Morgan Stanley - Leveraged Finance Conference

AnaCap Financial Europe S.A.

19 April 2018

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Today's Presenters

Justin Sulger – Head of Credit Investments,
AnaCap Financial Partners LLP

Chris Ross-Roberts – Director and CFO,
AnaCap Financial Europe S.A. SICAV-RAIF

Introduction to AnaCap Financial Partners

European financial services specialist investor

Andrew Jackson
Non-Executive Chairman
AnaCap since 2005. Previously Co-Founder of Intermediate Capital Group (ICG)

Joe Giannamore
CEO/CIO
Founded AnaCap in 2005. Previously founded On:line Finance (acquired by GMAC), and at Salomon Bros

Justin Sulger
Head of Credit Strategies
AnaCap since 2006. Previously at Goldman Sachs and Morgan Stanley

Peter Cartwright
Head of Private Equity
AnaCap since 2006. Previously in PE-backed Insurance Services, and at GE Capital and GMAC

Chris Patrick
Partner – Risk & Liability Mgmt
AnaCap since 2008. Previously at Lehman Brothers, Credit Suisse and Nomura International

Michael Edwards
Chief Operating Partner
AnaCap since 2007. Previously over 20 years of FS experience

Amber Hilkene
Head of Investor Relations
AnaCap since 2006. Previously with The Gores Group and CIBC World Markets

AnaCap Financial Partners

Firm profile

AnaCap is the largest asset manager dedicated to European Financial Services, providing 'one stop' solutions to the financial services sector across complementary strategies

- **Founded: 2005**
- **Capital raised: €3.5bn**
- **Employees: 69**
- **Investment professionals: 36**

Complementary strategies

Private Equity - €2bn raised

- Launched 2005
- Regulatory change and structural dislocation driving restructuring across the sector
- Delivering value creation through transformation and growth of companies
- In-house expertise to drive change *through proven and replicable engagement strategies*
- Extensive digital transformation track record
- 20 primary investments across 8 jurisdictions
- Strong regulatory credentials across Europe as well as being the largest PE owner of banks in the region

Credit - €1.5bn raised

- Launched 2009
- Focus on diversified credit portfolios, leveraging in-house expertise across secured and unsecured consumer, SME and corporate debt
- Ongoing sector deleveraging driving strong supply of credit investment opportunities
- Strong franchise established across all key jurisdictions
- Leveraging expertise building lending and servicing platforms
- Active asset management approach utilising best in class servicing partners underpinned by digital platform
- Completed 50 investments across 10 EU countries

Extensive experience and networks across Europe

70 PRIMARY INVESTMENTS

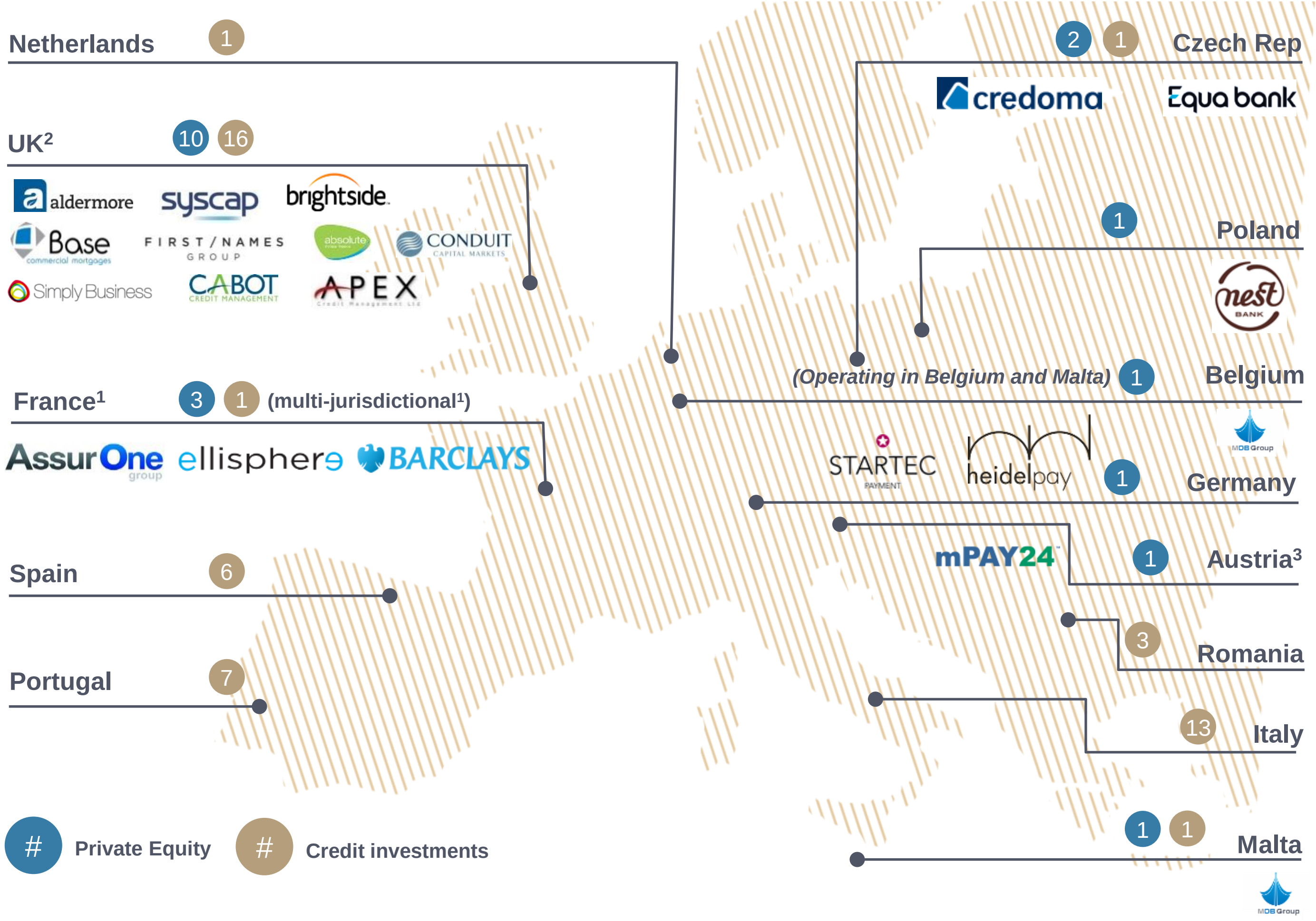
20 in PE and 50 in Credit since inception in 2006

