

PRESS RELEASE

FIRST QUARTER 2022 RESULTS

COLLECTIONS UP AT €299 MILLION, +15% VERSUS FIRST QUARTER 2021

- Improved performance of collections on portfolios under management: €299 million in 1Q22, +15% y/y. Growth relates to both out-of-court and in-court settlements
- Collection rate¹ from 3.1% in 1Q21 to 3.7% in 1Q22
- Assets under Management at €32 billion, with a business mix consisting 58% of NPLs and 42% of UTPs
- EBITDA net of cost of debt² at €30.8 million, up by 24% y/y
- Fitch confirmed its “BBB” long-term rating, with stable outlook, and “F2” short-term rating. *Investment grade* rating was maintained
- The team is reinforced with new hires: 51 more people in 12 months, reaching a total of 349 employees at the end of March 2022
- Sustainable credit management driven by a patient approach is confirmed, with the aim of encouraging corporates’ business continuity while supporting the country’s economy

Milan, 11 May 2022 — The Board of Directors of [AMCO - Asset Management Company S.p.A.](#), met today and approved the results for the first quarter 2022.

Strong performance of collections fuelled by an effective - as well as patient - operating model, coupled with optimised financing instruments, led to a 24% y/y growth in EBITDA net of cost of debt.

1Q22 RESULTS³

In 1Q22 **collections showed an uptrend**, totalling €299 million, up 15% on the €260 million in the 1Q21.

¹ Annualised collection rate calculated as the ratio: annualised collections for the quarter / average GBV for the period.

² EBITDA less net interest from financing activities.

³ 2022 results refer to the separate financial statements, while 2021 results refer to the consolidated financial statements. Effective 1 March 2022, following the liquidation of the vehicle Fucino NPL's Srl, AMCO no longer prepares consolidated financial statements.

The positive trend was due to a better knowledge of the portfolios under management and the continuous use of the operating leverage coming from the in-house/outsourcing model. Both out-of-court and in-court settlements contributed to performance.

Collections' growth was mainly driven by the **UTP Division** (+15% y/y), with a good trend in out-of-court collections on granular exposures. **The new Special Partnerships & Servicers (SP&S) Division is up and running**, experiencing the highest growth (+46% y/y). In the **Workout Division** (collections -9% y/y) in-court settlements remained stable, while out-of-court settlements were less active with a view to protecting portfolio value.

The **annualised collection rate**⁴ increased from 3.1% in 1Q21 to 3.7% in 1Q22, confirming better recovery capabilities, with special reference to UTP positions, which reached a collection rate of 5.3%: an excellent result considering the seasonal nature of the business.

At the end of March 2022, **Assets under Management (AuM) stood at €32 billion**, with a business mix consisting 58% of NPLs and 42% of UTPs. The yearly trend reflects the natural evolution of the portfolio over time, partly offset by credit purchases over the 12 months, totalling €0.5 billion.

1Q22 Income Statement

EBITDA after net interest from financing activities improved by 24% compared to 1Q21, reaching €30.8 million. This increase was driven by operating performance and lower cost of debt thanks to better terms of the refinancing of secured debt linked to the MPS deal.

EBITDA came in at €46.6 million and was virtually in line with the 1Q21 figure (€47 million). EBITDA margin reached 63.5%.

Revenues in the first quarter of the year grew by 10% and reached €73.4 million (€66.6 million in 1Q21) driven by other income from operating activities referring to cash recoveries (all cash-based) of on-balance sheet portfolios, with recovery values being maximised also thanks to out-of-court settlements. Other income from operating activities amounted to €12.6 million (+55% y/y).

Staff costs decreased by 3.0% in the first quarter of the year due to MPS seconded personnel no longer falling within AMCO's reporting perimeter, while new employees joined the company.

At the end of 1Q2022, AMCO's headcount totalled 349 employees, 51 more compared to the same period in 2021, of which 7 employees since the beginning of the year.

