	12,725	2,380	(3,868)	38,900
Total revenue	**117,044**	**171,693**	**63,328**	**(15,407)**	**336,658**
Costs for services rendered	(4,913)	(6,539)	(6,882)	-	(18,334)
Personnel expenses	(60,443)	(56,933)	(37,639)	(23)	(155,038)
Administrative expenses	(37,071)	(14,468)	(15,783)	4,013	(63,309)
Other operating (expense)/income	1,879	(3)	(148)	-	1,728
Depreciation, amortisation and impairment	(9,484)	(26,195)	(22,537)	(17,127)	(75,343)
Provisions for risks and charges	(2,062)	(731)	(1,230)	2,459	(1,564)
Total costs	**(112,094)**	**(104,869)**	**(84,219)**	**(10,678)**	**(311,860)**
Operating income	**4,950**	**66,824**	**(20,891)**	**(26,085)**	**24,798**
Financial (expense)/income	(12,427)	(2,971)	(5,059)	(478)	(20,935)
Dividends and ordinary similar income	21,300	-	5,876	(27,176)	-
Profit (loss) before tax	**13,823**	**63,853**	**(20,074)**	**(53,739)**	**3,863**
Income tax expense	(6,364)	(15,126)	724	(9,031)	(29,797)
Net Profit (loss) from continuing operations	**7,459**	**48,727**	**(19,350)**	**(62,770)**	**(25,934)**
Net profit (loss) for the period	**7,459**	**48,727**	**(19,350)**	**(62,770)**	**(25,934)**
Total assets	**(846,639)**	**(472,359)**	**(172,152)**	**503,198**	**(987,952)**
of which: Intangible assets	(18,812)	(299,797)	(74,667)	(79,250)	(472,526)
of which: Property, plant and equipment	(15,052)	(23,675)	(13,466)	-	(52,193)
of which: Other non-current assets	(312)	(1,626)	(1,024)	-	(2,962)
Total liabilities	**692,382**	**211,519**	**194,585**	**(206,602)**	**891,884**

Intra-sectoral revenues are derecognised at the consolidated level and are reflected in the "Intra-sectoral eliminations" column.

7. BUSINESS COMBINATIONS RELATING TO COMPANY ENTERPRISES OR BUSINESS BRANCHES

Business combinations completed in the period

This section provides detailed information on business combinations involving companies or business units undertaken with counterparties outside the Group, which are accounted for using the purchase method as provided for under IFRS 3 "Business combinations".

Where applicable, qualitative information is also provided on business combinations involving companies or business units already controlled directly or indirectly by doValue, as part of the Group's internal reorganisations are also reported here. These transactions, which do not have economic substance, are accounted for in the financial statements of the seller and the buyer on a predecessor value basis.

No external or internal business combinations were recorded as at September 30, 2023.

Business combinations completed after the end of the period

On December 29, 2023, doValue Spain signed the acquisition of full control of Team 4 Collection & Consulting S.L.U., a subsidiary of the Arvato Group (Bertelsmann), to expand its business in the management of small unsecured tickets.

Retrospective adjustments

As at September 30, 2023, there were no retrospective adjustments relating to previous business combinations.

8. RELATED-PARTY TRANSACTIONS

INTRODUCTION

The provisions of IAS 24 apply for the purposes of disclosures on related parties. That standard defines the concept of related party and identifies the relationship between the related party and the entity preparing the financial statements.

Pursuant to IAS 24, related parties are classified into the following categories:

- the Parent Company;
- the companies that jointly control or exercise significant influence over the company;
- the subsidiaries;
- the associates;
- the joint ventures;
- key management personnel;
- close family members of key management personnel and subsidiaries, including jointly, by key management personnel or their close family;
- other related parties.

In compliance with Consob Resolution no. 17221 of March 12, 2010, as amended, doValue has adopted the "Policy for the management of transactions with related parties and transactions conducted in situations of conflict of interest of the doValue Group", published on the corporate website of doValue (www.doValue.it), which defines the principles and rules for managing the risk associated with situations of possible conflict of interest engendered by the proximity of certain parties to decision-making centres.
To manage transactions with related parties, doValue established a Risks and Related Party Transactions Committee - composed of a minimum of 3 (three) and a maximum of 5 (five) members chosen from the non-executive members of the Board of Directors, and with the majority meeting independence requirements - charged with the task of issuing reasoned opinions to the Board of Directors regarding transactions with related parties in the cases governed by the procedure.