Active investments across 13 jurisdictions

Offices in London, Luxembourg and India

6 regulated banks operating across 6 European jurisdictions

Barriers to entry in new geographies greatly reduced through reputation and credibility



Total number of investments include recently completed AOF III investments Heming, Satta II and Purple, and AFE investments Padilla and Mars

1 Project Windsor multi jurisdictional credit investment across France, Italy, Spain and Germany

2 First Names Group spans multiple jurisdictions including Jersey, Cyprus, Switzerland, Ireland, the British Virgin Islands, Japan, Spain, the USA, UK and the Isle of Man

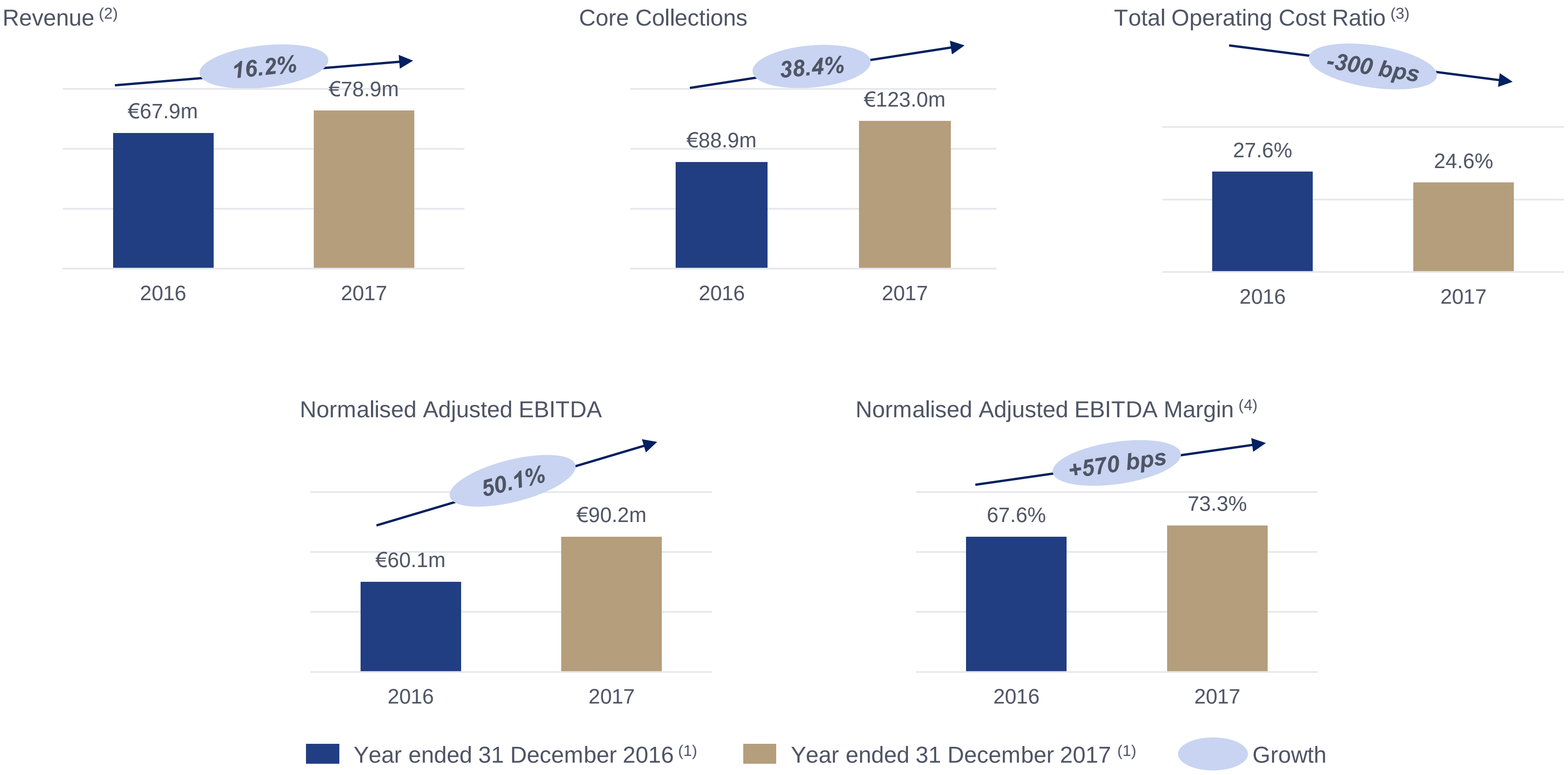
3 Heidelpay entered the Austrian market in November 2017 through the bolt-on acquisition of mPAY24

AnaCap Financial Europe S.A.

