

Fixed Income Investor Presentation

7 May 2025



We are among the main players specialised in non-performing loan management, with a systemic role for the public interest

Business

We are a credit servicer (i.e. a financial intermediary pursuant to Art. 106 TUB) with €32.2 billion of assets under management, composed of NPLs for 72% and UTPs for 28%¹

Corporate Structure

We are owned for the 99.78% by the Ministry of Economy and Finance for the 0.22% by other shareholders through B shares.

We are subject to supervision by the Bank of Italy, as well as by DG Competition, and to the control of the Court of Auditors

EU Directive 2021/2167 on credit servicers and credit purchasers, transposed into Italian law in 2024

Systemic Role



ESG

We integrate Sustainability in the entire value chain

Rating

S&P: BBB+; *Stable*
Fitch: BBB; *Positive*
DBRS: BBB High; *Positive*

Fitch Special servicer rating: 2

Financial Structure

We are listed in Luxemburg on the debt capital market.

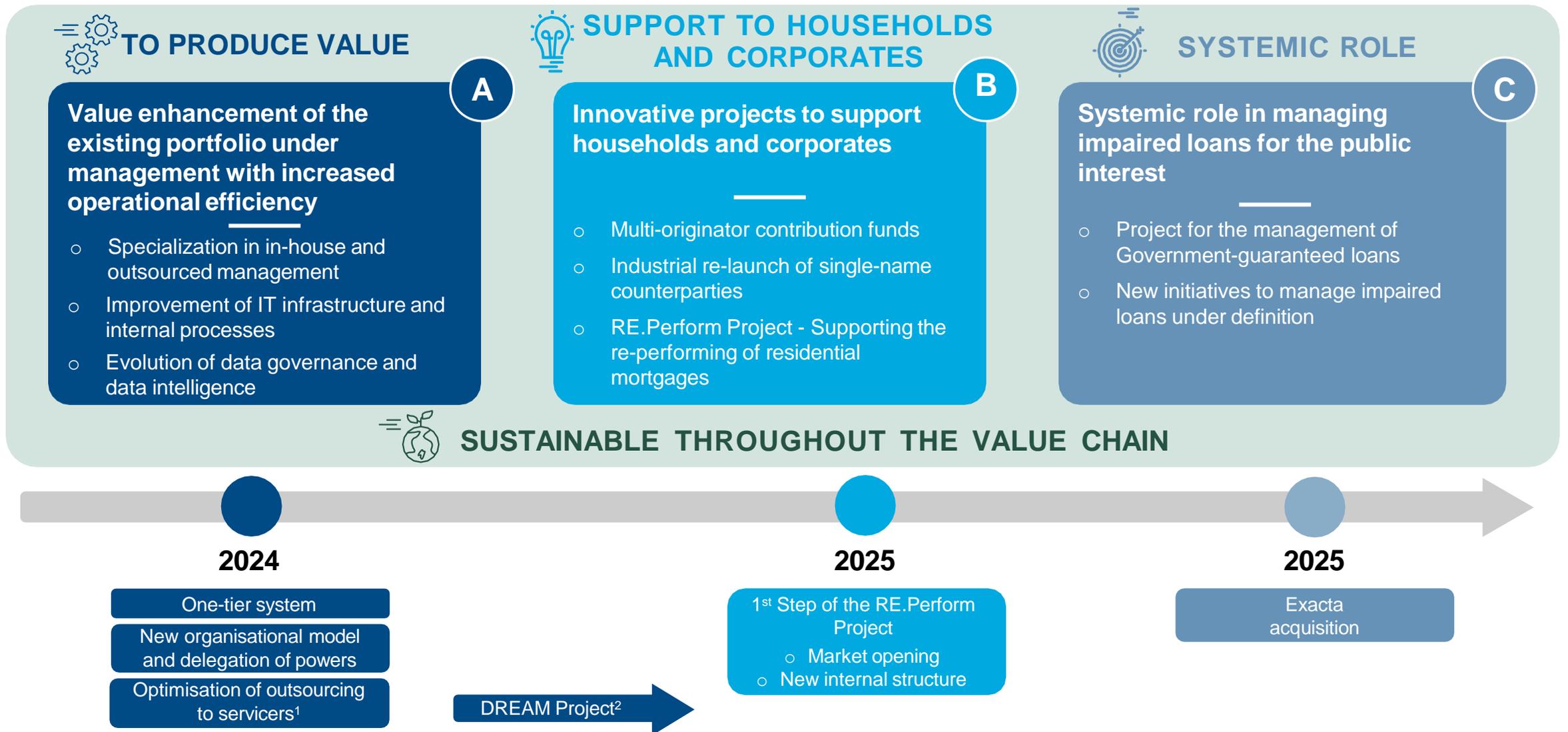
We have a strong capital structure.



amco

**«We Produce Value»
2024-2028 Strategic Plan update**

Over the past 12 months, AMCO finalised strategic projects in line with the «We Produce Value» Plan



In 2024, AMCO strengthened its governance and implemented a new organisational model

One-tier governance system

- Establishment of the **Management Control Committee** within the Board of Directors
- **Appointment of 4 new Board members** for a total of 9
- **Higher percentage of women (55%)** within the Board¹, with diversified professional expertise and skills
- International reference model ensuring **efficient management** and **effective controls**
- Additional step within a **broader process of good governance and transparency**

New organisational model

- **Appointment of a Co-General Manager**
- **Streamlining and strengthening of internal controls systems²**
- **Set up of the Capital Management Department** to support strategic/financial decisions
- **Strengthening of the business structure** evolving into two Departments and the **delegation of powers**

NPE & Outsourcing

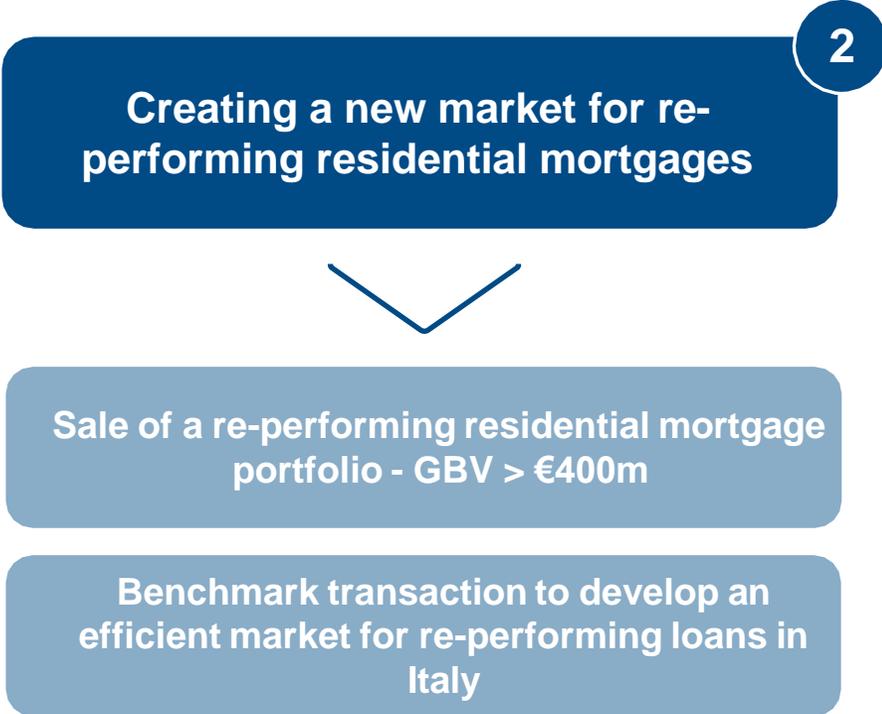
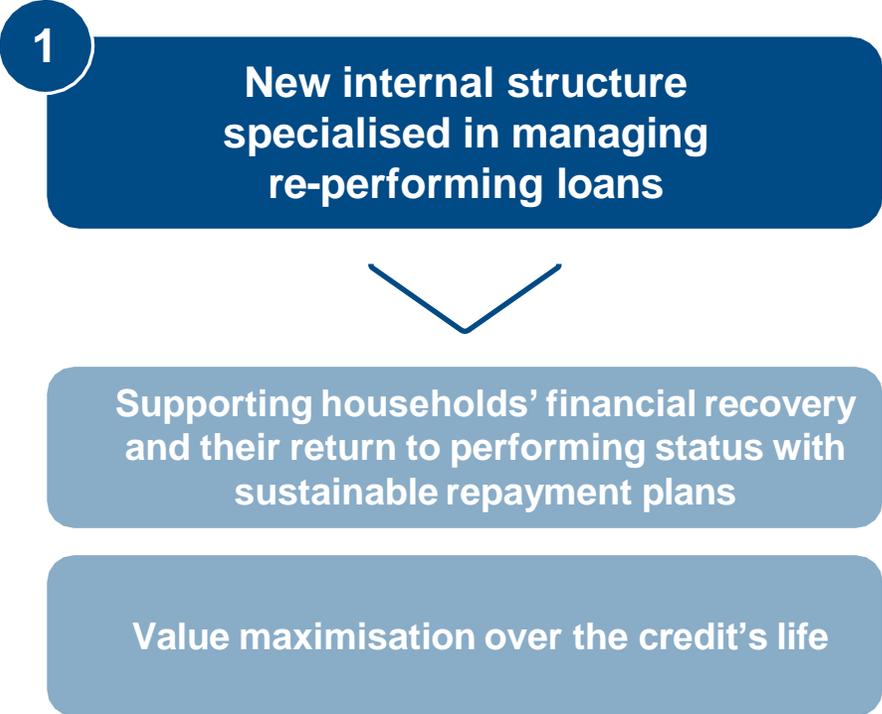
- Mid-small ticket <€2m
- **Outsourcing** activities
 - **RE.Perform**

