

# FY24 Results

We look to the future by changing the present

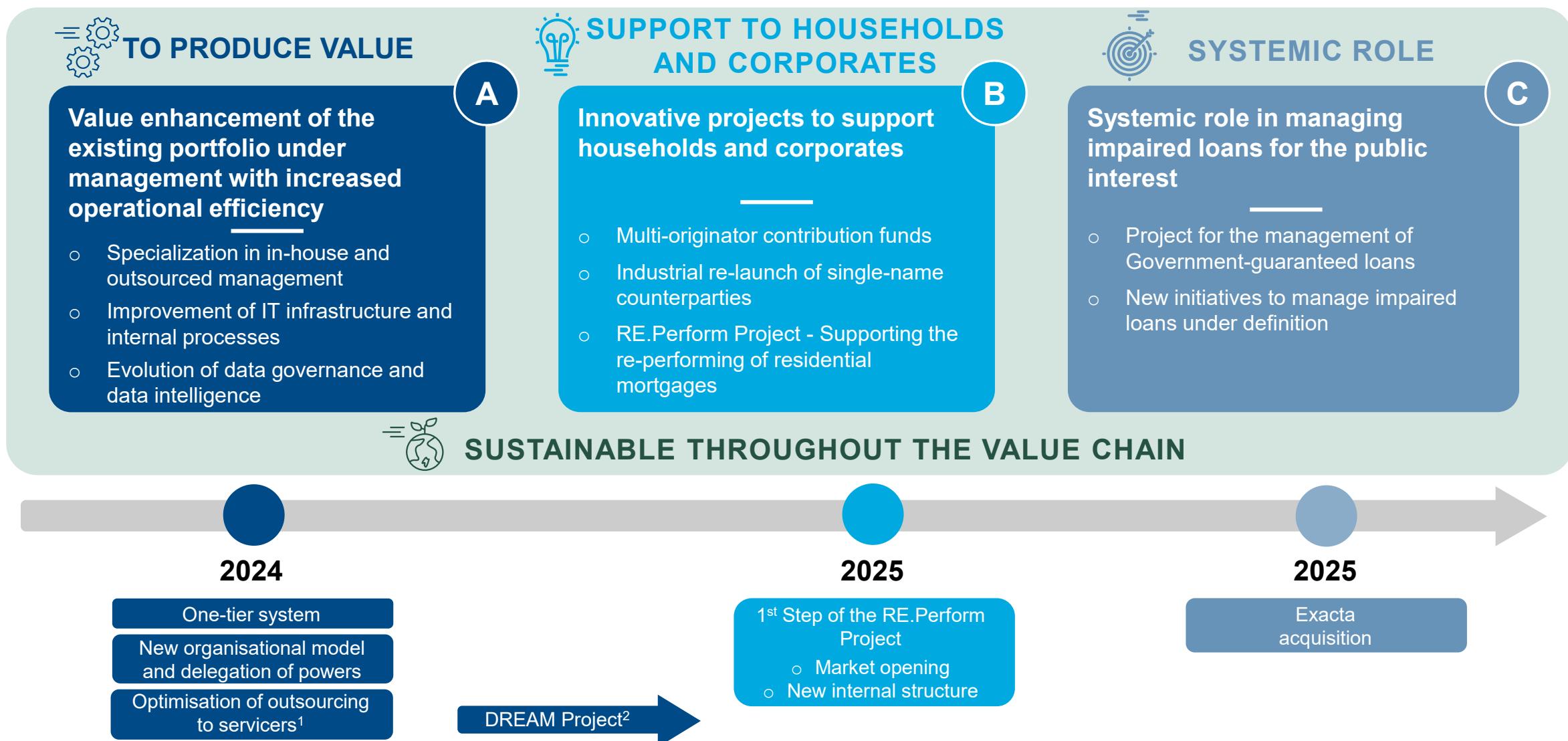
13 March 2025



A man with a beard and short hair is working on a large, dark, metallic industrial pipe structure. He is wearing a dark long-sleeved shirt and is focused on his task. The pipe has several large, circular access ports or flanges. The lighting is dramatic, with strong highlights and shadows, emphasizing the metallic texture of the pipes and the man's concentration. In the background, there are some industrial structures and equipment, though they are mostly in shadow.

# «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 Board<sup>1</sup>, 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 systems<sup>2</sup>**
- **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

€14.7bn AuM

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

### Turnaround & Strategic Finance

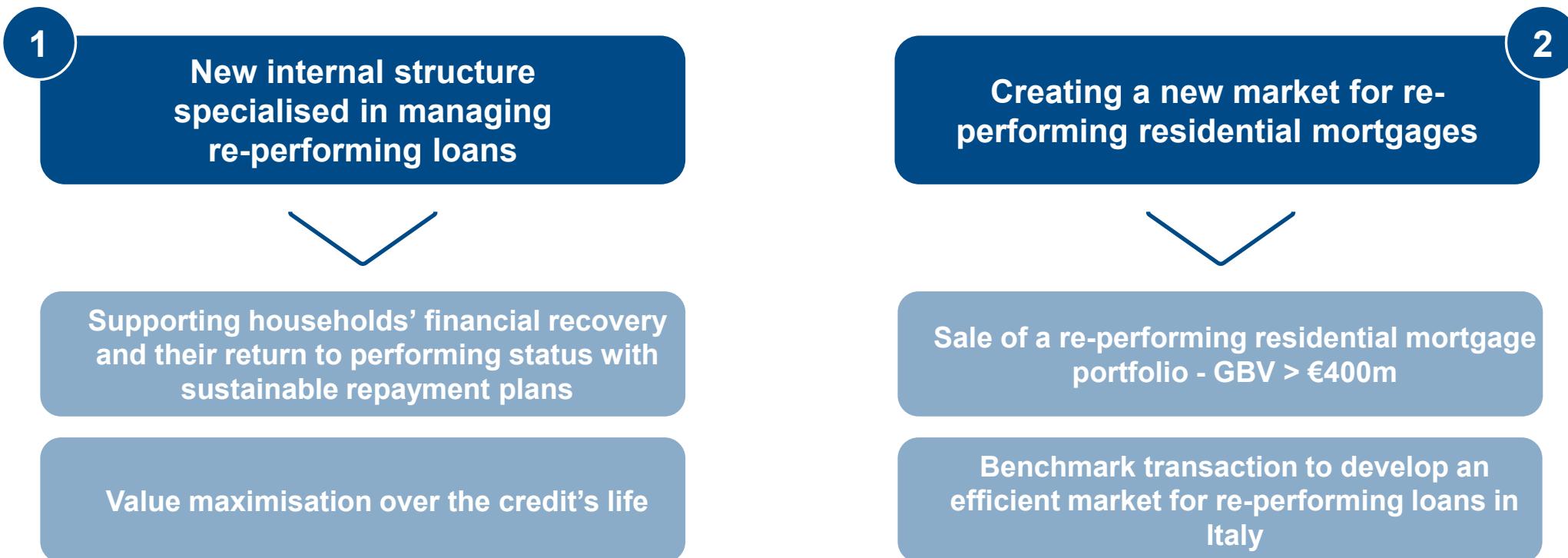
€17.5bn AuM

- 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 services<sup>1</sup>
- Exacta stands out for its continuous **process innovation and technological platform**
- Post-transaction, Exacta's shareholders's structure will be: **80% AMCO and 20% founders and management**
- Exacta will be **managed separately**, with adequate **managerial and operating autonomy** under **AMCO's management and coordination**

Acquisition rationale		Financial Impacts for AMCO			
Strengthening AMCO's systemic role in line with the Strategic Plan		Complementary services and expansion of competencies			
<ul style="list-style-type: none"><li>○ <b>New business area</b> to support public finances</li><li>○ Structure with <b>high recovery rates</b>, well <b>recognised in the market</b></li><li>○ <b>Consultancy services</b> to support local authorities</li></ul>		<ul style="list-style-type: none"><li>○ <b>Services complementary to AMCO</b>, without overlapping</li><li>○ Operating platform with <b>strong know-how</b></li></ul>			
FY24 - €m	AMCO	Exacta	AMCO PF		
Revenues <sup>2</sup>	438	37	475		
EBITDA	237	14	251		
Net Income	29	9	38		
Net debt	~(1.88) bn	0 bn	~(1.88) bn		
stock of credit under management as at 31.12.2024: c. €800m					
The Transaction has no impact on AMCO's financial strength given the size of Exacta in relation to AMCO					