2017 Key Highlights

1. Continued strong collection performance in FY2017, in line with forecasts at 98.2%
2. Sound financial profile, with strong growth in revenues and adjusted EBITDA; improved margins supported by cost efficiencies and digital platform
3. Full revaluation of all portfolios as of end December 2017, resulting in isolated impairment charge on a single Italian unsecured consumer NPL portfolio
4. ERC remains underpinned by significant collateral in the form of Real Estate and Cash, with c.€360m of collections within the next 4 years alone
5. Strong pipeline and extensive origination network allow for disciplined deployment, with significant available liquidity including upsized RCF at €90m
6. Net Debt/LTM adjusted EBITDA at a low 3.1x (down from 3.7x in March 2017)

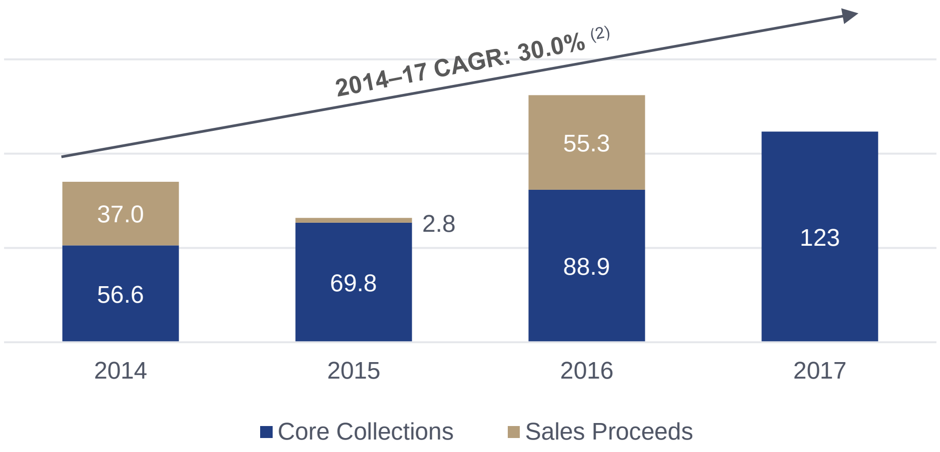
Key Financial Highlights for the Year Ended 31 December 2017: Strong Momentum & Growth in Key Financial Metrics



1 Results of the Portfolio Business for comparative purposes only
2 Excluding profit from portfolio sales
3 Total operating cost ratio, represents the ratio of operating expenses (excluding non-recurring items) to Core Collections
4 Based on Normalised Adjusted EBITDA as a percentage of Core Collections

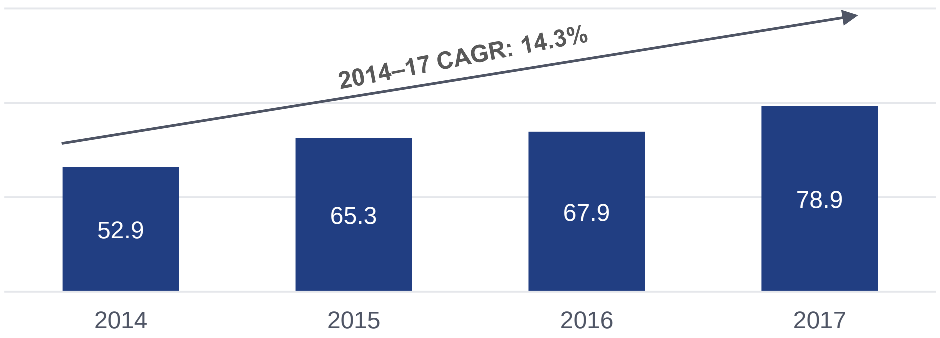
Growth in Collections and Revenue

Total gross collections (€m) (1)



- **Key Comments**
  - As predicted Q4 was a strong quarter with 38% of annual collections delivered in Q4 inline with forecasts.
  - Core collections in FY2017 grew 38.4% y-o-y, reflecting maturity of back book.

Revenue (excl. Profit from Portfolio Sales) (€m) (1)

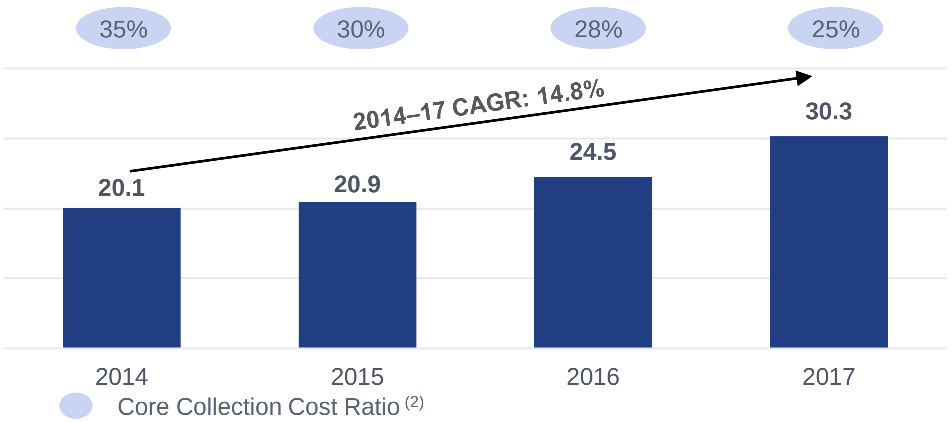


- **Key Comments**
  - Revenues grew over 16% y-o-y in FY2017 reflecting purchases in late 2016 and early 2017.

Sources: Company Information
1 Figures represent results for the 12 months ended 31 December 2017.
2 Compound annual growth is based on core collections only.

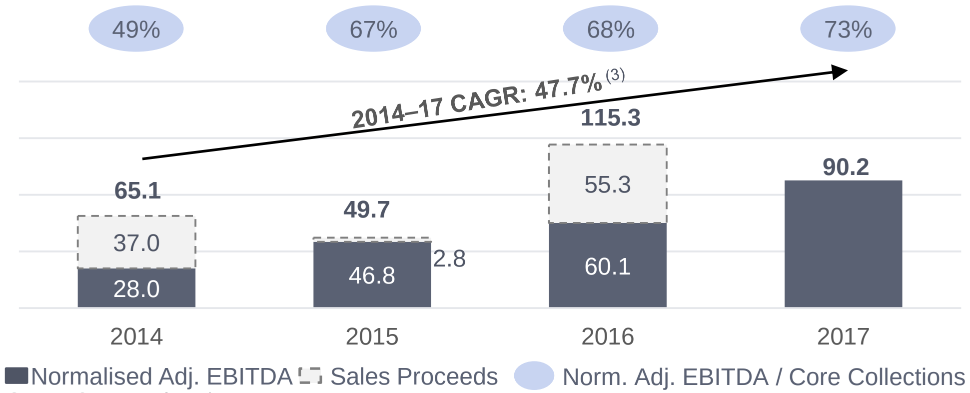
Strong EBITDA and Margin Improvement

Operating Expenses (€m) (1)(2)



- **Key Commentary**
  - Core collections increased by 38% y-o-y, compared to only an increase of 24% in Operating Expenses. Operating expenses fell to 25% of collections, reflecting maturity of book and market leading overhead cost structure (operating costs included total overheads and collection costs).
  - Since FY2014, costs as percentage of core collections has reduced by c.11ppts to 25% in FY2017.