⁴ Annualised collection rate calculated as the ratio: annualised collections for the quarter / average GBV for the period.

€/m ⁵	1Q21	1Q22	y/y delta
Servicing fees	11.7	11.1	-5.6%
Interest and fees from customers	46.8	49.7	6.3%
Other income/costs from operating activities	8.1	12.6	55.0%
Total revenues	66.6	73.4	10.2%
Staff cost	-10.1	-9.8	-3.0%
Net operating costs	-9.5	-17.0	78.8%
Total costs	-19.6	-26.8	36.7%
EBITDA	47.0	46.6	-0.9%
Net interest from financing activities	-22.3	-15.8	-28.9%
EBITDA AFTER NET INTEREST	24.8	30.8	24.3%
EBITDA margin	70.6%	63.5%	

Net operating costs (€17 million, of which €7 million related to overhead costs and €10.1 million related to collection activities) grew by 78.8% y/y primarily due to growth in collection expenses reflecting a different time allocation compared to 1Q21.

Net interest from financing activities decreased by 28.9% compared to 1Q21 thanks to the better terms of the refinancing of secured debt, finalised in 1H21.

OTHER SIGNIFICANT EVENTS AFTER 31 MARCH 2022

Fitch confirmed its “BBB” rating for AMCO

On 27 April 2022, Fitch Ratings confirmed AMCO’s “BBB” long-term rating and “F2” short-term rating, with stable outlook, thus maintaining the investment grade rating.

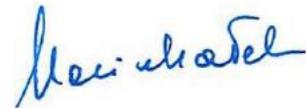
The rating confirmation, aligned with the Italian Sovereign rating (BBB/Stabile), testifies AMCO’s solid balance sheet. Fitch underlines AMCO’s unique patient approach which supports borrowers’ business continuity, in particular SMEs.

For further information, reference should be made to the press release issued by the aforesaid rating agency, which may be viewed at www.fitchratings.com.

⁵ 2022 results refer to the individual financial statements, while 2021 results refer to the consolidated financial statements. Effective 1 March 2022, following the liquidation of the vehicle Fucino NPL's Srl, AMCO no longer prepares consolidated financial statements.

DECLARATION BY THE EXECUTIVE RESPONSIBLE FOR THE PREPARATION OF CORPORATE ACCOUNTING DOCUMENTS

I, the undersigned, Marina Natale, in my capacity as ad interim executive responsible for the preparation of corporate accounting documents, hereby declare, in accordance with paragraph 2, Article 154(a) of the *Testo Unico della Finanza* (Italian Consolidated Law on Financial Intermediation), that the accounting information disclosed in this press release reflects documentary evidence, accounting entries and other records of the company.



AMCO – Asset Management Company S.p.A.

With €32 billion of NPEs, of which €13.4 billion of UTPs related for 75% to 43 thousand Italian companies, coupled with a 20-year track record (as SGA), AMCO is a leading company in the management of impaired loans, a reference point in the NPE market in Italy, serving the country and the real economy.

Partly owned by the Ministry of Economy and Finance, AMCO is a full-service credit management company operating in the market. Supervised by the Bank of Italy and “Corte dei Conti” as well as subject to the control of its transactions by the Directorate General for Competition (DGComp), which acts at EU level, AMCO operates according to a flexible, innovative business model that respects debtors, creditors, originating banks, bondholders and individuals.

The management approach is designed to avoid creating financial and reputational stress and is aimed at promoting business sustainability, including by directly granting new financing to support business continuity and industrial turnaround, so as to re-inject resources and energy into the system for the benefit of the country’s economy.

Thanks to a diversified management strategy encompassing NPLs and UTPs and to the skills and expertise of its 349 professionals operating in Milan, Naples and Vicenza, AMCO is able to fully address the process of managing impaired loans and any kind of portfolio, including large ones, relying on an effective and flexible operating structure.

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