# GSSE Sustainability

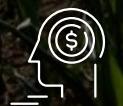
## FY24 Highlights



- 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 properties<sup>1</sup>



- 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%<sup>1</sup>** 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<sup>2</sup>** 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



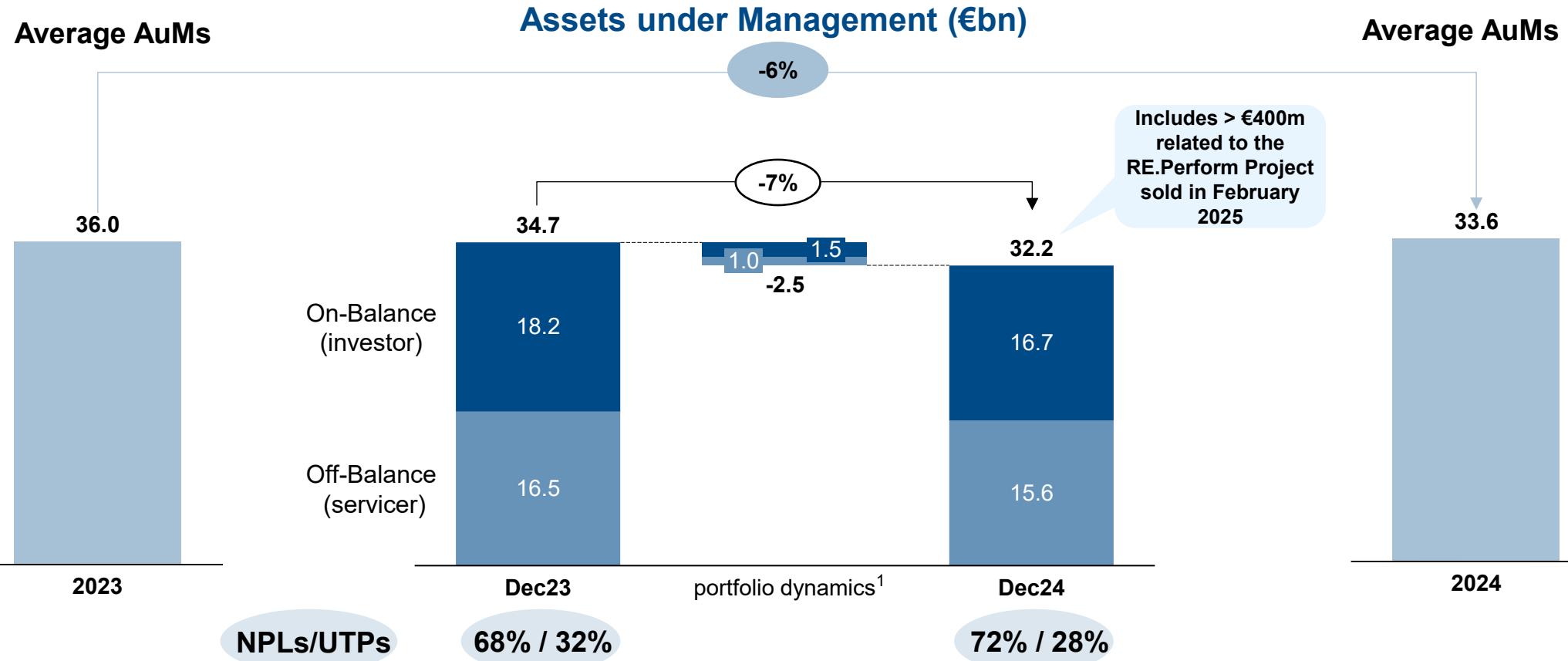
**Net financial position** is **-€1.88bn**, **improving** by **€828m** compared to end 2023, thanks to collections from on-balance portfolios

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



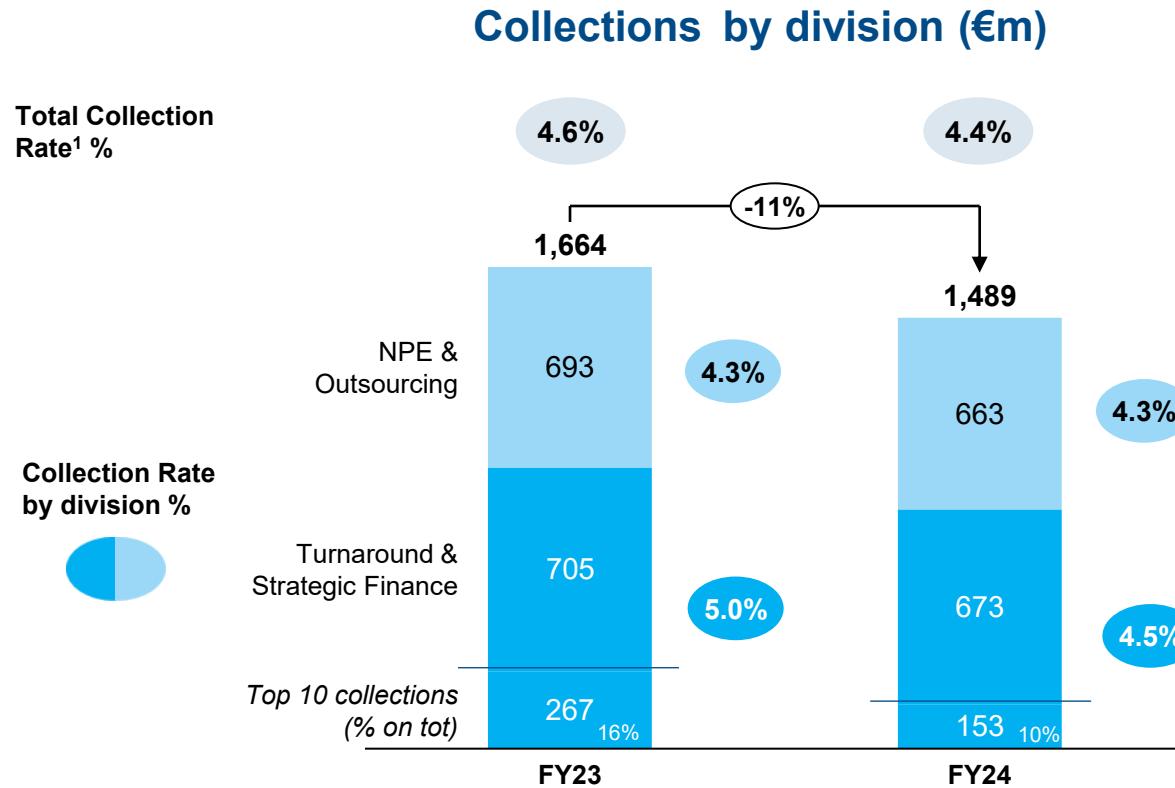
**L-T/S-T ratings** are confirmed at **BBB/F2/positive** (Fitch Oct-24) and **BBB/A-2/stable** (S&P May-24)