Normalised Adjusted EBITDA (€m) (1)

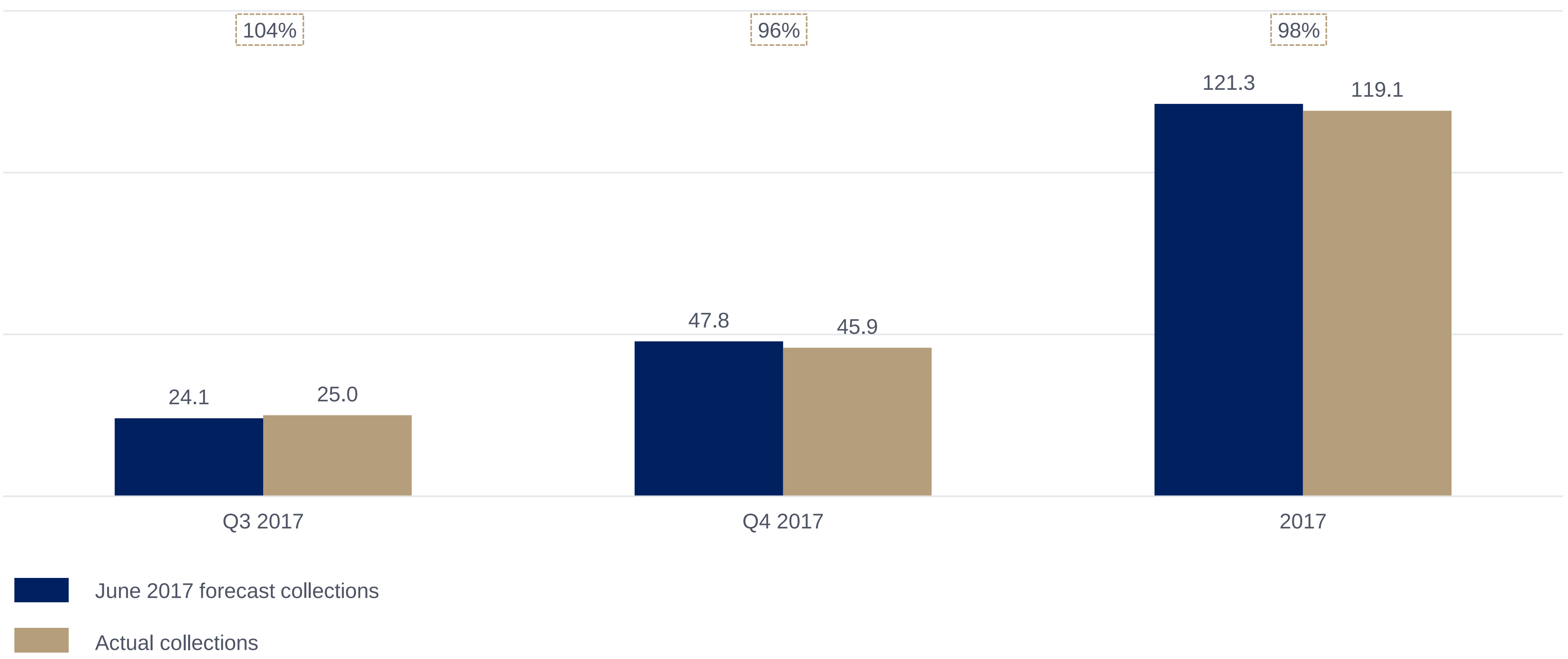


- **Key Commentary**
  - Strong core collection performance combined with cost efficiencies resulted in Normalised Adjusted EBITDA growth of 50% y-o-y.
  - Normalised Adjusted EBITDA 12.5% greater than for the pro-forma 12 months to 31 March 2017.
  - Normalised Adjusted EBITDA excludes an impairment charge for the year of €13.3m (€7.4m in Q4) , a non recurring tax provision of €4.7m and non-recurring operating costs in connection with the Acquisition of €2.4m

Sources: Company Information
1 Figures represent results for the 12 months ended 31 December 2017
2 Operating expenses exclude non-recurring items, impairment charges and FX
3 Compound annual growth is based on Normalised Adjusted EBITDA

Accuracy in Collections Forecast – Actual Full Year Attributable Collections 98.2% of June Forecast