Turnaround & Strategic Finance

- Single-name positions
- Big tickets >€2m

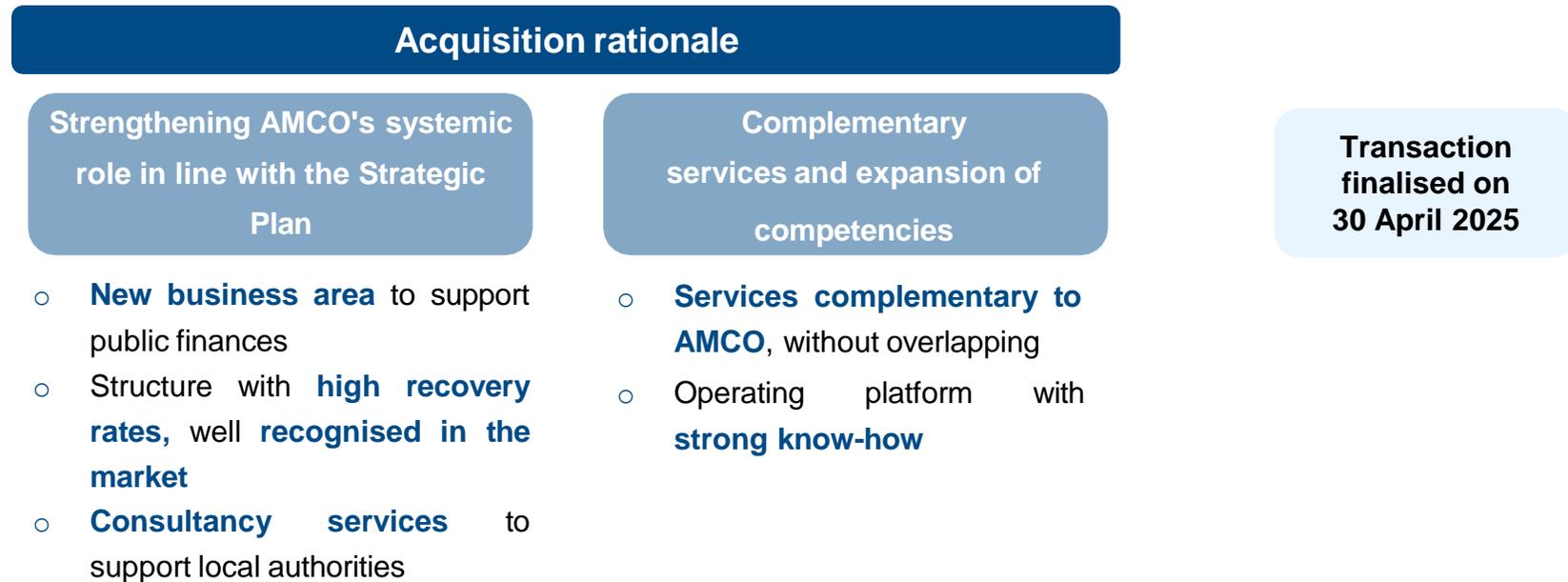
The RE.Perform Project aims to support households' return to performing status, supporting the Italian economy

- AMCO identifies deserving residential mortgage holders and designs a path for their return to performing status, supporting **households' financial recovery** and **access to new credit**
- The RE.Perform **project consists of two pillars:**



With Exacta, AMCO acquires the platform and expertise to manage unpaid local taxes, supporting the PA and benefitting public finances

- Since 1994, the Exacta Group has been a **leader in Credit Management for local PA**, to which it also offers administrative, financial, legal and training consultancy services¹
- Exacta stands out for its continuous **process innovation and technological platform**
- Post-transaction, Exacta's shareholders's structure is: **80% AMCO** and **20% founders and management**
- Exacta will be **managed separately**, with adequate **managerial and operating autonomy** under **AMCO's management and coordination**



GSSE Sustainability

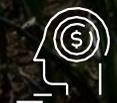
FY24 Highlights



- 94% of UTP collections, 29% of NPL collections and 56% of collections from SMEs&households from **extra-judicial activities**



- **ESG criteria** embedded in the credit risk portfolio evaluation; **energy label calculation** of 90% of owned properties¹



- Promotion of 10% of the female population; **Succession plans** for 40% of top managers



- **Calculation of the average gender pay gap** by groups of employees



- Appointment of the Milan office **Mobility manager**

2024

Financial results

Highlights



AUM
€32.2 bn



Collections
€1.5 bn



Revenues
€438 m



EBITDA
€237 m



Net income
€29 m



CET1 ratio
37.4%

2024 confirms AMCO's strong capital structure. Net income is €29m



Collection rate, at **4.4%**¹ of AuMs, is slightly decreasing (4.6% in 2023) with **collections** at **€1.5bn** (-11% y/y) and **AuM** at **€32.2bn** (-7% y/y), in line with the dynamics expected in the Plan

Net income amounted to **€29m**² due to **lower credit provisions** and **lower interest expenses** due to debt reduction, despite higher costs to strengthen the corporate structure and higher debt collection expenses, with revenues decreasing due to lower average AuMs



Solid capital structure: CET1 ratio up to **37.4%**; **Net Debt/Equity ratio** down to **0.9x** from 1.3x at end 2023



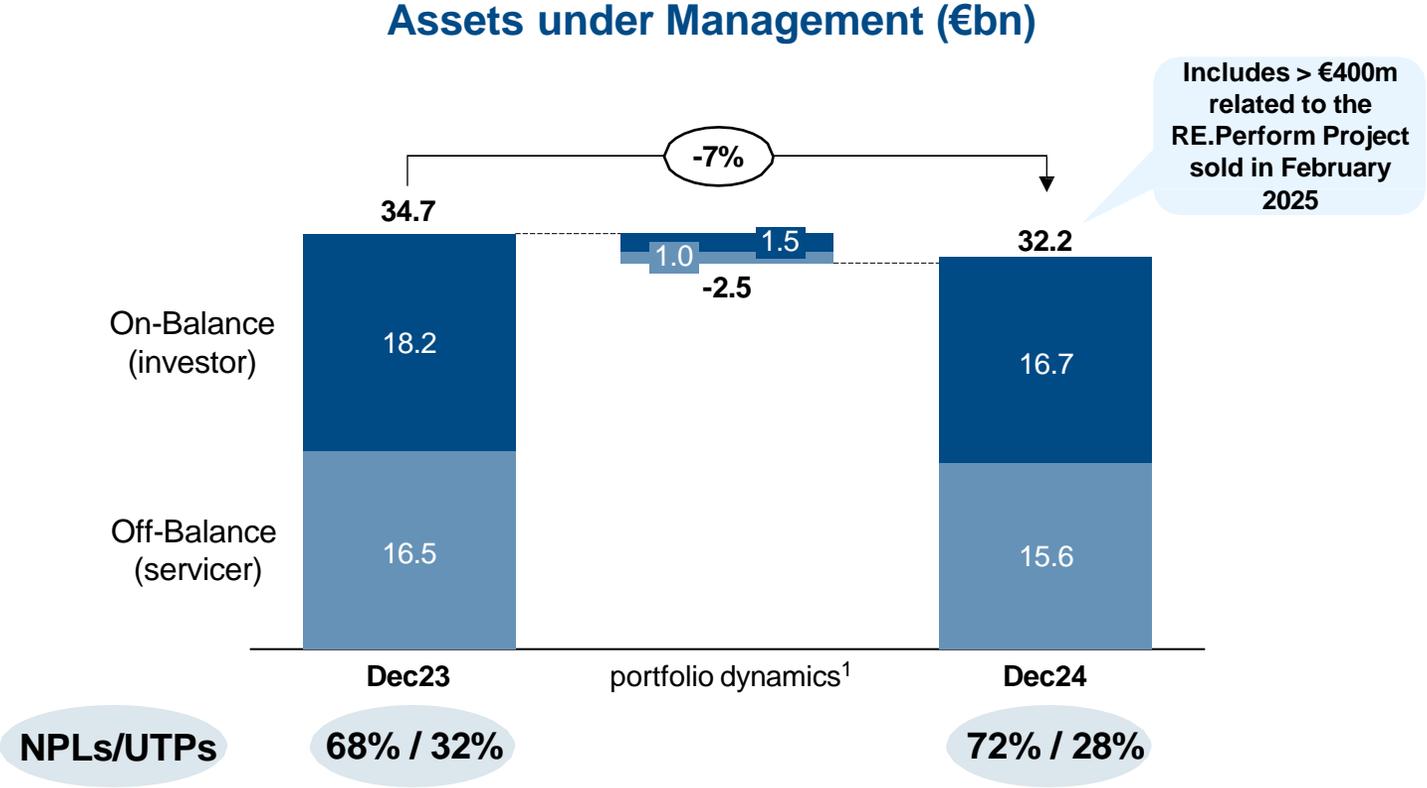
Net financial position is **-€1.88bn**, **improving by €828m** compared to end 2023, thanks to collections from on-balance portfolios

Maturing bonds were **repaid** with **cash: €250m** in February 2024 and **€600m** in January 2025