# 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

# 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%

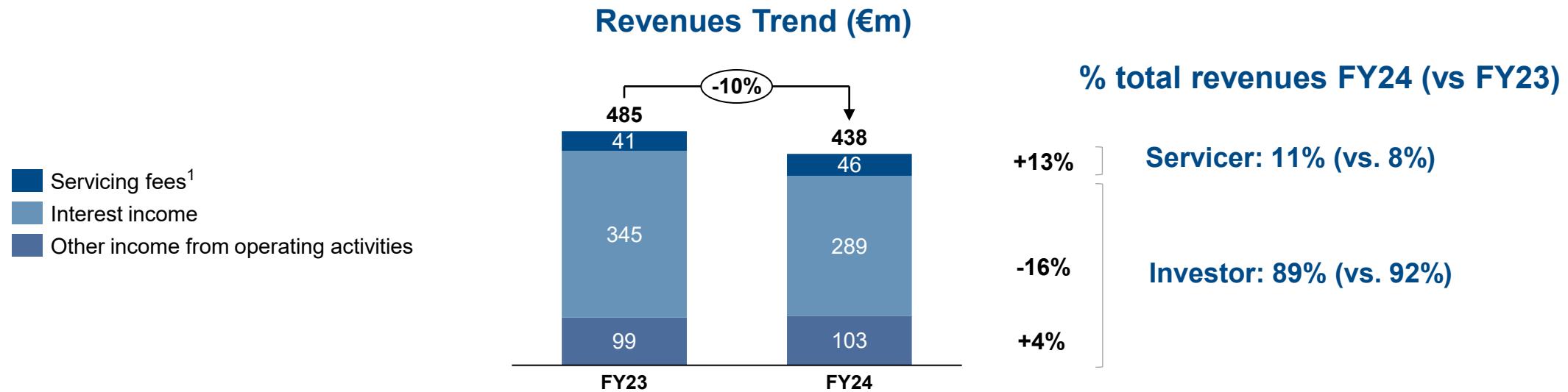
# Net income is €29m due to lower adjustments and lower debt. Slightly lower AuMs and expenses to strengthen the structure impact EBITDA

---

€m	FY23	FY24	Change %
Total Revenues <sup>1</sup>	484.7	437.7	-10%
Total Costs <sup>1</sup>	(180.4)	(200.6)	11%
<b>EBITDA</b>	<b>304.3</b>	<b>237.1</b>	<b>-22%</b>
<b>EBITDA margin</b>	<b>62.8%</b>	<b>54.2%</b>	<b>n.m.</b>
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.
<b>EBIT</b>	<b>(267.7)</b>	<b>121.1</b>	<b>n.m.</b>
Net interests from financial activities	(89.6)	(69.2)	-23%
<b>Pre-tax income</b>	<b>(357.3)</b>	<b>51.9</b>	<b>n.m.</b>
Income taxes	(30.7)	(22.9)	-25%
<b>Net income</b>	<b>(388.0)</b>	<b>28.9</b>	<b>n.m.</b>

- **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 credit provisions** 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

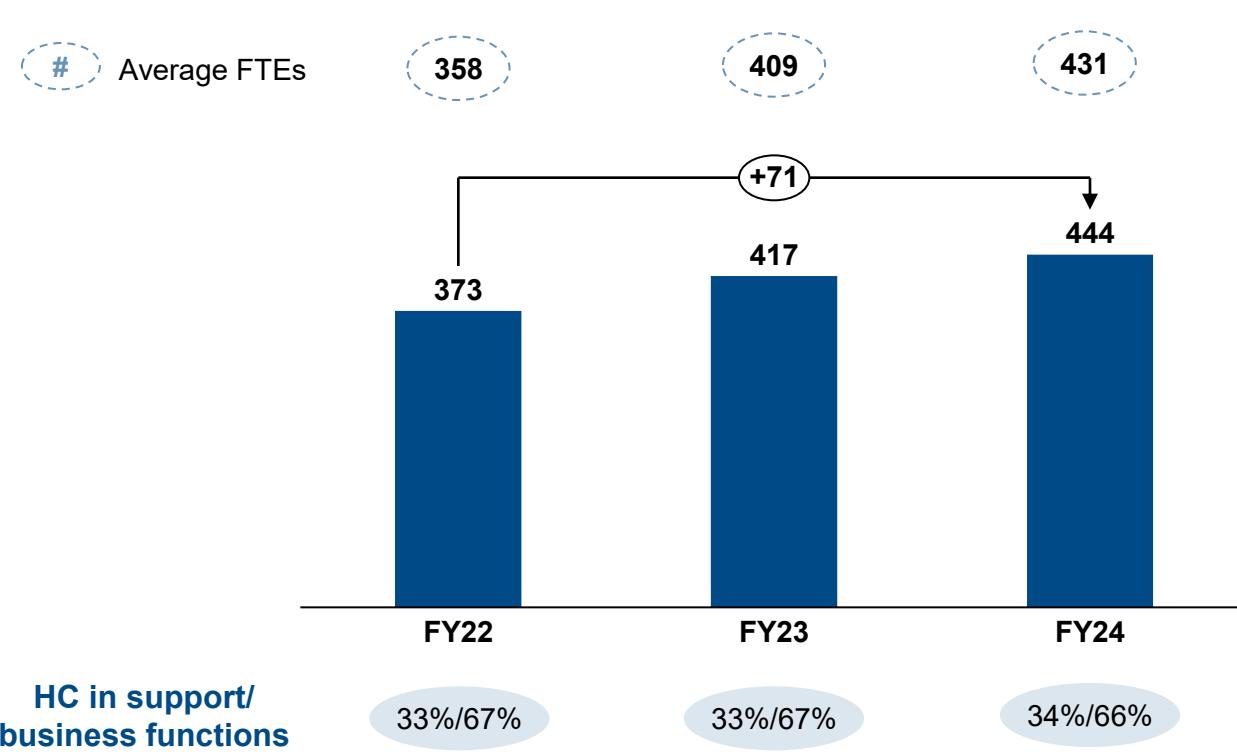
# Revenues decreased by 10% y/y as a result of lower interest income due to the slight decrease in average AuMs