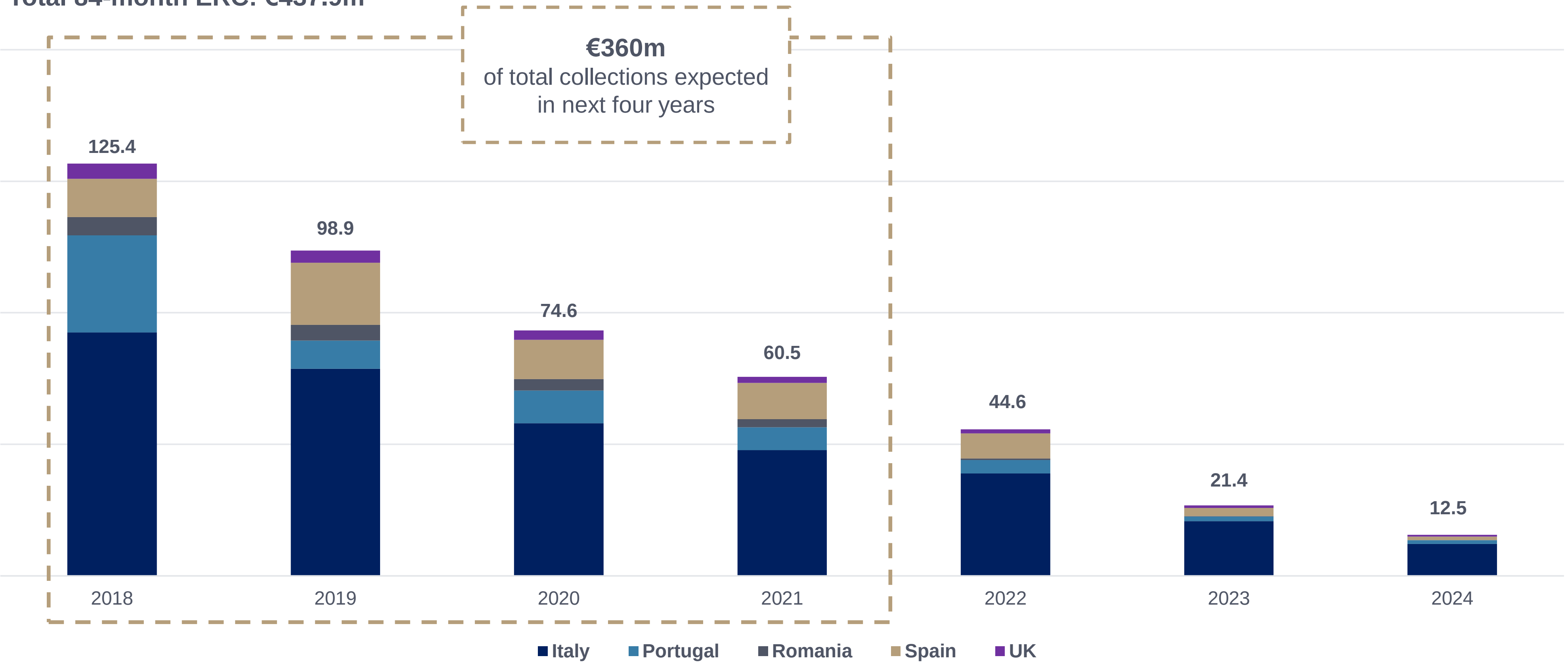
AFE 2017 Total Attributable Gross Collections Performance (€m)



Strong Expected Collections From Existing Portfolios and Together With Market Leading Cost Structure => Drive Adjusted EBITDA Growth

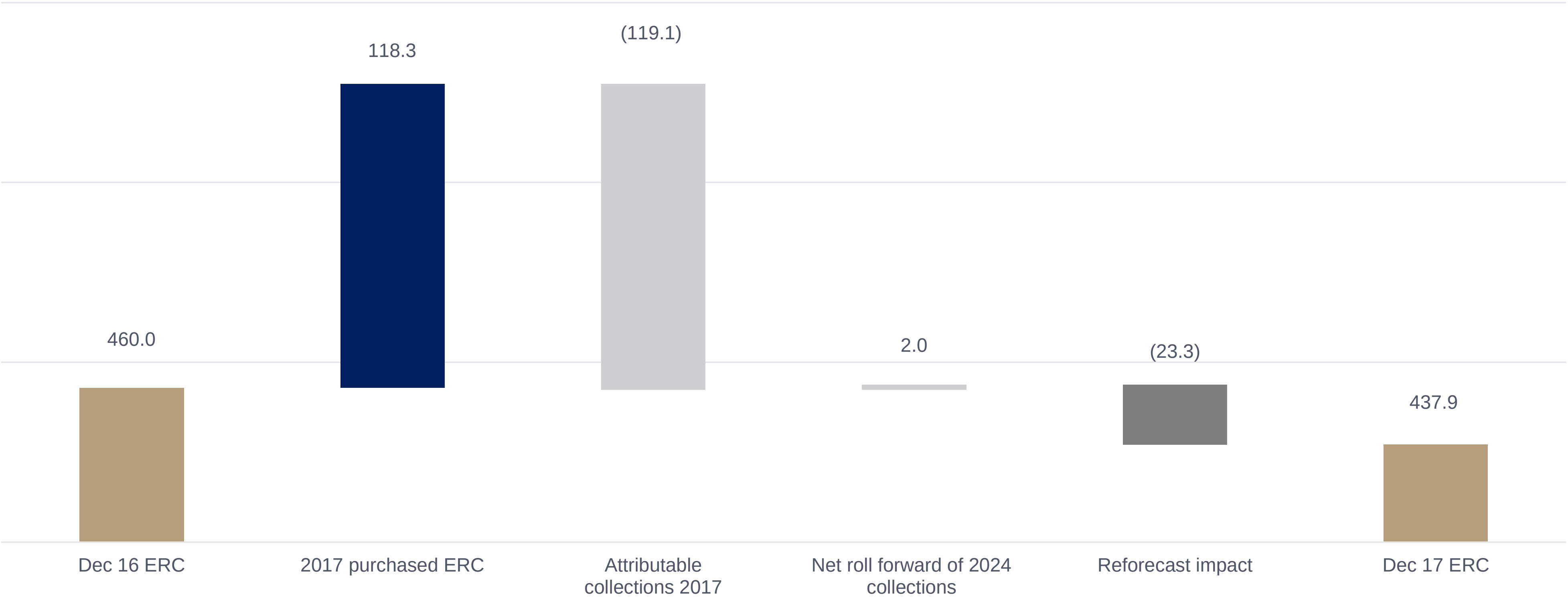
84-month ERC by Expected Year of Collection (€m, as of 31-Dec-2017)