RELATED-PARTY TRANSACTIONS

During the period, low-value transactions with related parties of an ordinary nature and lesser importance were carried out, mainly attributable to contracts for the provision of services. All transactions with related parties carried out in the first nine months of 2023 were concluded in the interest of the Group and at market or standard conditions. The following table shows the values outstanding as at September 30, 2023.
(€/000)

Financial Transactions	Amount related to "Other related parties"	Total as per financial statement	% of financial statement total
Non-current financial assets	2,022	52,374	3.9%
Trade receivables	3,565	158,902	2.2%
Total assets	**5,587**	**211,276**	**2.6%**
Trade payables	802	48,282	1.7%
Total liabilities	**802**	**48,282**	**1.7%**

(€/000)

Costs/Revenues	Amount related to "Other related parties"	Total as per financial statement	% of financial statement total
Revenue from contracts with customers	21,001	297,758	7.1%
Other revenues	2,445	38,900	6.3%
Personnel expenses	(1,332)	(155,038)	0.9%
Other operating (expense)/income	281	1,728	16.3%
Financial (Expense)/Income	(125)	(20,935)	0.6%
Total	**22,270**	**162,413**	**13.7%**

With 25.05% of the shares, the **ultimate parent company** is Avio S.à r.l., a company incorporated under Luxembourg law that is affiliated with the Fortress group, which in turn was acquired by Softbank Group Corporation in December 2017.
Avio S.à r.l. does not exercise any management or coordination powers over doValue pursuant to Articles 2497 et seq. of the Italian Civil Code.

The main relations with other **related parties** relate to:

- Securitisation SPVs: the Group carries out Master Servicing and Structuring activities: i.e. administrative, accounting, cash management and reporting services in support of the securitisation of loans; structuring services for securitisation transactions under Italian Law 130/1999 as well as performing the role of authorised entity in securitisation transactions. Some of these vehicles, in particular those linked to Softbank, fall within the scope of related parties and for the first nine months of 2023 the amount of revenues from contracts with customers for this category of customers amounts to €20.9 million, while other revenues are equal to €2.1 million with corresponding trade receivables of €2.5 million at September 30, 2023; for the vehicles Romeo SPV and Mercuzio Securitisation, for which the Group holds ABS notes, €2.0 million of financial assets, €195 thousand of other operating income and €125 thousand of financial expenses are also recorded;
- Companies affiliated to the Fortress group (FIG Italia, FIG LLC, Fortress Investment Group LLC, Arx Asset Management s.r.l.): the Group mainly carries out due diligence on the indicated company and in the first nine months of 2023 accrued other revenues and other operating income of €247 thousand, in addition to having trade receivables of €679 thousand at the end of the period; there is also an active staff secondment relationship with one of the companies, which generated income of €392 thousand;
- Companies affiliated to the Bain Capital Credit group (Beat Capital Partners Limited, Aptia Group Limited, Bain Capital Credit, Ltd): the Group recognizes trade receivables for €120 thousand at the end of the period;
- Torre SGR S.p.A.: the company rented the Group a property for one of the main offices in Rome, which was disposed; trade payables for €37 thousand is the amount at the end of the period.
- ReoCo: the Group manages property assets for certain ReoCo (real estate owned companies), with other revenue and other operating income during the period of €216 thousand and trade receivables of €204 thousand;
- Eurolife FFH General Insurance Single Member Societé Anonyme: the company manages pension funds and medical insurance for the employees of the subsidiary doValue Greece. At September 30, 2023, personnel expenses of €1.7 million and trade payables of €0.8 million were recorded.

ANNEXES

Annex 1: RESTATEMENT OF THE CONSOLIDATED BALANCE SHEET

(€/000)

	9/30/2023 Restated	Change	9/30/2023 approved on November 09, 2023
Non-current assets			
Intangible assets	472,526	(28,210)	500,735
Property, plant and equipment	52,193	-	52,193
Non-current financial assets	52,374	-	52,374
Deferred tax assets	82,908	(14,541)	97,449
Other non-current assets	2,962	-	2,962
Total non-current assets	**662,963**	**(42,751)**	**705,713**
Current assets			
Inventories	217	-	217
Trade receivables	158,902	-	158,902
Tax assets	5,010	-	5,010
Other current assets	65,177	-	65,177
Cash and cash equivalents	95,667	-	95,667
Total current assets	**324,973**	**-**	**324,973**
Assets held for sale	**16**	**-**	**16**
Total assets	**987,952**	**(42,751)**	**1,030,702**
Shareholders' Equity			
Share capital	41,280	-	41,280
Valuation reserve	(2,724)	-	(2,724)
Other reserves	40,013	(5,300)	45,314
Treasury shares	(4,006)	-	(4,006)
Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	(31,409)	5,742
Net Equity attributable to the Shareholders of the Parent Company	**48,896**	**(36,709)**	**85,606**
Net Equity attributable to Non-controlling interests	**47,172**	**-**	**47,172**
Total Net Equity	**96,068**	**(36,709)**	**132,778**
Non-current liabilities			
Loans and other financing	551,896	-	551,896
Other non-current financial liabilities	48,730	1	48,729
Employee benefits	8,582	(1)	8,583
Provisions for risks and charges	30,481	(2,459)	32,940
Deferred tax liabilities	42,828	(3,581)	46,409
Other non current liabilities	9,008	-	9,008
Total non-current liabilities	**691,525**	**(6,040)**	**697,565**
Current liabilities			
Loans and other financing	29,283	-	29,283
Other current financial liabilities	67,021	-	67,021
Trade payables	48,282	-	48,282
Tax liabilities	9,182	-	9,182
Other current liabilities	46,591	-	46,591
Total current liabilities	**200,359**	**-**	**200,359**
Liabilities associated with assets held for sale	**-**	**-**	**-**
Total liabilities	**891,884**	**(6,040)**	**897,924**
Total Net Equity and liabilities	**987,952**	**(42,749)**	**1,030,702**