- **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

# Headcounts grow to strengthen the organisational and operational set-up

## Headcounts Evolution



## Staff composition as of 31.12.2024



**Men**  
58%



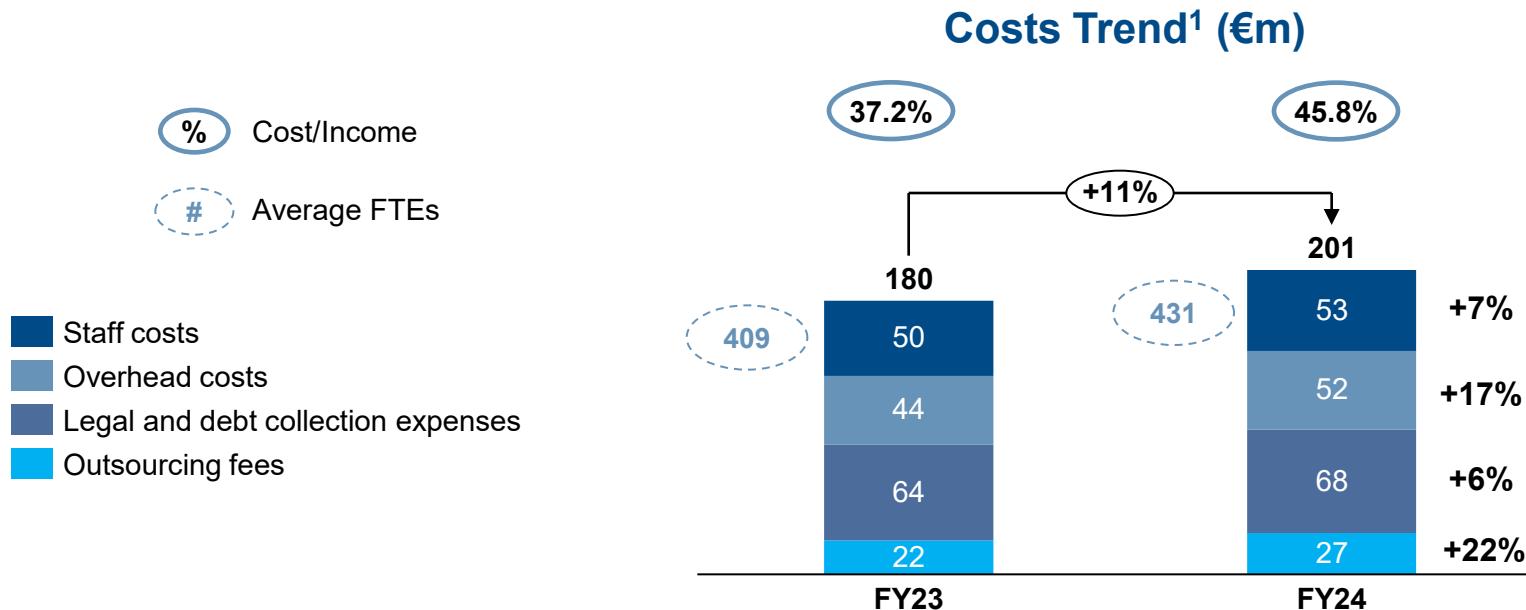
**Women**  
42%



**Average age**  
44 years

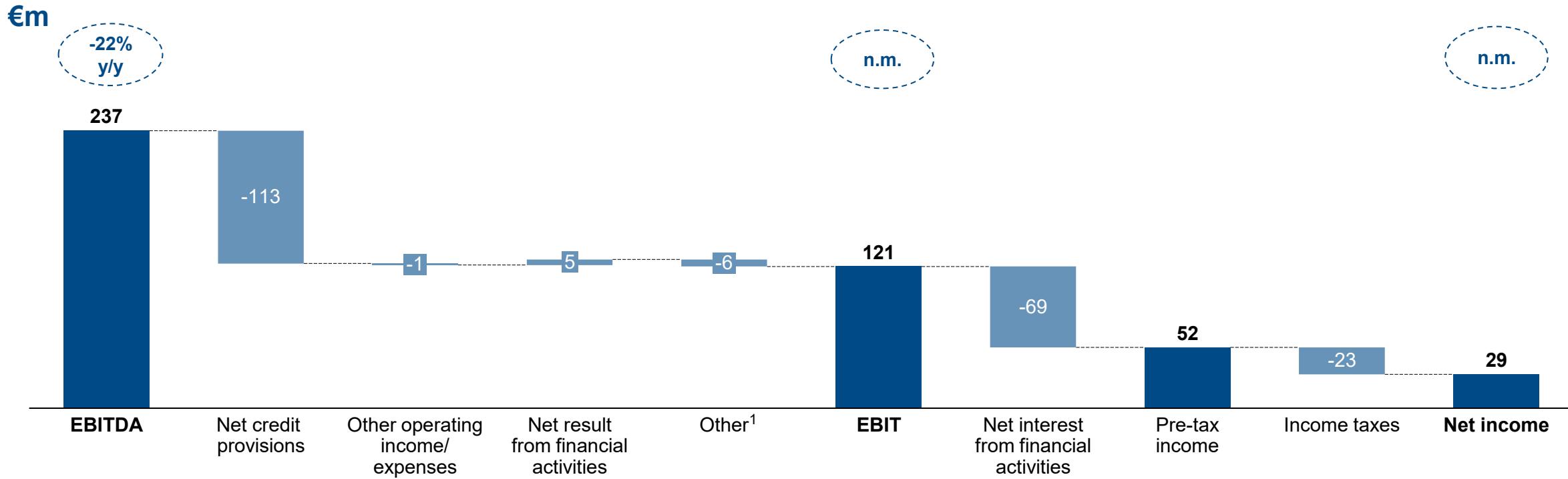
- Hirings were mainly focused on business functions (NPE & Outsourcing and Centralised Controls) and Staff functions (COO), including the new Transformation Office structure

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



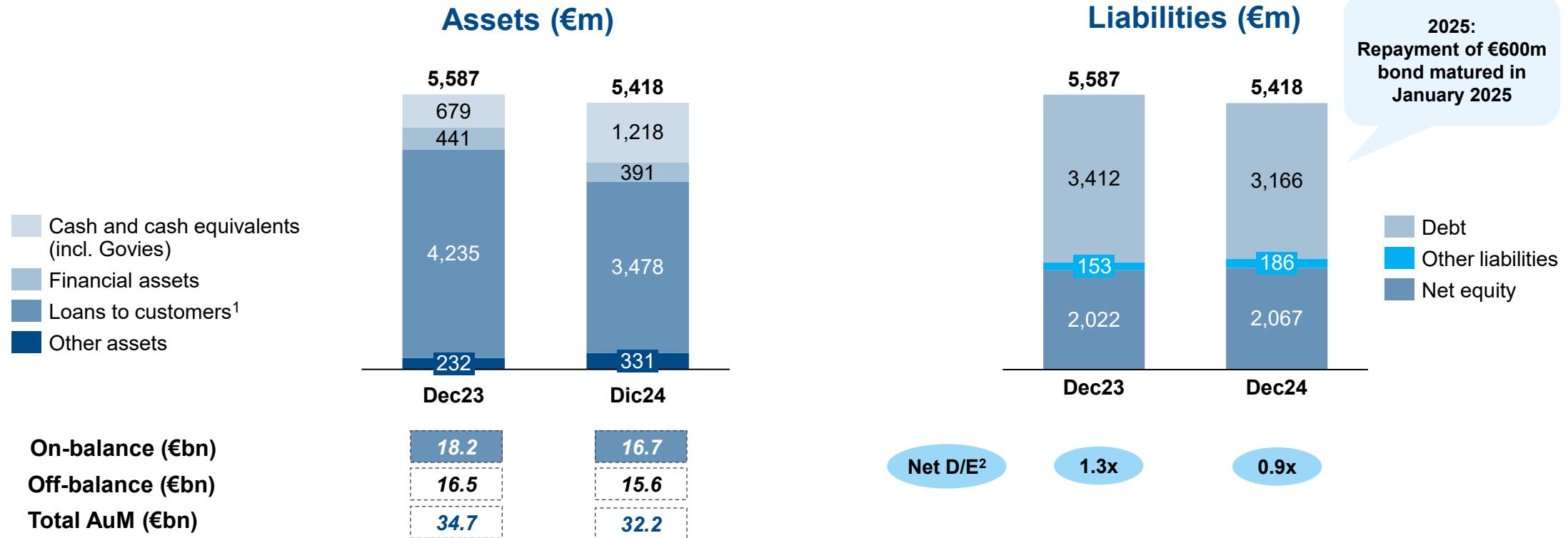
- **Staff costs** increased (+7% y/y) due to new hires to strengthen corporate structure and the renewal of the national contract
- **Overhead costs** grew (+17% y/y) due to IT initiatives and specialised consultancy services related to projects included in the Strategic Plan (i.e. DREAM Project)
- **Legal 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 credit provisions** (-€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

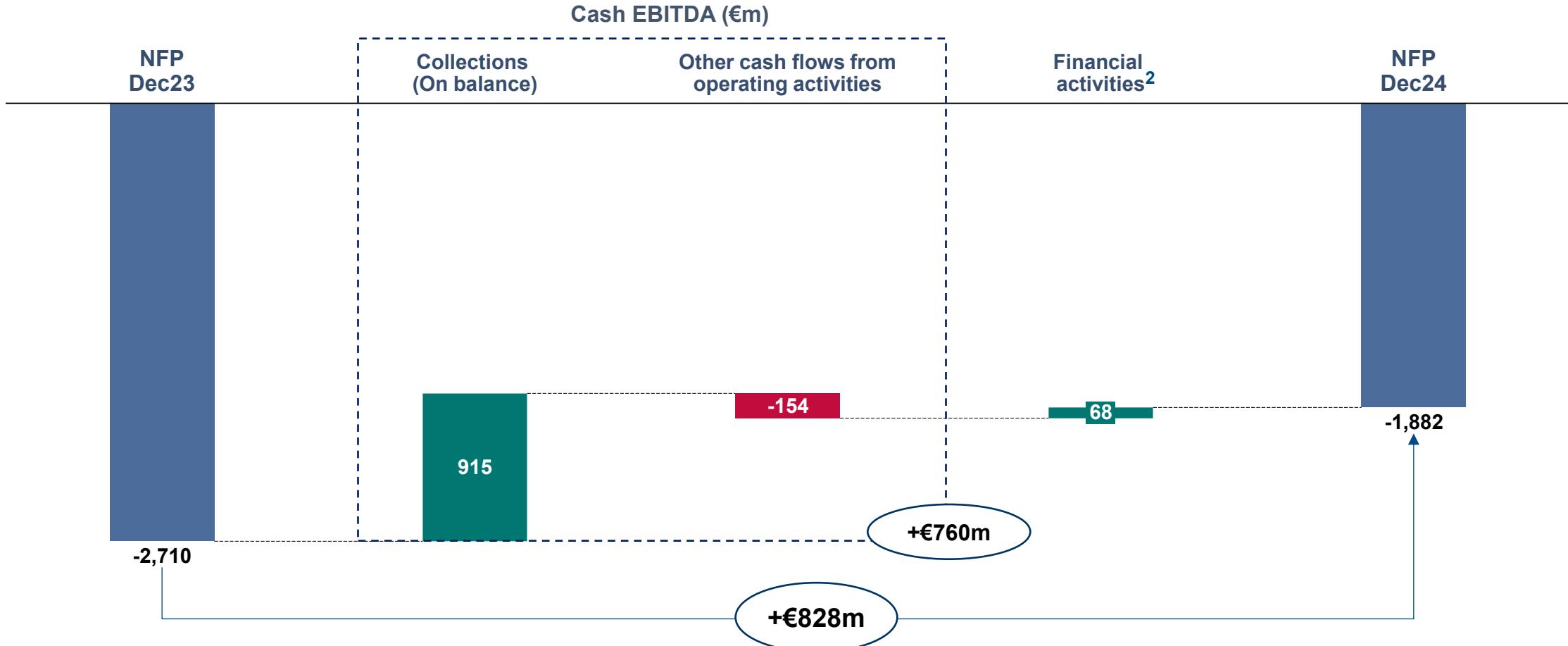
# Assets declined due to the natural decrease of the credit portfolio. Lower debt after the repayment of bonds matured in February 2024