Total 84-month ERC: €437.9m



Bridge of ERC Movements in the Year

84-Month ERC Bridge – 2017

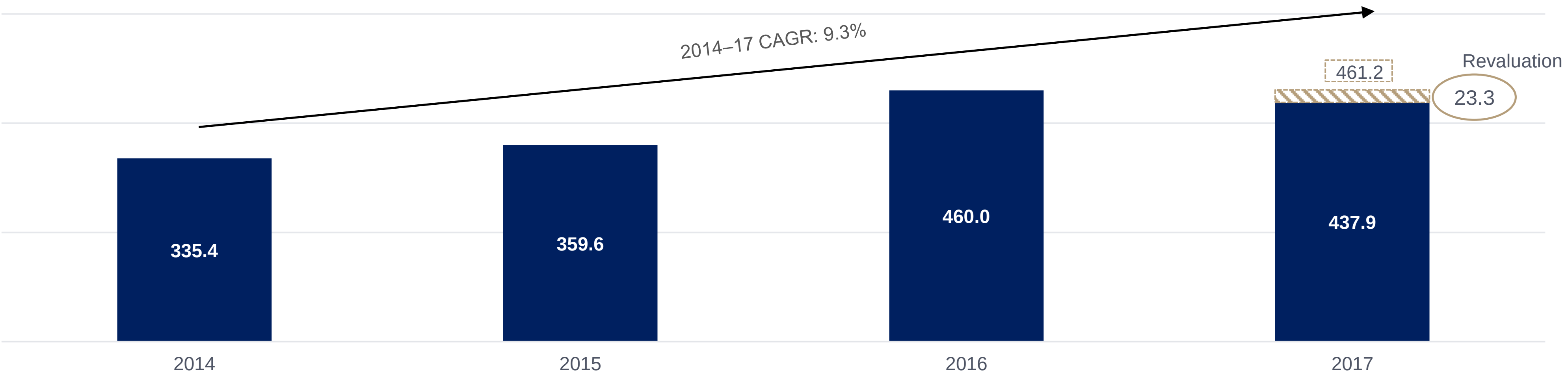


1 Net roll forward of 2024 collections is the net impact of adding the additional period of 2024 to ERC, it excludes ERC purchased in the year that is estimated to be collectable 2024.

2 Reforecast impact is the result of portfolio revaluations in December 2017 on ERC within the 84 month period and is impacted by an isolated reduction in ERC (within 84 months) in a single Italian unsecured consumer portfolio.

Evolution of ERC: Deployment in 2017 Sufficient to Maintain ERC and ERC Impacted by Isolated Revaluation of Consumer Unsecured Italian Portfolio

84-month ERC (€m) (1)



- Cash forecasts were revised in December 2017, which has resulted in a reduction in 84-month ERC by €23m driven by a forecast reduction on an isolated Italian unsecured consumer NPL portfolio.
  - The strategy for the respective portfolio (which initially over performed when it was purchased) assumed a ramp-up in legal collections in H2 2017, however this was not supported by the actual activity
  - We have implemented remediation actions including partial termination of one of the existing servicers and migration of a large portion of accounts to a new servicer focused on legal recoveries
- The new ERC forecast was validated externally and triangulated with independent third party input
- Not withstanding the reduction, consumer unsecured NPL GMM still at 2.3x.

Sources: Company Information
1 Figures represent results for the 12 months ended 31 December 2017

Net Debt Profile of AFE: Net Debt\LTM Adj. EBITDA Reduced to 3.1x

Net debt as of 31 December 2017 (€m)

Bonds issued	325
SSRCF (utilised) [(1)]	16
Total debt	341
Less:	
Cash at bank	(52)
Cash due from servicers	(11)
Add back:	
Amounts due to co-investors	1
Net debt	**278**

Reconciliation of total debt to the Financial Statements (€m)

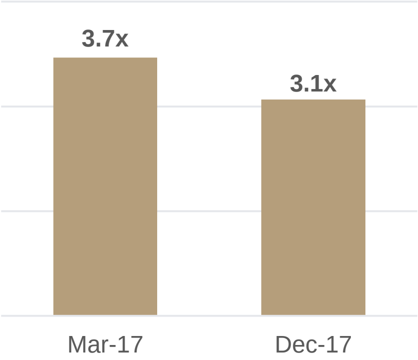
Total debt	325
Unamortised discount on issuance of the Notes	(2)
Unamortised transaction fees	(8)
Borrowings (non-current liability)	315
Accrued interest (current liability)	3
SSRCF (drawn) [(1)]	11
Total borrowings per Financial Statements	**329**

Key Indicators

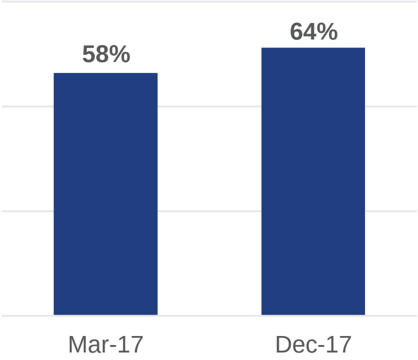
84-Month ERC	€438m
LTV Ratio	63.5%
Net Debt / LTM Adj. EBITDA	3.08x
LTM Adj. EBITDA	€90m
Pro Forma Net Interest Expense	€18m
Pro Forma FCCR	4.91x
Liquidity (as of 31-Dec-2017)	€82m, incl. €29m undrawn SSRCF and €52m cash available
Liquidity (as of 31-Mar-2018)	€123m, incl. €74m undrawn SSRCF and €49 cash available
Financial Covenant	63.5% LTV (vs 75% threshold)
SSRCF Covenant	3.6% LTV (vs 25% threshold)

Leverage Evolution

Net Debt / LTM Adj. EBITDA (x)



Loan-to-Value (%)



All key terms have been defined in the Glossary at the end of this presentation
1 SSRCF utilised includes €4.102m utilised in the form as a bank guarantee issued (SSRCF drawn excludes this balance). This restricts the Facility available to use, however it is not a drawn amount and so it is not accounted for in the Financial Statements.