L-T/S-T ratings are confirmed at **BBB/F2/positive** (Fitch Oct-24) and **BBB+/A-2/stable** (S&P Apr-25)

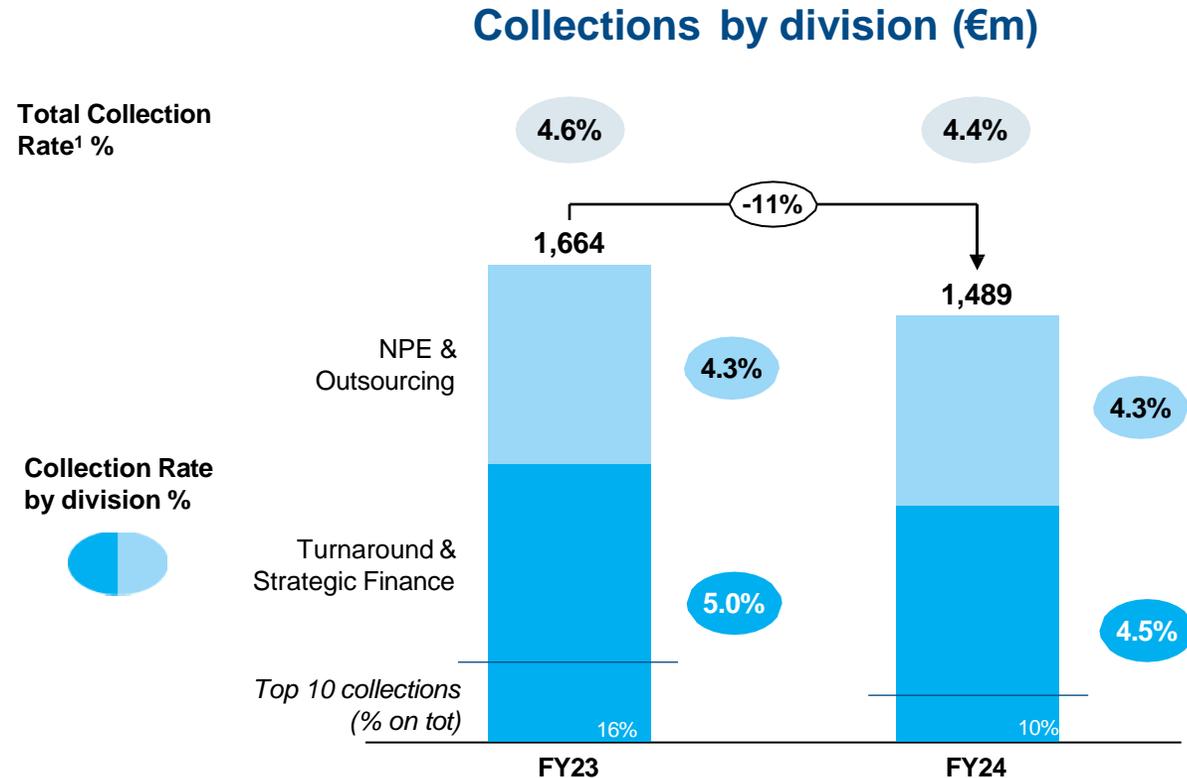
AuMs slightly decreased y/y as a result of portfolio management, in line with the dynamics expected in the Plan



- **AuMs decreased slightly** due to the **normal credit management activity** consisting of collections and write-offs, without any **new acquisitions, in line with the dynamics expected in the Plan**
- **UTPs** are at 28% of total AuMs, a lower percentage due to higher collections than those of NPLs and credit classification changes

Note (1): The portfolio dynamics component includes collections, loss transfers, portfolio disposals, accrual of interest and capitalisation of costs that occurred during the period.

Collections decreased y/y due to lower big tickets' collections. Collection rate at 4.4%, slightly decreasing y/y due to the impact of big tickets



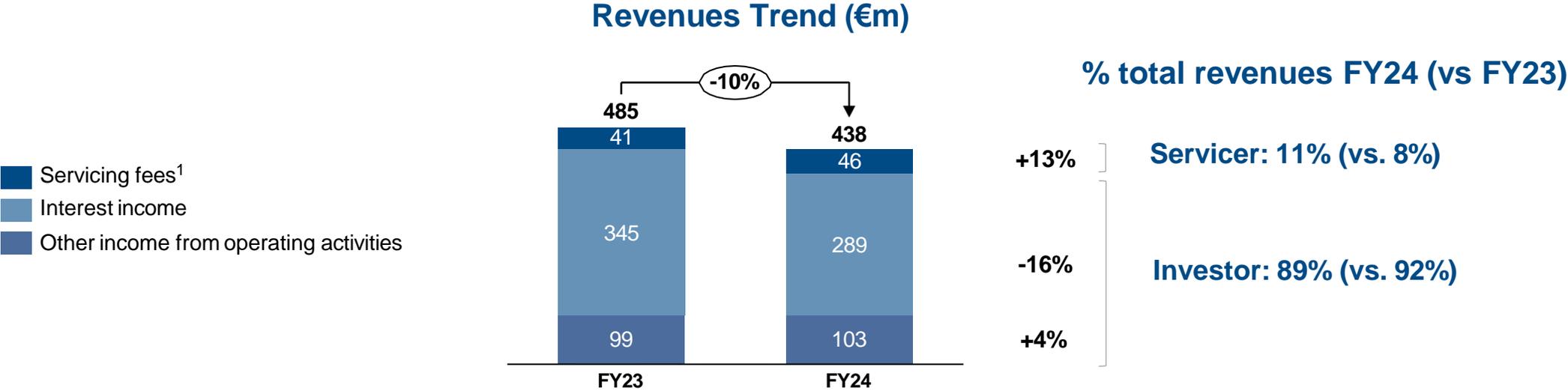
- **Collections** decreased y/y due to **lower collections from big tickets** compared to 2023, the natural ageing of the portfolio and the increasing weight of NPLs versus UTPs
- The collection rate of NPE & Outsourcing division managing tickets <€2m was stable at 4.3%

Net income is €29m due to lower adjustments and lower debt. Slightly lower AuMs and expenses to strengthen the structure impact EBITDA

€m	FY23	FY24	Change %
Total Revenues ¹	484.7	437.7	-10%
Total Costs ¹	(180.4)	(200.6)	11%
EBITDA	304.3	237.1	-22%
EBITDA margin	62.8%	54.2%	n.m.
Net impairment gains/losses	(523.8)	(113.5)	-78%
Depreciation and amortisation	(6.7)	(4.5)	-33%
Provisions	(8.5)	(1.5)	-82%
Other operating income/expenses	(1.6)	(1.3)	-18%
Net result from financial activities	(31.4)	4.8	n.m.
EBIT	(267.7)	121.1	n.m.
Net interests from financial activities	(89.6)	(69.2)	-23%
Pre-tax income	(357.3)	51.9	n.m.
Income taxes	(30.7)	(22.9)	-25%
Net income	(388.0)	28.9	n.m.

- **EBITDA** amounted to **€237.1m** (-22% y/y) due to lower revenues related to the reduction in average AuMs and increased costs to strengthen the corporate structure. **EBITDA margin** at **54.2%**
- **Net impairment** reflect the standard process of the portfolio's credit risk assessment, counterbalanced by credit provisions resulting from the revaluation of the re-performing portfolio under disposal
- **Net interests from financial activities** (-23% y/y) decreased thanks to the debt reduction from the repayment of the €250m bond matured in February 2024

Revenues decreased by 10% y/y as a result of lower interest income due to the slight decrease in average AuMs

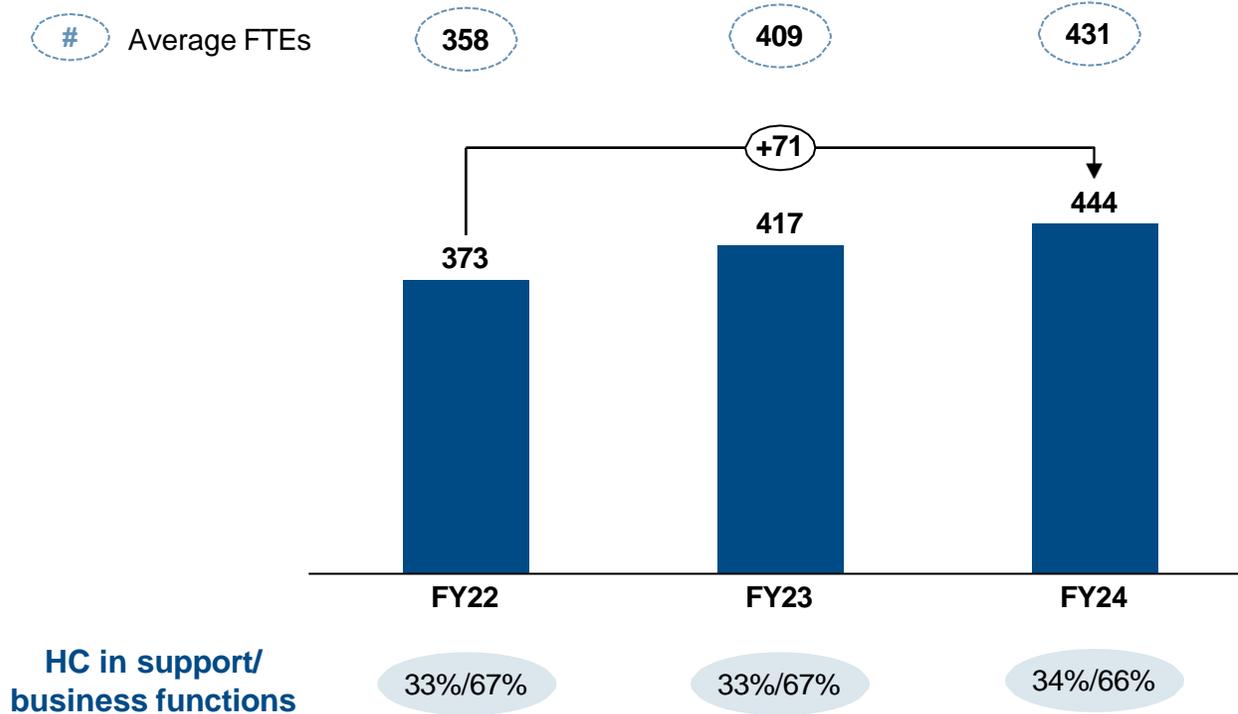


- **Servicing fees** (+13% y/y) grow due to the remuneration mechanism related to the management of the off-balance portfolio of former Veneto Banks
- **Interest income decreased** (-16% y/y) due to loans' reduction, without any new portfolios
- **Other income from operating activities** (+4% y/y) is completely cash-based and related to collections exceeding expected recovery plans