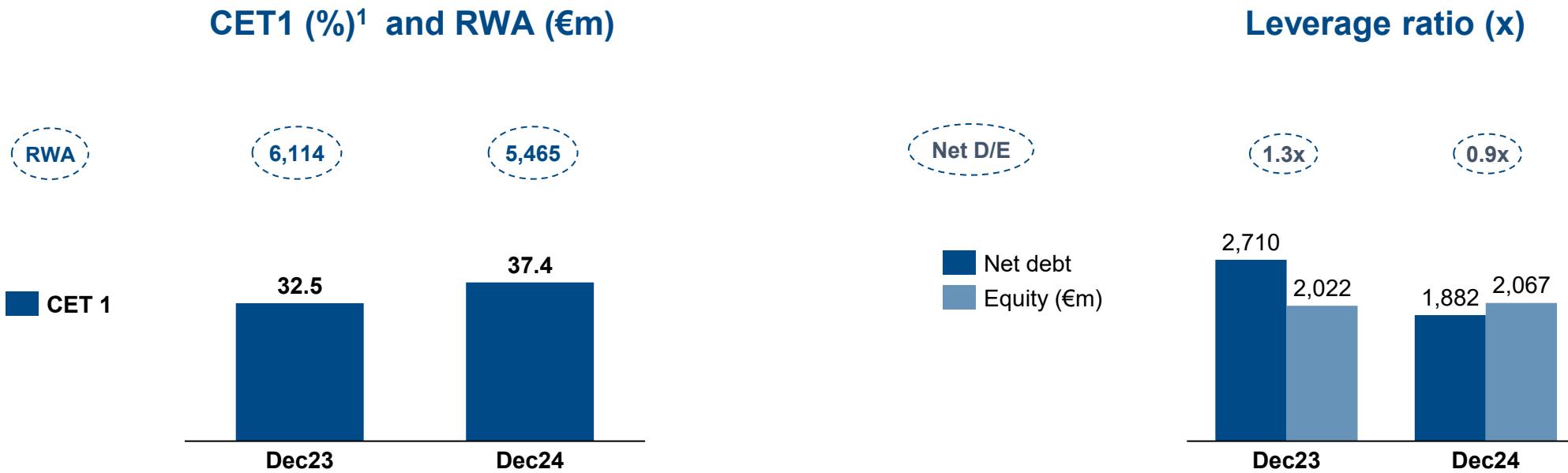
- **Loans to customers** decreased y/y due to collections generated by credit management of on-balance portfolios
- The strong growth in **cash and cash equivalents** (+80% y/y) was due to investments in Government Bonds done by using operating cash flow. This liquidity was then used to repay the €600m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

# Net debt improved thanks to solid operating cash flow

## Net Financial Position Evolution<sup>1</sup> (€m)



# The capital structure is solid with CET1 at 37.4%



- The **sound capital structure** is confirmed: **CET1** of **37.4%**<sup>2</sup> 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	4,237,830
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
<b>Total assets</b>	<b>5,418,448</b>	<b>5,587,480</b>

# 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)
<b>Total liabilities and shareholders' equity</b>	<b>5,418,448</b>	<b>5,587,480</b>

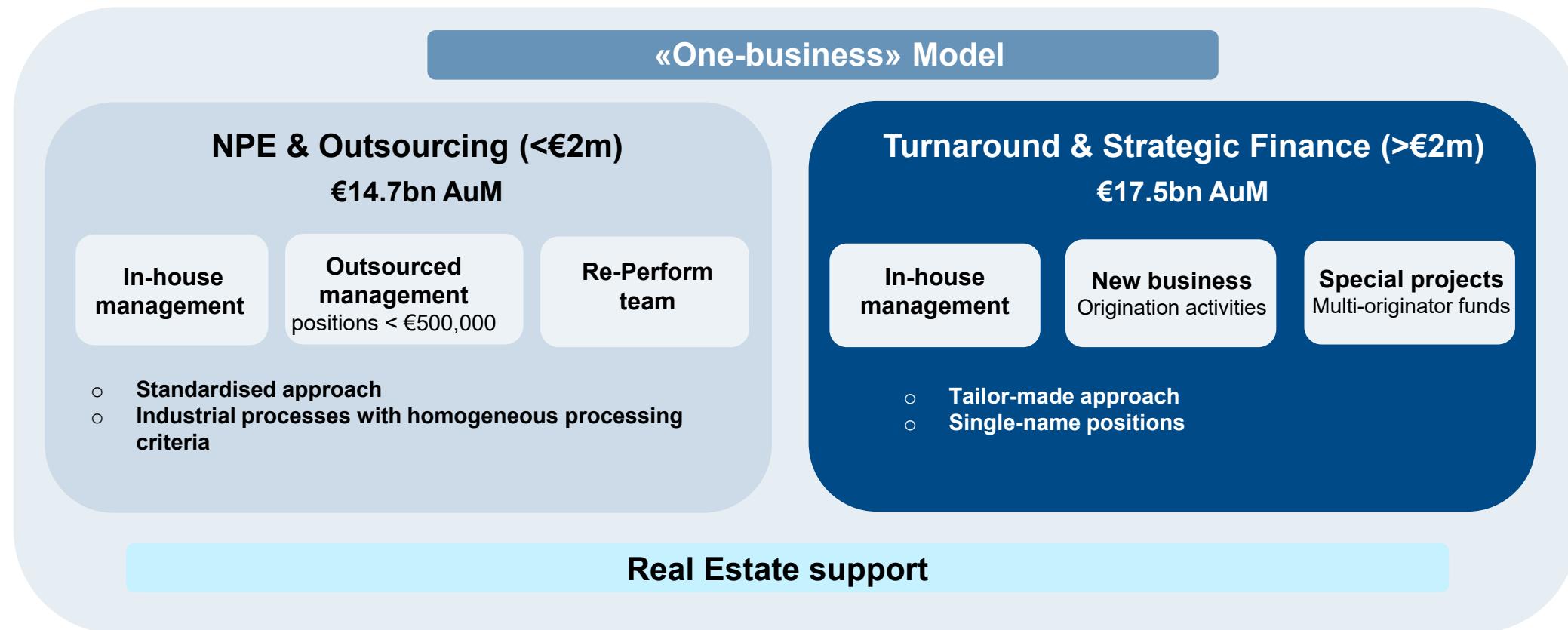
# Consolidated Profit and Loss Account as at 31.12.2024 - Bank of Italy format