Key debt metrics - well positioned vs. industry peers

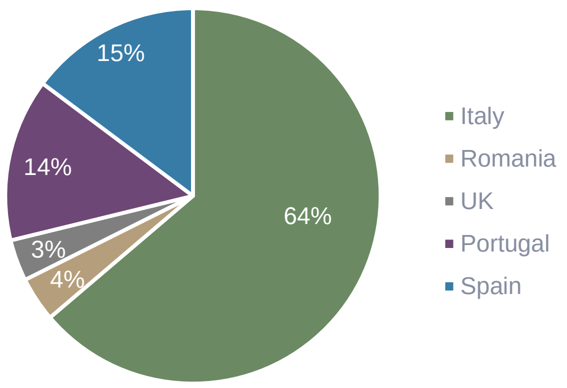
	AnaCap Financial Europe	CABOT Credit Management [1]	ARROW Global [1]	Lowell [1]
	December 2017	December 2017	December 2017	September 2017 PF
Leverage / LTV [2]	Net Leverage: 3.1x LTV: 64%	Net Leverage: 4.2x LTV: 65%	Net Leverage: 4.1x LTV: 63%	Net Leverage: 4.8x LTV: 69%
Ratings (S&P / Moody's)	Corporate: BB- / B1 Secured Notes: BB- / B1	Corporate: B+ / B2 Secured Notes: B+ / B2	Corporate: BB- / Ba3 Secured Notes: BB / Ba3	Corporate: B+ / B2 Secured Notes: B+ / B2
Asset Security	Blend of Secured/Unsecured	Generally Unsecured	Generally Unsecured	Generally Unsecured
Origination Focus	Financial Services	Fin. Services, Telecom/Utility, Retail, E-Commerce and Auto	Financial Services, Retail and Telco	Financial Services, Telecom and Retail
84-Month Gross Money-on-Money Multiple	2.02x [3]	2.1x [4]	[N/A]	2.5x in the UK / 3.0x in DACH [4]

Sources: Company Information
1 Peer information calculated from public sources
2 LTV defined as ratio of Net Debt to 84-Month ERC
3 Weighted average across portfolios
4 120-Month Gross Money-on-Money Multiple

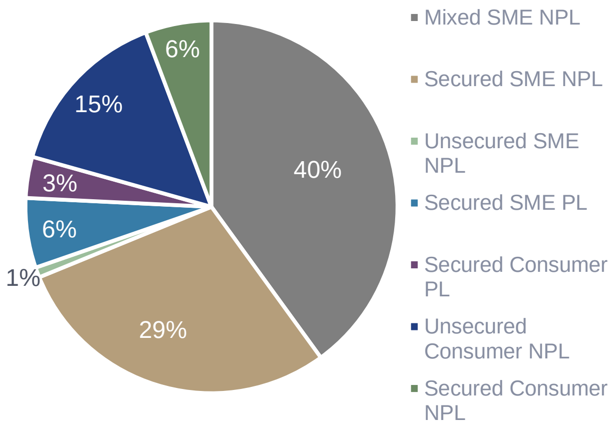
Wide Range of Asset Classes Purchased Across a Number of Years and Geographies

- Collections across our portfolios in line with targets in Q4 at 98.2% of target, with strong returns across core geographies
- ERC of €437.8m remains well-diversified, with over 68% expected from secured loans
- Secured loans backed by significant collateral, with an open market value of over €551m and additional cash-in-court in excess of €46m
- 80% of ERC from “seasoned” portfolios purchased more than 12 months ago, giving a higher degree of confidence in ERC forecast