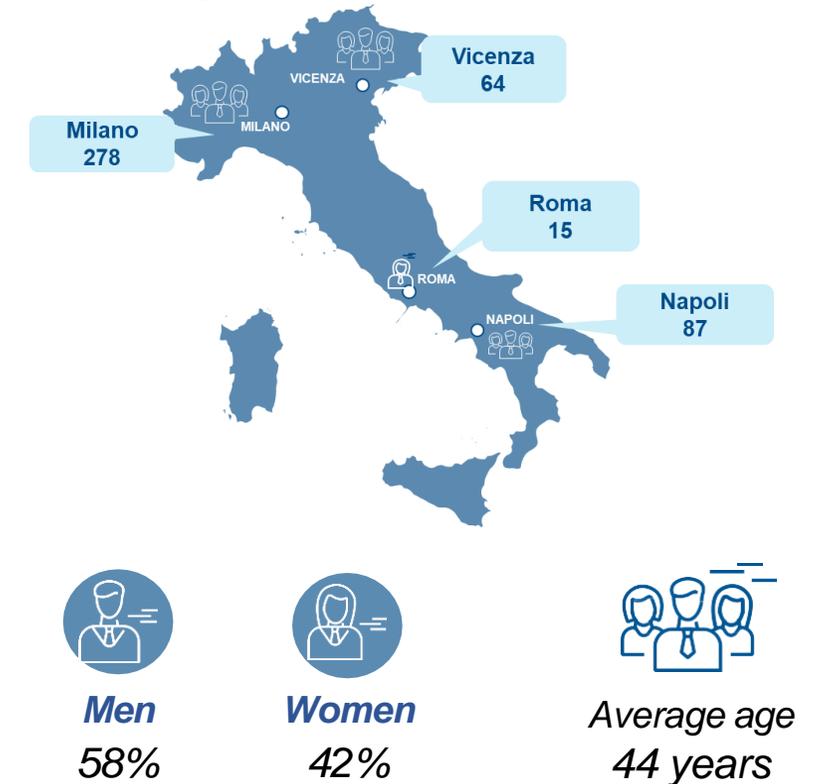
Note (1): The item 'Servicing fees' has undergone a reclassification, which consists of the inclusion in this item of 2 components related to the remuneration mechanism of former Veneto Banks portfolios, originally included in other operating expenses and costs.

Headcount growth strengthens the organisational and operational set-up

Headcount Evolution

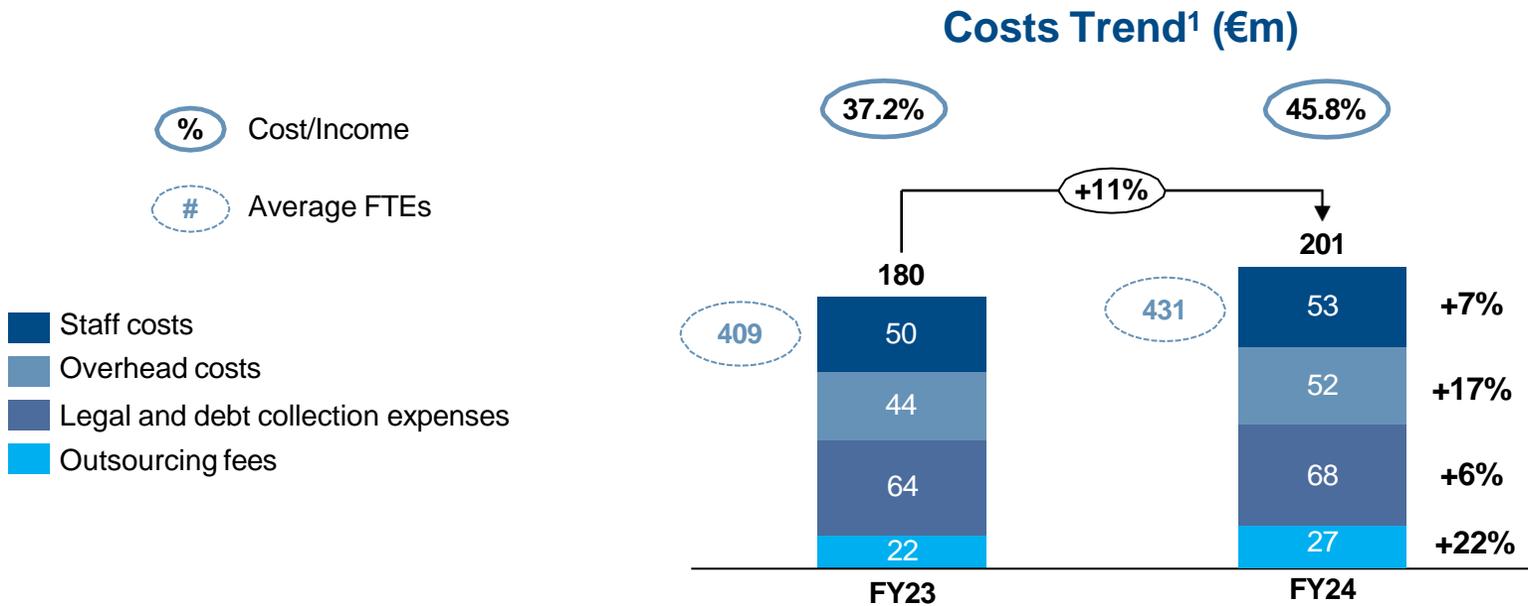


Staff composition as of 31.12.2024



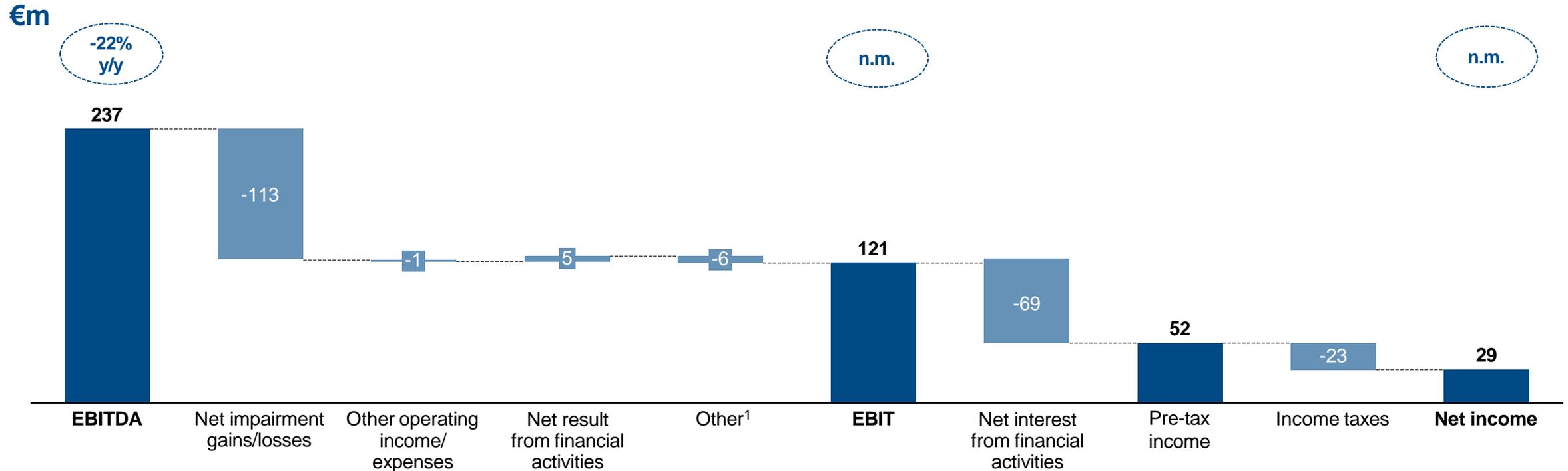
- **Hirings were** mainly **focused** on business functions (**NPE & Outsourcing** and **Centralised Controls**) and **Staff functions (COO)**, including the new **Transformation Office** structure

Costs increase to strengthen the corporate structure, both in terms of headcount and infrastructure