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)
<b>30. Interest margin</b>	<b>216,816</b>	<b>253,281</b>
40. Fee and commission income	39,548	42,621
50. Fee and commission expense	(90)	(94)
<b>60. Net commissions</b>	<b>39,458</b>	<b>42,528</b>
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	3,414	(39,666)
b) other financial assets mandatorily measured at fair value	3,414	(39,666)
<b>120. Operating income</b>	<b>270,999</b>	<b>285,016</b>
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
<b>150. Net result from financial operations</b>	<b>248,597</b>	<b>(163,098)</b>
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	(1,505)	(8,505)
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
<b>210. Operating Costs</b>	<b>(196,720)</b>	<b>(194,189)</b>
<b>260. Profit (Loss) of current operating activities before taxes</b>	<b>51,878</b>	<b>(357,289)</b>
270. Income taxes for the year on current operations	(22,936)	(30,674)
<b>280. Profit (Loss) of current operating activities after taxes</b>	<b>28,941</b>	<b>(387,963)</b>
290. Profit (Loss) from discontinued operations after taxes		
<b>300. Profit (loss) for the period</b>	<b>28,941</b>	<b>(387,963)</b>

# Appendix

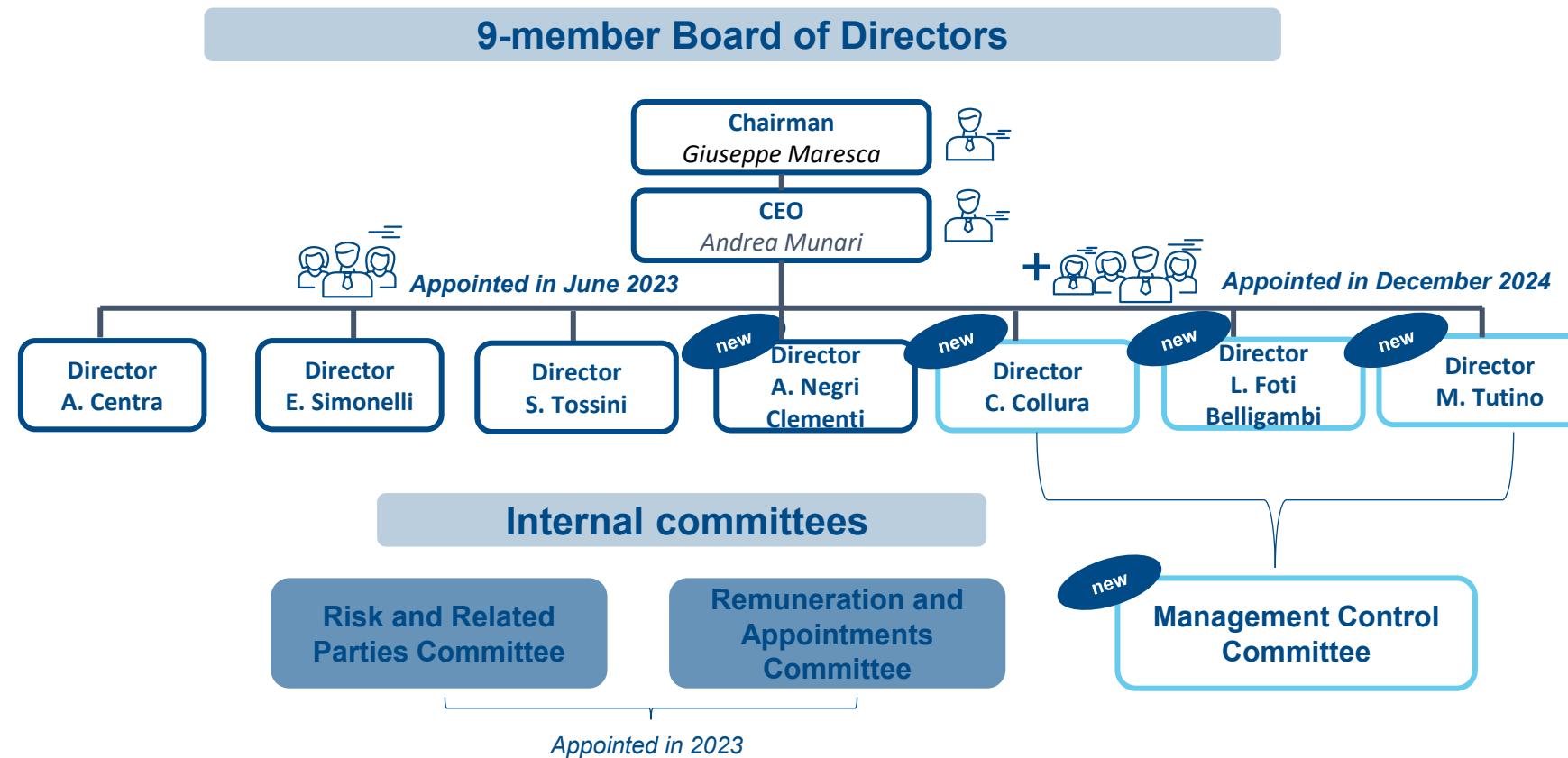


# Since 2H24, business divisions are specialised by credit size. Smaller tickets are usually managed by third-party servicers



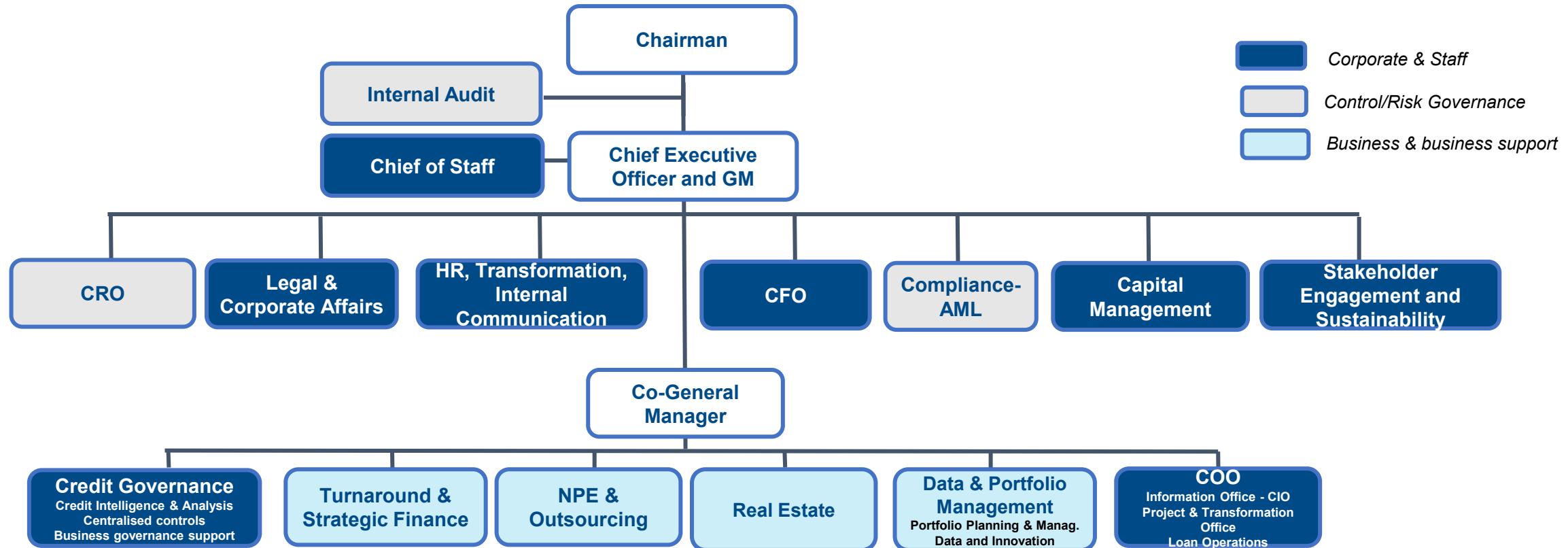
- **The outsourced management** of the credit portfolio is allocated to **8 servicers<sup>1</sup>**, selected according to strict criteria starting from 1.1.2025.