Annex 2: RESTATAMENT OF THE CONSOLIDATED INCOME STATEMENT

(€/000)

	9/30/2023 Restated	Change	9/30/2023 approved on November 09, 2023
Revenue from contracts with customers	297,758	-	297,758
Other revenues	38,900	-	38,900
Total revenue	**336,658**	**-**	**336,658**
Costs for services rendered	(18,334)	1	(18,335)
Personnel expenses	(155,038)	-	(155,038)
Administrative expenses	(63,309)	-	(63,309)
Other operating (expense)/income	1,728	-	1,728
Depreciation, amortisation and impairment	(75,343)	(28,210)	(47,133)
Provisions for risks and charges	(1,564)	2,459	(4,023)
Total costs	**(311,860)**	**(25,750)**	**(286,110)**
Operating income	**24,798**	**(25,750)**	**50,548**
Financial (Expense)/Income	(20,935)	-	(20,935)
Profit (Loss) before tax	**3,863**	**(25,750)**	**29,613**
Income tax expense	(29,797)	(10,959)	(18,838)
Net profit (loss) from continuing operations	**(25,934)**	**(36,709)**	**10,775**
Profit (Loss) for the period	**(25,934)**	**(36,709)**	**10,775**
o.w. Profit (loss) for the period attributable to the Shareholders of the Parent Company	(25,667)	(31,409)	5,742
o.w. Profit (loss) for the period attributable to Non-controlling interests	(267)	(5,300)	5,033
Earnings per share			
basic	(0.32)	(0.40)	0.07
diluted	(0.32)	(0.40)	0.07

Annex 3: RESTATAMENT OF THE CONSOLIDATED CASH FLOW STATEMENT

(€/000)

	9/30/2023 Restated	Change	9/30/2023 approved on November 09, 2023
Operating activities			
-			
Profit (loss) for the period befor tax	**3,863**	**(25,750)**	**29,613**
Adjustments to reconcile the profit (loss) before tax with the net financial flows:	**92,937**	**25,751**	**67,186**
Capital gains/losses on financial assets/liabilities held for trading and on financial assets/liabilities measured at fair through profit or loss (+/-)	(2,995)	-	(2,995)
Depreciation, amortisation and impairment	75,343	28,210	47,133
Change in net provisions for risks and charges	1,564	(2,459)	4,023
Financial (Expense)/Income	23,786	-	23,786
Costs for share-based payments	(4,761)	-	(4,761)
Change in working capital	**19,388**	**-**	**19,388**
Change in trade receivables	41,487	-	41,487
Change in trade payables	(22,099)	-	(22,099)
Change in financial assets and liabilities	**9,019**	**-**	**9,019**
Other assets mandatorily measured at fair value	2,285	-	2,285
Financial assets measured at amortised cost	6,734	-	6,734
Other changes:	**(109,699)**	**(1)**	**(109,698)**
Interests paid	(23,331)	-	(23,331)
Payment of income taxes	(18,371)	-	(18,371)
Other changes in other assets/other liabilities	(67,997)	(1)	(67,996)
Cash flows generated by operations	**15,508**	**-**	**15,508**
Investing activities			
Purchases of property, plant and equipment	(1,423)	-	(1,423)
Purchases of intangible assets	(7,748)	-	(7,748)
Net cash flows used in investing activities	**(9,171)**	**-**	**(9,171)**
-			
Funding activities			
Dividends paid	(52,618)	-	(52,618)
Loans obtained	25,000	-	25,000
Repayment of loans	(4,480)	-	(4,480)
Payment of principal portion of lease liabilities	(12,836)	-	(12,836)
Sale/purchase of minority	-	-	-
Net cash flows used in funding activities	**(44,934)**	**-**	**(44,934)**
Net liquidity in the period	**(38,597)**	**-**	**(38,597)**
Reconciliation			
Cash and cash equivalents at the beginning of period	134,264	-	134,264
Net liquidity in the period	(38,597)	-	(38,597)
Cash and cash equivalents at the end of the period	**95,667**	**-**	**95,667**

CERTIFICATIONS AND REPORTS

Certification pursuant article 154 BIS, paragraph 2 of Italian Legislative Decree no. 58 of 24 February 1998 (the Consolidated Financial Law)

Pursuant to Article 154 bis, paragraph 2, of the “Consolidated Law on Finance”, Mr Davide Soffietti, in his capacity as the Financial Reporting Officer with preparing the financial reports of doValue S.p.A, certifies that the accounting information contained in the ‘Consolidated Interim Report as at September 30,2023‘, is consistent with the data in the supporting documents and the Group’s books of accounts and other accounting records.

Rome, January 12, 2024

Davide Soffietti

Financial Reporting Officer