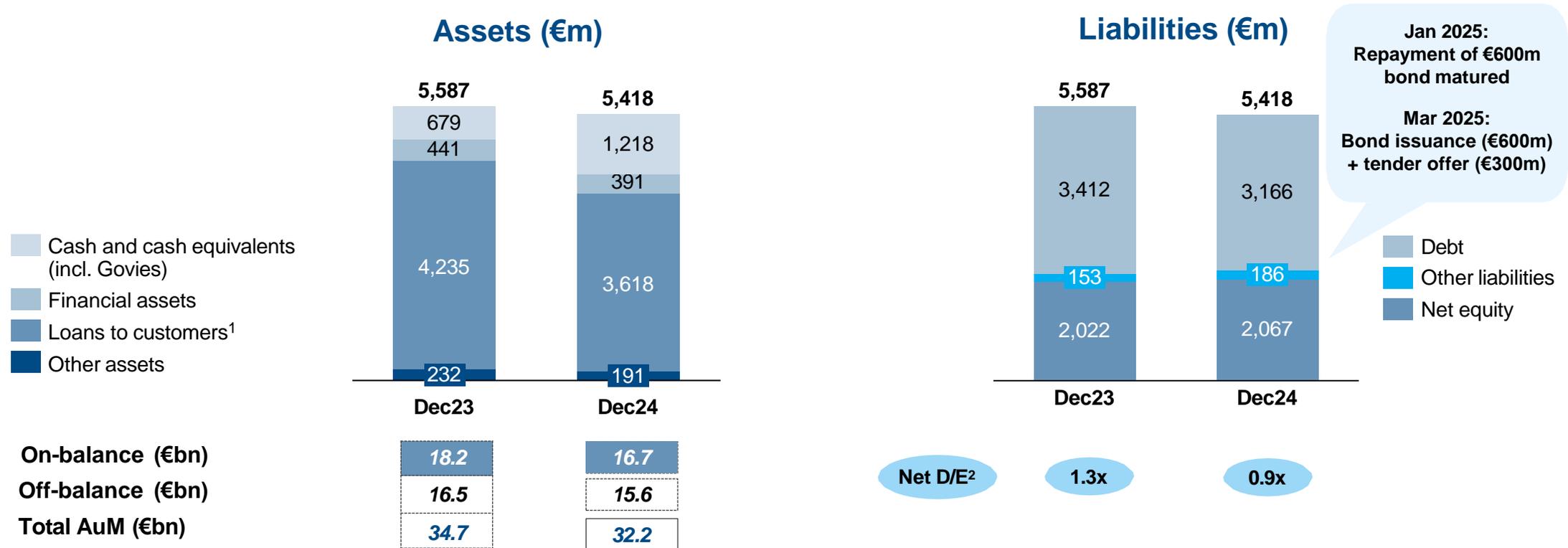
- **Staff costs** increased (+7% y/y) due to new hires to strengthen corporate structure and the renewal of the national contract
- **Overhead costs** grew (+17% y/y) due to IT initiatives and specialised consultancy services related to projects included in the Strategic Plan (i.e. DREAM Project)
- **Legal and debt collection expenses** (+6% y/y) increased due to higher costs related to the management of leasing real estate and new legal actions
- **Outsourcing fees** increased due to better collection performance on the outsourced portfolio

Net income is €29m thanks to lower credit provisions and lower interest expenses due to debt reduction



- **Net impairment** (-€113m) reflect the standard process of the portfolio's credit risk assessment, counterbalanced by credit provisions resulting from the revaluation of the re-performing portfolio under disposal
- **Net interest from financing activities** decreased (-€20m, -23% y/y) due to debt reduction, following the repayment of the €250m bond due in February 2024

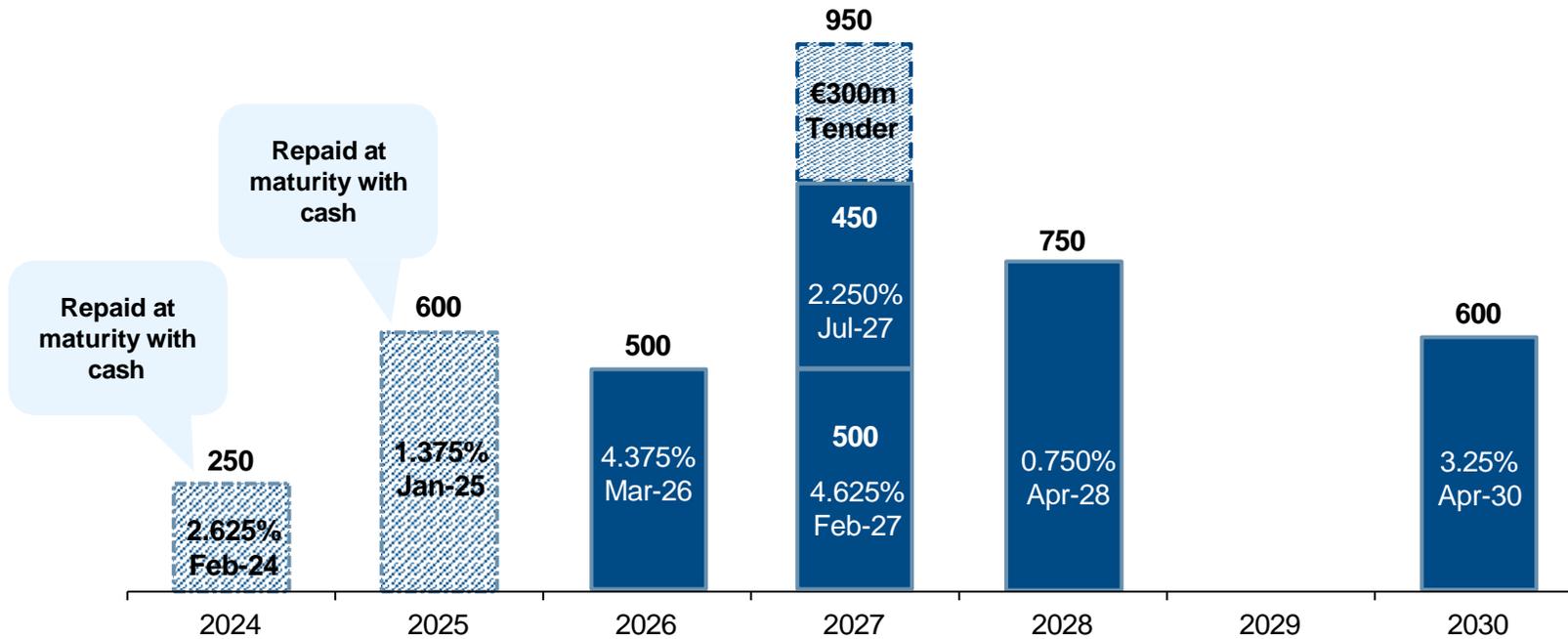
Assets decline due to the natural decrease of the credit portfolio. Lower debt after the repayment of bonds matured in February 2024



- **Loans to customers** decreased y/y due to collections generated by credit management of on-balance portfolios
- The strong growth in **cash and cash equivalents** (+80% y/y) was due to investments in Government Bonds done by using operating cash flow. This liquidity was then used to repay the €600m bond matured in January 2025.
- **Debt** decreased thanks to the repayment of a €250m bond matured in February 2024

AMCO's financial debt is entirely unsecured and rated investment grade. The recent transaction lengthens the debt maturity profile

Senior Unsecured Bonds¹ (€/m)



Recent Transaction (March 2025):

€300m Tender Offer and new 5y €600m Senior Unsecured Bond

- AMCO's **financial debt** is entirely **unsecured** and well **spread** over **several maturities**
- **Bonds maturing in February 2024 and in January 2025 were repaid** with cash
- The **average remaining duration** of AMCO's total **debt is 2.69 years**

Issuer Default Rating Investment Grade

S&P Global Ratings

- LT: **BBB+** *Stable*
- ST: **A-2**

Fitch Ratings

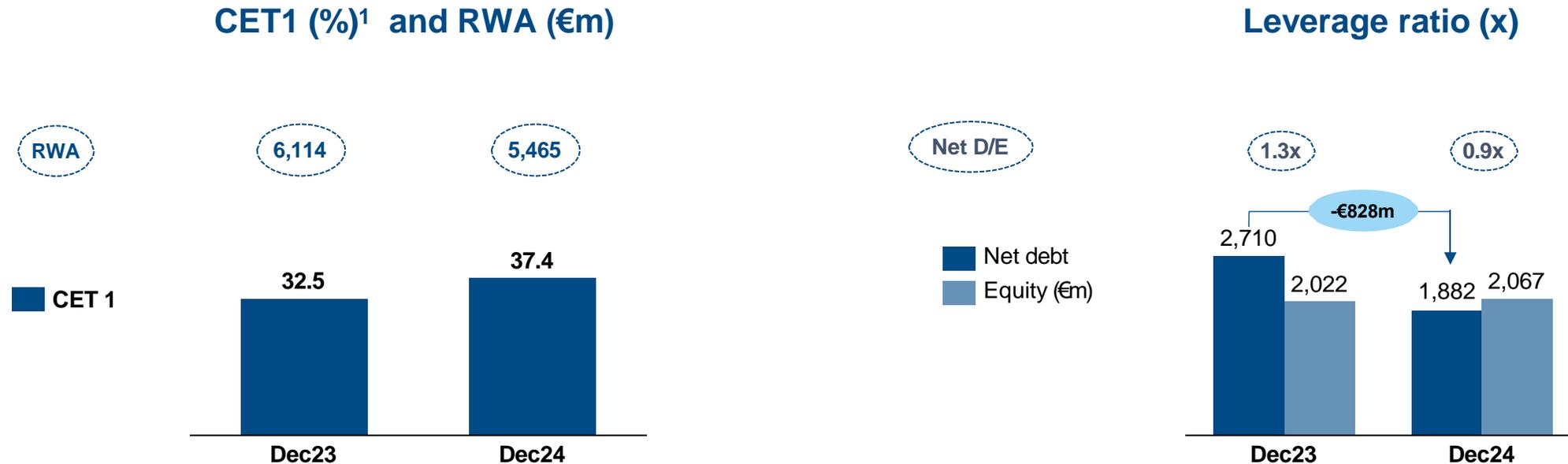
- LT: **BBB** *Positive*
- ST: **F2**

Special Servicer Rating

Fitch Ratings

- *Residential: RSS2* *Evolving*
- *Commercial: CSS2*
- *Asset-Backed: ABSS2*

The capital structure is solid with CET1 at 37.4%



- The **sound capital structure** is **confirmed: CET1 of 37.4%²** and **Net Debt/Equity ratio of 0.9x**
- **Total Capital ratio** was **37.4%** as well, as there are no subordinated debt instruments
- **RWAs decreased** as on-balance receivables decreased due to the natural portfolio decline