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



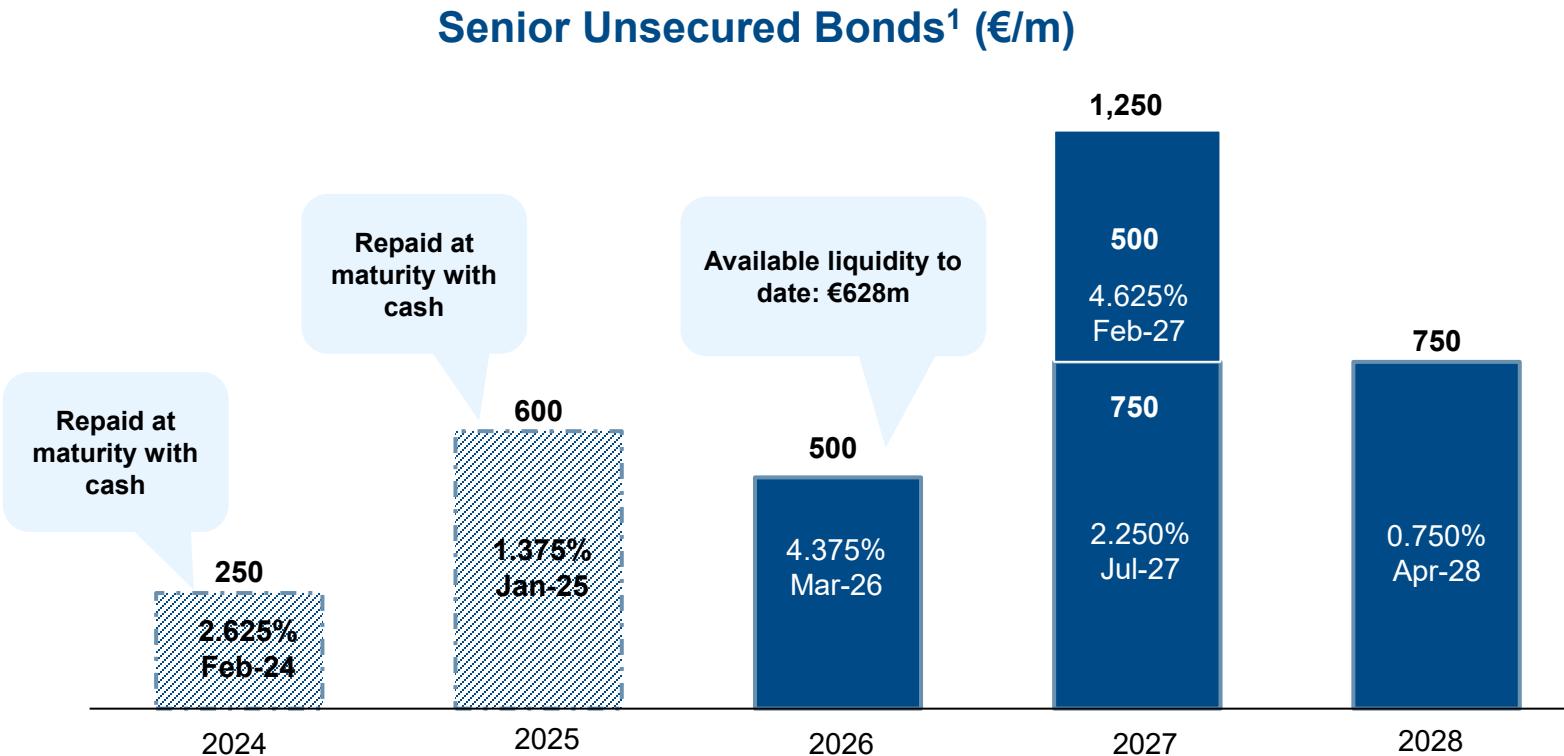
- With the transition to the one-tier system approved by the Shareholders' Meeting on 30.12.2024, AMCO enhances the effectiveness of controls through the **Management Control Committee set up within the BoD**
- New appointments **increase the weight of women (55%)** in the Board<sup>1</sup> and contribute 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

# AMCO's financial debt is entirely unsecured and spread over several maturities. Investment grade rating by S&P and Fitch



## Issuer Default Rating Investment Grade

### S&P Global

Ratings

- LT: BBB
- ST: A-2

Stable

### Fitch Ratings

- LT: BBB
- ST: F2

Positive

## Special Servicer Rating

### Fitch Ratings

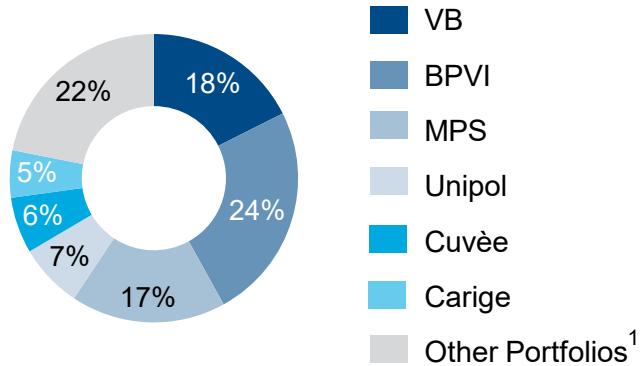
- Residential: RSS2
- Commercial: CSS2
- Asset-Backed: ABSS2

Evolving

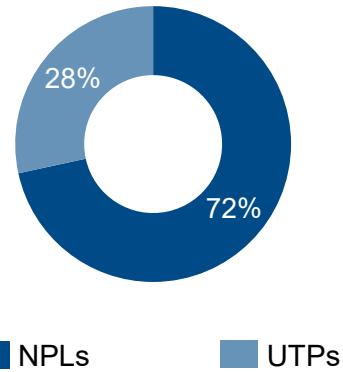
- AMCO's **financial debt** is entirely **unsecured** and well **spread** over **several maturities**
- **Bonds maturing in February 2024 and in January 2025 were repaid** with cash
- The **average remaining duration** of AMCO's total **debt is 2.3 years**

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

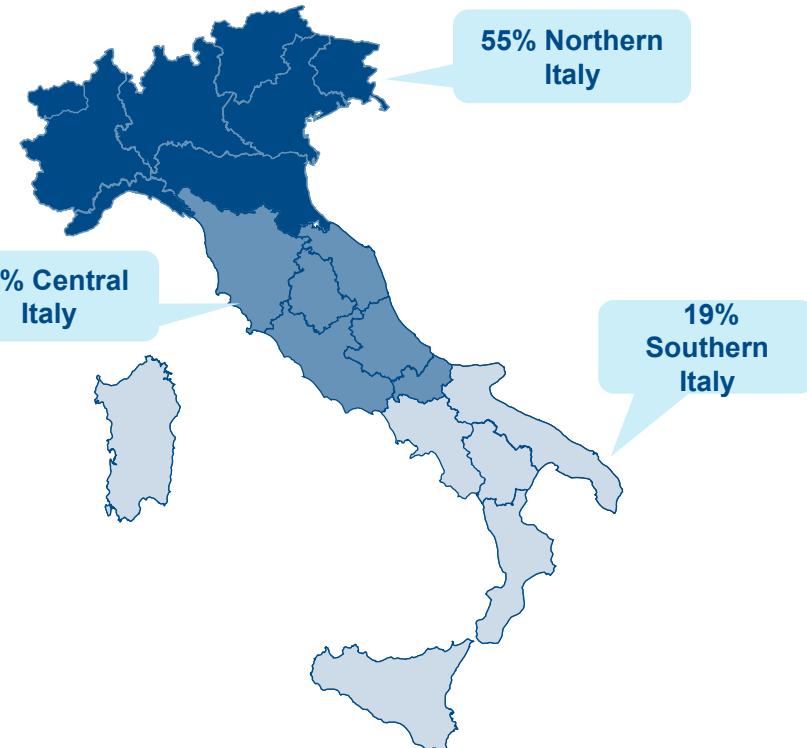
Portfolios (% GBV)



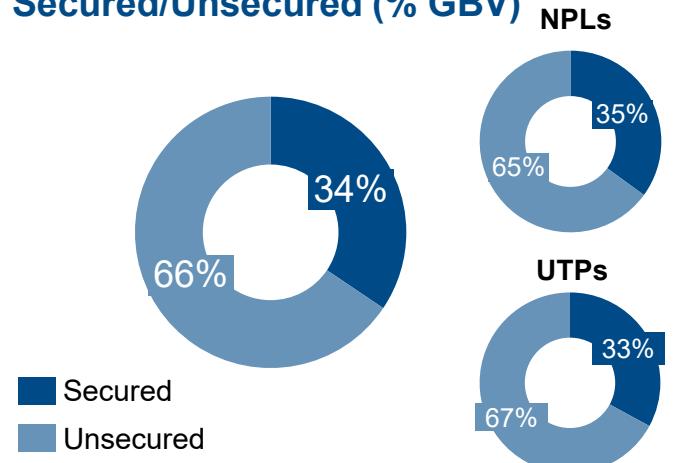
Classification (% GBV)