FY24 Financial Statements

Assets Consolidated Balance Sheet as at 31.12.2024 - Bank of Italy format

Asset items - figures in thousands	31.12.2024	31.12.2023
10. Cash and cash equivalents	285,829	145,531
20. Financial assets measured at fair value through profit or loss	433,197	483,802
a) financial assets held for trading	6	6
b) financial assets measured at fair value		
c) other financial assets mandatorily measured at fair value	433,191	483,796
30. Financial assets measured at fair value through other comprehensive income	832,702	488,187
40. Financial assets measured at amortised cost	3,535,411	4,237,831
a) loans and receivable with banks	100,900	45,363
b) loans and receivable with financial companies	81,030	79,502
c) loans and receivable with customers	3,353,480	4,112,966
50. Hedging derivatives		
60. Fair value change of financial assets in hedged portfolios (+/-)		
70. Equity investments	11	11
80. Property, plant and equipment	41,459	36,622
90. Intangible Assets	574	1,286
- of which goodwill		
100. Tax assets	108,245	154,129
a) current	22,721	9,142
b) deferred	85,524	144,986
110. Non-current assets held for sale and discontinued operations	140,224	
120. Other assets	40,796	40,084
Total assets	5,418,448	5,587,480

Liabilities Consolidated Balance Sheet as at 31.12.2024 - Bank of Italy format

Liabilities and Shareholders' Equity - figures in thousands of euro	31.12.2024	31.12.2023
10. Financial liabilities measured at amortised cost	3,165,776	3,412,201
a) payables	24,871	22,582
b) debt securities issued	3,140,905	3,389,619
20. Financial liabilities held for trading	11	20
50. Fair value change of financial liabilities in hedged portfolios (+/-)		
60. Tax liabilities	29	36
a) current	29	36
b) deferred		
70. Liabilities associated to assets held for disposal	5,706	
80. Other liabilities	153,610	128,080
90. Staff severance indemnity	464	472
100. Provisions for risks and charges	26,268	24,782
a) commitments and guarantees issued		
b) pensions and similar obligations	201	169
c) other provisions for risks and charges	26,067	24,614
110. Share Capital	655,154	655,154
120. Treasury shares (-)	(72)	(72)
130. Capital instruments		
140. Share premiums	604,552	604,552
150. Reserves	796,262	1,184,225
160. Valuation Reserves	(18,253)	(34,006)
170. Profit (loss) for the period	28,941	(387,963)
Total liabilities and shareholders' equity	5,418,448	5,587,480

Consolidated Profit and Loss Account as at 31.12.2024 - Bank of Italy format

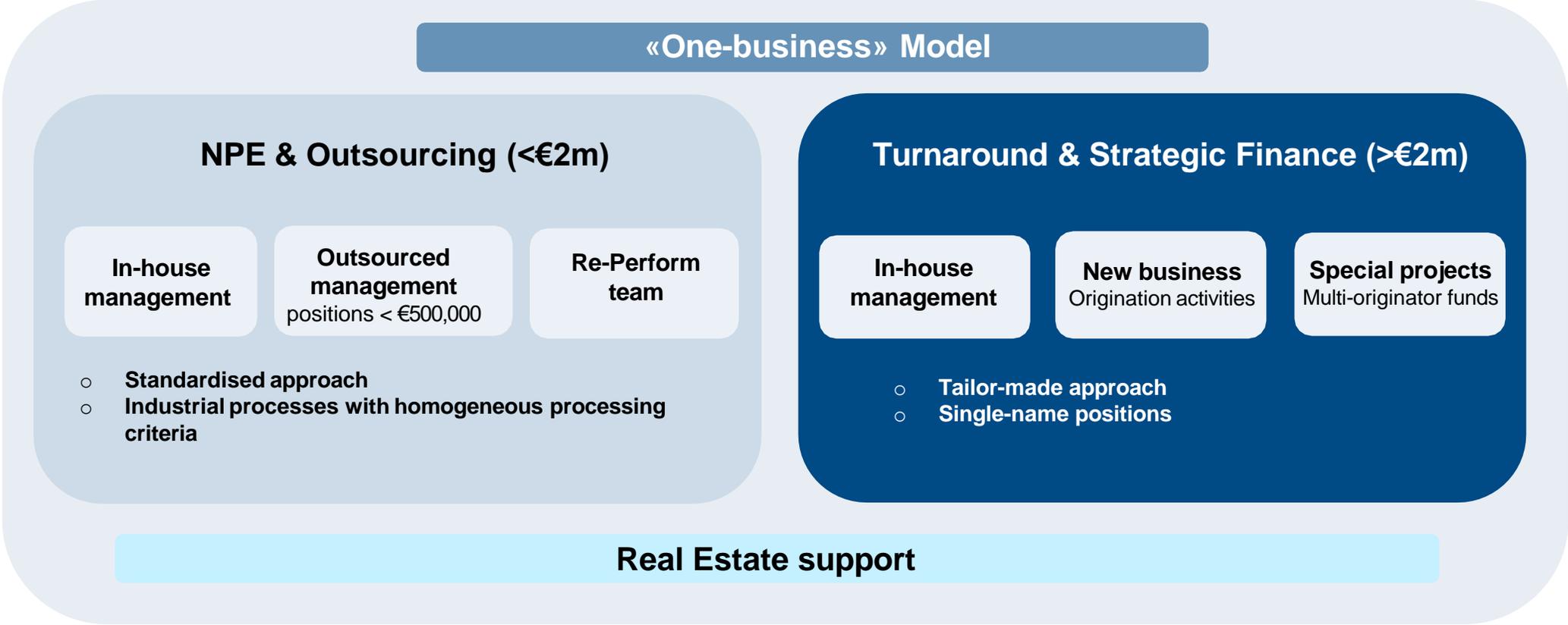
Items - figures in thousands	31.12.2024	31.12.2023
10. Interest and similar income	300,823	353,104
20 Interest expenses and similar expenses	(84,007)	(99,823)
30. Interest margin	216,816	253,281
40. Fee and commission income	39,548	42,621
50. Fee and commission expense	(90)	(94)
60. Net commissions	39,458	42,528
70. Dividends and similar income	537	2,542
80. Net trading income	812	(365)
100. Gains/losses on disposal or repurchase of:	9,962	26,696
a) financial assets measured at amortised cost	9,960	29,501
b) financial assets measured at fair value with impact on comprehensive income	2	(2,934)
c) financial liabilities	0	128
110. Net result of other financial assets and liabilities at fair value through profit or loss:	3,414	(39,666)
a) financial assets and liabilities measured at fair value		
b) other financial assets mandatorily measured at fair value	3,414	(39,666)
120. Operating income	270,999	285,016
130. Net value adjustments/reversals for credit risk of:	(22,402)	(448,115)
a) financial assets measured at amortised cost	(22,013)	(448,473)
b) financial assets measured at fair value through other comprehensive income	(389)	358
150. Net result from financial operations	248,597	(163,098)
160. Administrative expenses:	(204,743)	(182,944)
a) staff costs	(53,275)	(49,571)
b) other administrative expenses	(151,468)	(133,373)
170. Net provisions for risks and charges	(1,505)	(8,505)
a) commitments and guarantees issued		
b) other net provisions	(1,505)	(8,505)
180. Net value adjustments/reversals on property, plans and equipment	(2,587)	(2,232)
190. Net value adjustments/reversals on intangible assets	(980)	(3,459)
200. Other operating income/expenses	13,095	2,951
210. Operating Costs	(196,720)	(194,189)
260. Profit (Loss) of current operating activities before taxes	51,878	(357,289)
270. Income taxes for the year on current operations	(22,936)	(30,674)
280. Profit (Loss) of current operating activities after taxes	28,941	(387,963)
290. Profit (Loss) from discontinued operations after taxes		
300. Profit (loss) for the period	28,941	(387,963)

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Appendix

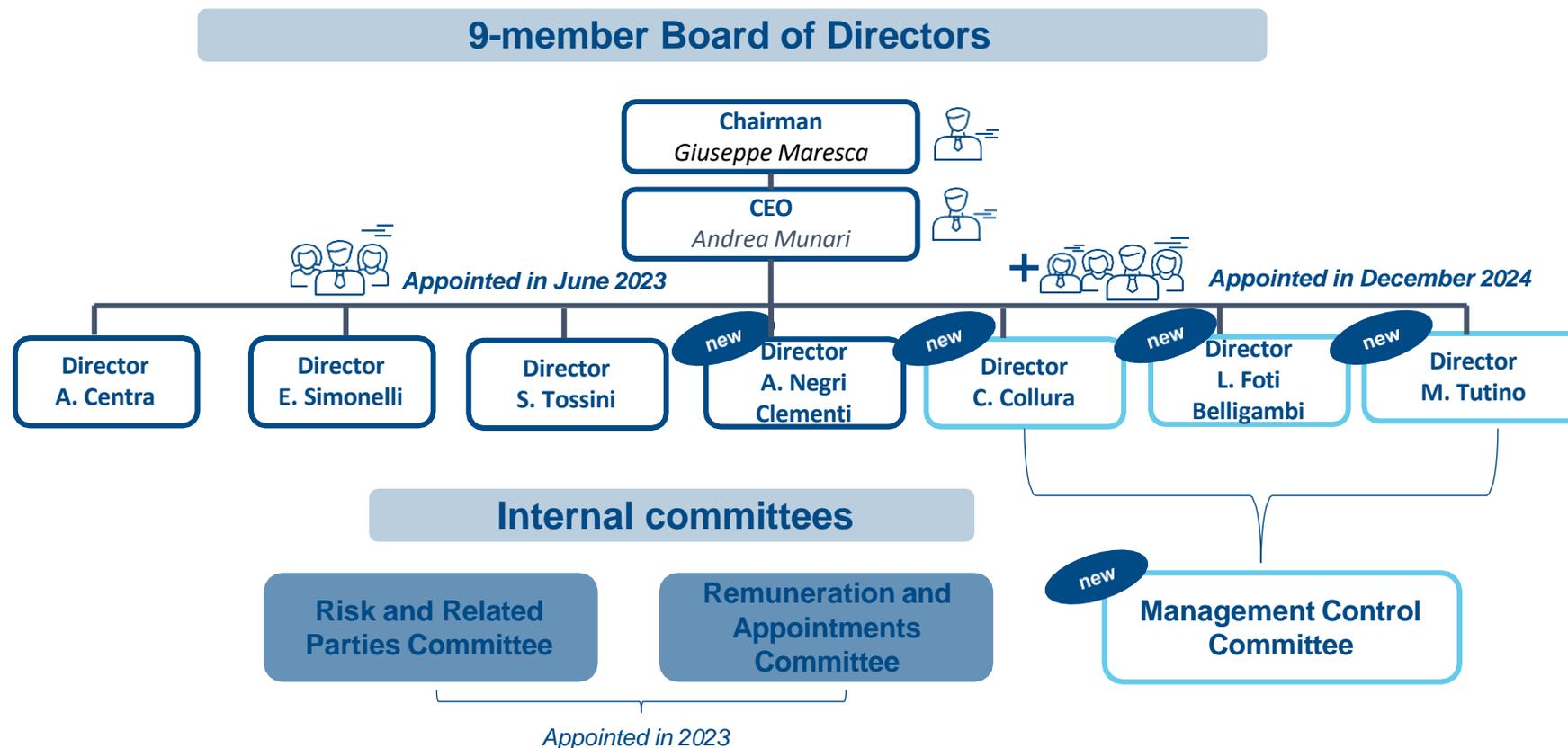


Since 2H24, business divisions are specialised by credit size. Smaller tickets are usually managed by third-party servicers



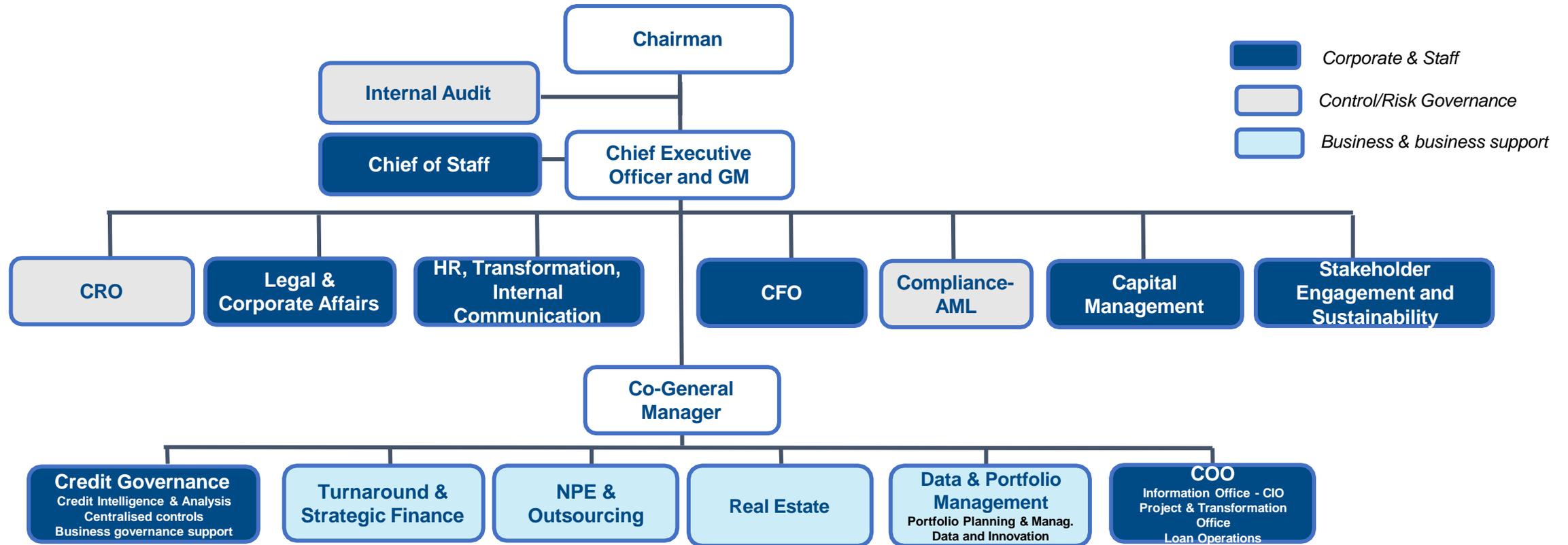
- **The outsourced management** of the credit portfolio is allocated to **8 servicers**¹, selected according to strict criteria starting from 1.1.2025.

Thanks to the one-tier system, governance has been further strengthened for the benefit of all stakeholders and for high transparency



- With the transition to the one-tier system approved by the Shareholders' Meeting on 30.12.2024, AMCO enhances the effectiveness of controls through the **Management Control Committee set up within the BoD**
- New appointments **increase the weight of women (55%)** in the Board¹ and contribute to diversify professional expertise and skills

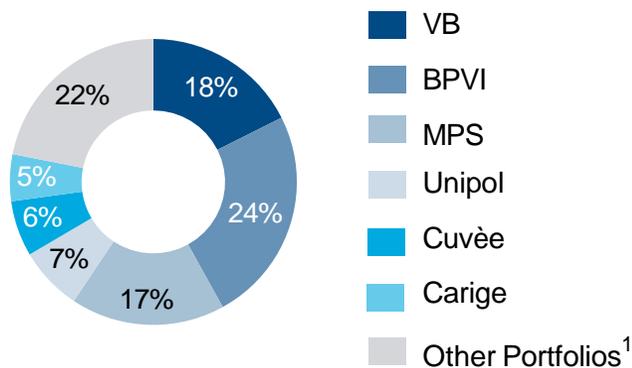
The organisational structure underpins a solid governance, reinforcing business oversight and accompanies AMCO's evolution



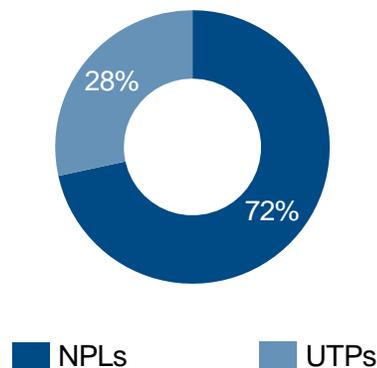
- In 2024, a **Co-General Manager** was **appointed** to oversee business and support areas, the management of the operations and the new Credit Governance function
- The **business** was **strengthened** with the evolution into two Departments, with **more delegation powers** to management roles

€32.2bn AuMs at 31 December 2024 show sound diversification by geography and portfolio of origin