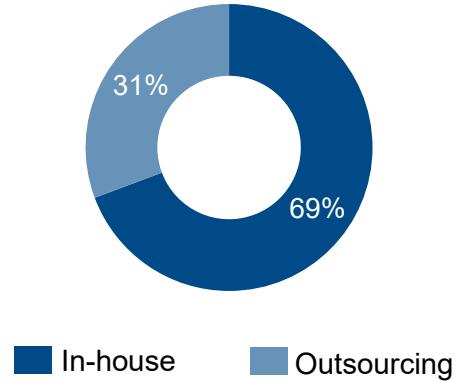
Geography<sup>2</sup> (% GBV)



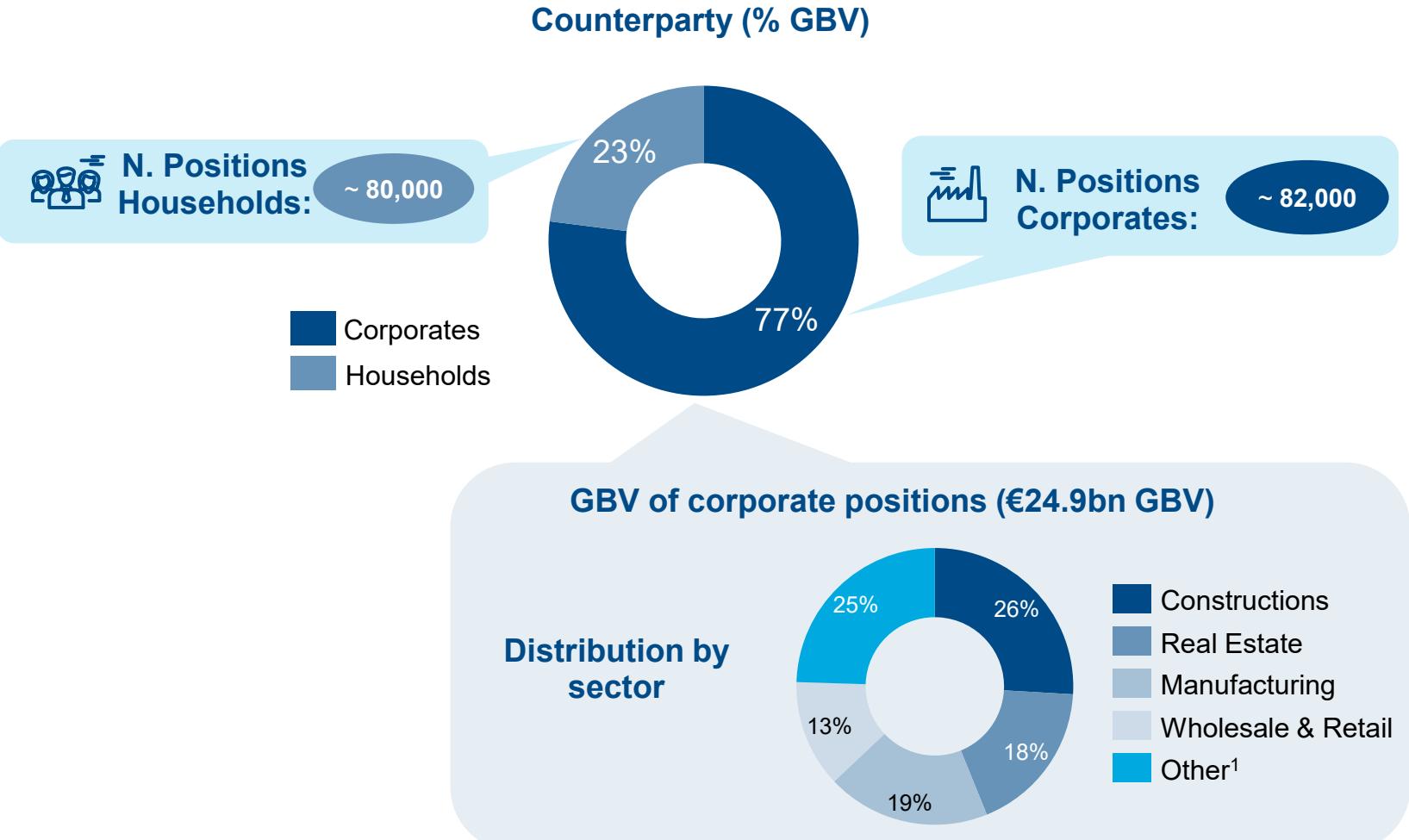
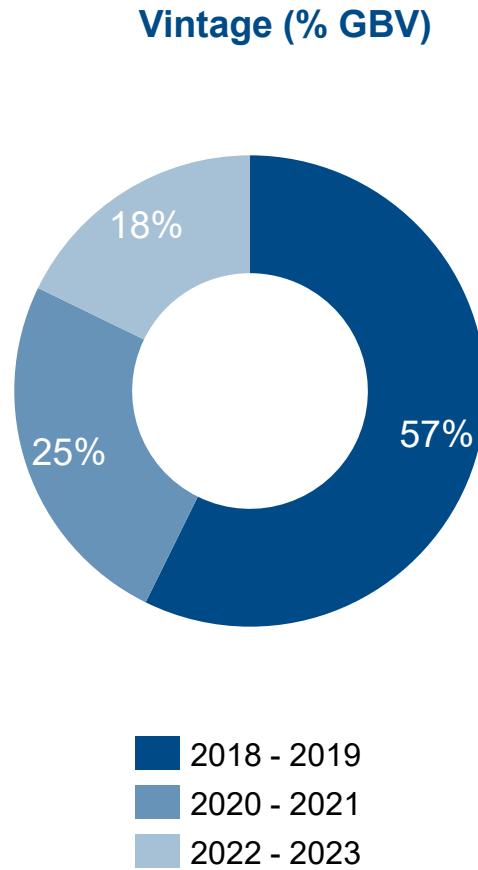
Secured/Unsecured (% GBV)



Management (% GBV)



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



# 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



2024

- 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 - (2<sup>nd</sup> cycle 2024-26)
- **Relevant suppliers assessed** with **ESG criteria**
- **Renewal anti-corruption certification**
- **ESG Board Committee<sup>1</sup>**

## 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 **reposessed properties<sup>2</sup>**
- **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<sup>3</sup>**

## 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**

---

*This presentation (the “Presentation”) may contain expectations and forward-looking statements which rely on assumptions, hypotheses and projections of the management of AMCO - Asset Management Company S.p.A. (“AMCO”) concerning future events which are subject to a number of uncertainty and outside the control of AMCO. There are a variety of factors that may cause actual results and performance to be materially different from any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance.*

*Expectations and forward-looking statements included in this Presentation are provided as the date hereof only and may be subject to changes. AMCO undertakes no obligation to publicly update or revise any expectations or forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law.*

*Contents of this Presentation have not been independently verified and could be subject to change without notice. Such contents are based on sources which AMCO relies on; however, AMCO does not make any representation (either explicit or implicit) or warranty on their completeness, timeliness and accuracy.*

*Neither this Presentation nor any part of it nor its distribution may form the basis of, or be relied on or in connection with, any investment decision. Data, information, statements and opinions contained in this Presentation are for information purposes only and do not constitute a public offer or an inducement to sell, purchase, exchange or subscribe financial instruments or any recommendation to sell, purchase, exchange or subscribe such financial instruments.*

*None of the financial instruments possibly referred to herein have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States or in Australia, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful, and there will be no public offer of any such financial instruments in the United States.*

*Neither AMCO nor any of its representatives or employees accept any liability whatsoever in connection with this Presentation or any of its contents or in relation to any cost, loss or damage arising from its use.*

*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