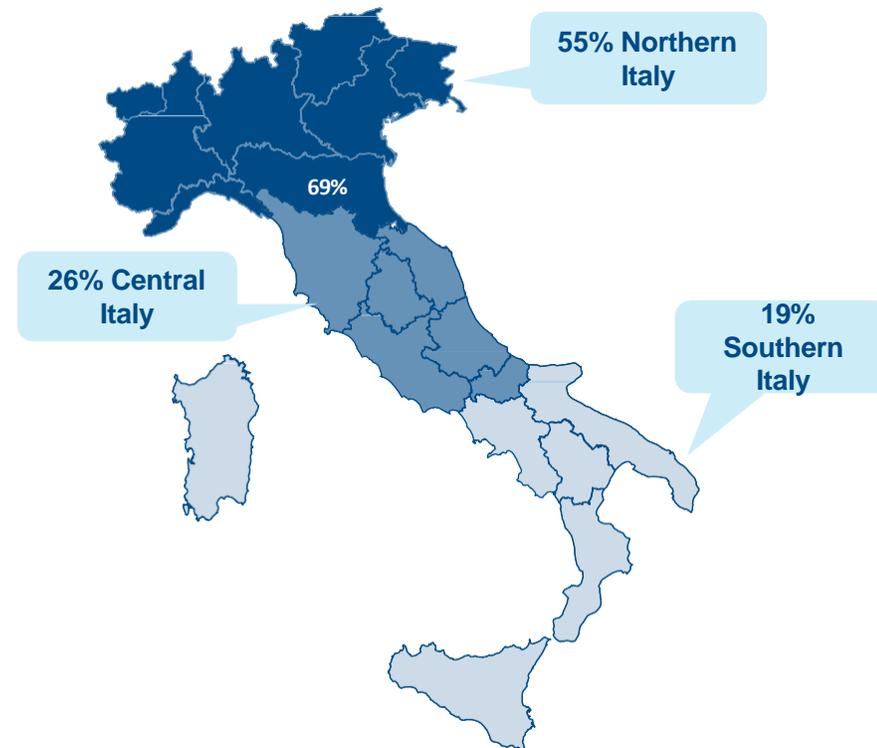
Portfolios (% GBV)



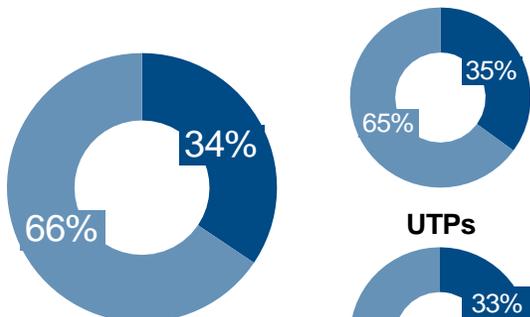
Classification (% GBV)



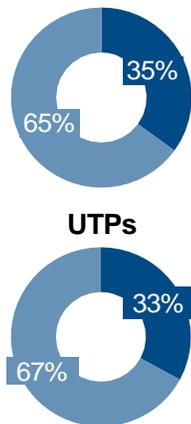
Geography² (% GBV)



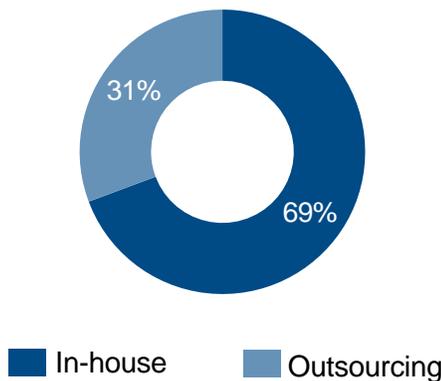
Secured/Unsecured (% GBV) NPLs



UTPs



Management (% GBV)

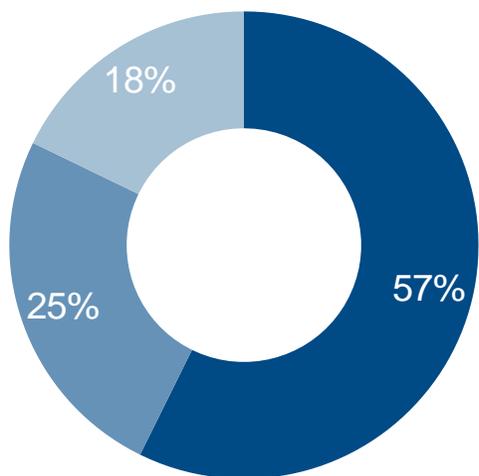


■ Secured
■ Unsecured

■ In-house
■ Outsourcing

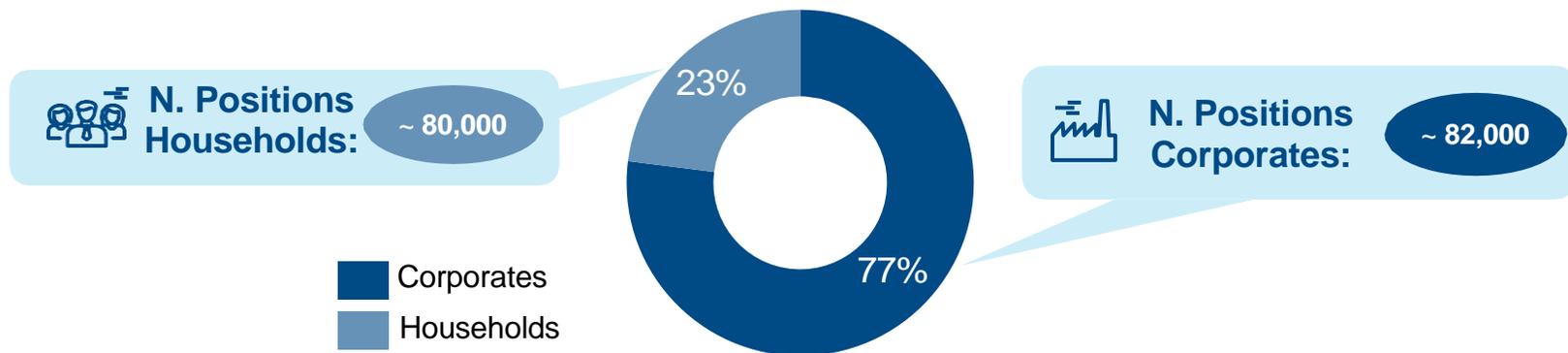
€32.2bn AuMs are mainly related to companies with a broad sector distribution

Vintage (% GBV)



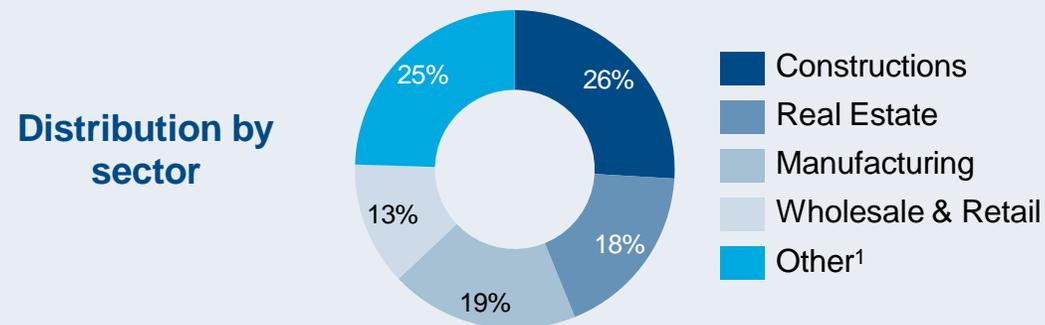
- 2018 - 2019
- 2020 - 2021
- 2022 - 2023

Counterparty (% GBV)



- Corporates
- Households

GBV of corporate positions (€24.9bn GBV)



Distribution by sector

- Constructions
- Real Estate
- Manufacturing
- Wholesale & Retail
- Other¹

In 2024, AMCO achieved important sustainability goals. In 2025 it will continue to implement the GSSE Strategy in line with the Strategic Plan

SUSTAINABLE GOVERNANCE



- 100% employees trained on **Anti-corruption, Privacy and AML**
- **BoD** trained in **Anti-corruption and AML**
- 100% of **special servicers'** employees trained on privacy and AML
- 10% of **LTI Plan** based on ESG objectives - (2nd cycle 2024-26)
- **Relevant suppliers assessed with ESG criteria**
- **Renewal anti-corruption certification**
- **ESG Board Committee**¹ 

SUSTAINABLE CREDIT MANAGEMENT



- 94% of **UTP** collections, 29% of **NPLs** and 56% of **SMEs + households collections** from **extra-judicial activities**
- **Monitoring of the portfolio's exposure to physical and transition risks**
- **ESG criteria** embedded in credit management strategies
- **Energy label calculation** for 90% of **repossessed properties**²
- **2 financial training initiatives for corporates**
- **Customer journey improvement:** 1st step - mapping

SUSTAINABLE DEVELOPMENT OF HUMAN CAPITAL



- **Employees and Senior Executives** engagement initiatives
- Maintaining **flexible working** mechanisms for work-life balance
- At least **90%** of **part-timers requests** **accepted**
- **DE&I Awareness and Engagement**
- **ESG training** for all employees
- **Succession plans** (40% of top managers)
- **Promotion** of **10%** of the **female population** yearly
- Calculation of **average gender pay gap and by groups of employees**
- **Selection with headhunters:** ensuring gender-balanced research
- **DE&I Manifesto**³ 

ENVIRONMENTAL PROTECTION



- 100% **electricity from renewable sources**
- 100% **car fleet with low environmental impact**
- 100% of **FSC-certified sustainable paper**
- **Employee awareness initiatives on environmental issues**
- Appointment of the Milan office **Mobility Manager**



2024

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Pursuant the Leg. Decree of 24 February 1998, no. 58, par. 2, (“Testo Unico della Finanza”), the manager in charge for the preparation of the company’s financial reports, Luca Lampugnani, declares that the accounting information contained in the Presentation reflect the AMCO’s documented results, financial accounts and accounting records.

CO

The image features the letters 'CO' in a large, white, sans-serif font. The letters are positioned in the lower-left to center area of the frame. The background is a dark, atmospheric landscape with a silhouetted mountain range in the distance and a dark, textured foreground that appears to be a field or a beach at night. The overall color palette is dark, with shades of blue, black, and grey, creating a moody and minimalist aesthetic.