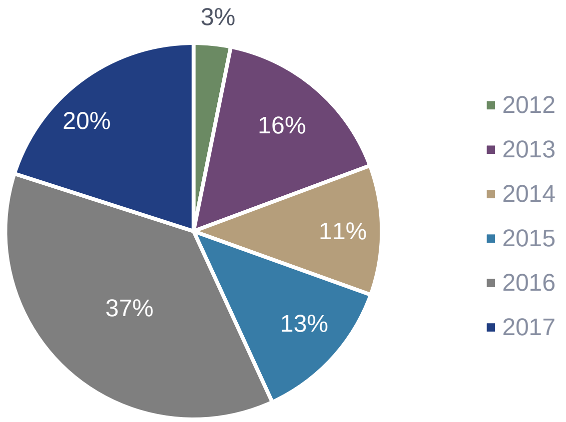
84-Month ERC by Geography



84-Month ERC by Asset Type

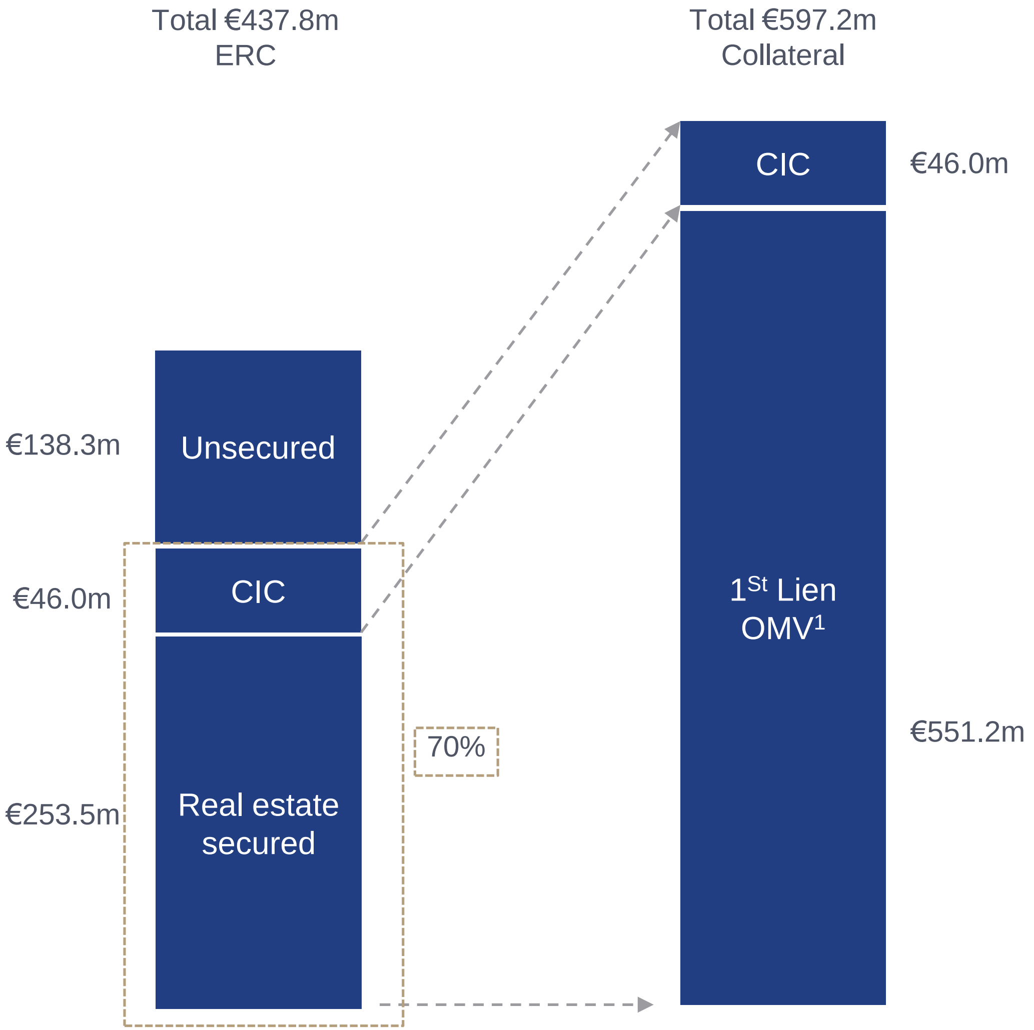


84-Month ERC by Year of Purchase



Breakdown of ERC by Collateral

ERC and Collateral Value per Country (€m)



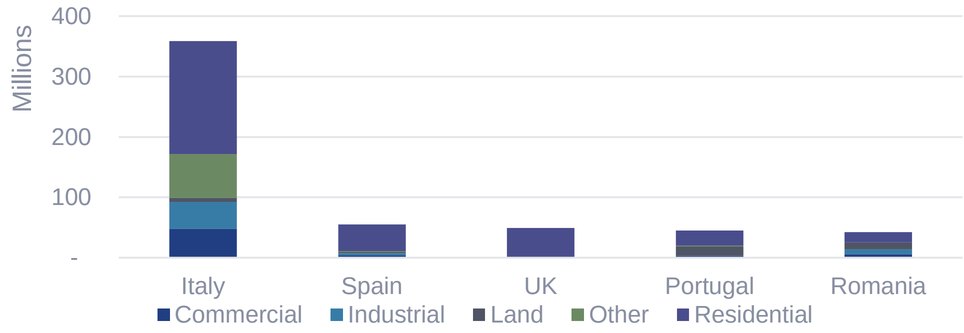
- Total secured ERC of €299.6m backed by Total Collateral of €597.2m, including 1st Lien collateral with an Open Market Value (“OMV”) of €551.2m
- Cash from sold assets waiting to be distributed by the court in excess of €46.0m provides additional security on future expected proceeds
- Real estate secured ERC includes €26.5m of Performing Loans in Italy and a further €15.6m of Performing Loans in the UK
- Additional €138.3m of ERC from Unsecured collections
- Over collateralised ratio of 2.17x on the Real Estate Secured ERC

1 UK loans are second lien, amount in chart represents latest market value after deduction of 1st lien

Breakdown of ERC by Collateral (cont'd)

Collateral Value per Country (€m)

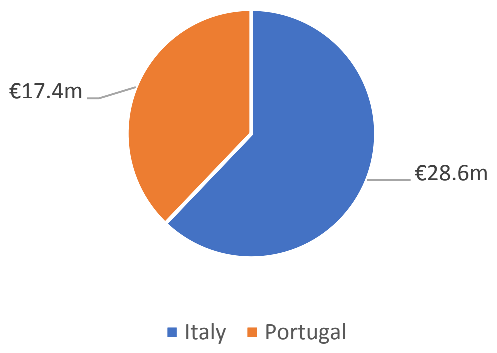
€551.2m Total



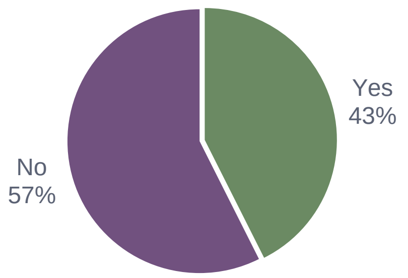
- Significant real estate collateral (1st lien OMV) with an aggregate market value of €551.2m, of which c.58% are granular residential properties
- Italy represents the largest volume with collateral of €358.6m Open Market Value
- €46.0m of cash from sold assets awaiting distribution with 62.2% in Italy and 32.8% in Portugal
- Existence of multiple borrowers or guarantors in 43% of the Unsecured portfolios

Cash in Court by Country

€46.0m Total



Existence of Guarantors (2) in Unsecured Portfolios

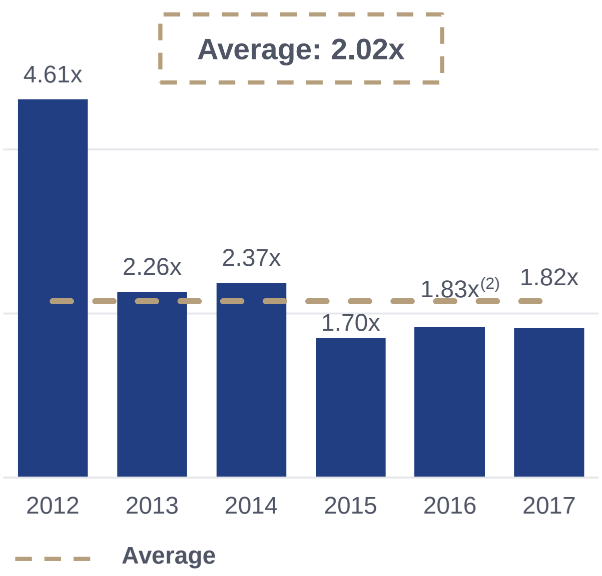


1 UK loans are second lien, amount in chart represents latest market value after deduction of 1st lien
2 Includes secondary borrowers or co-signers as well as guarantors

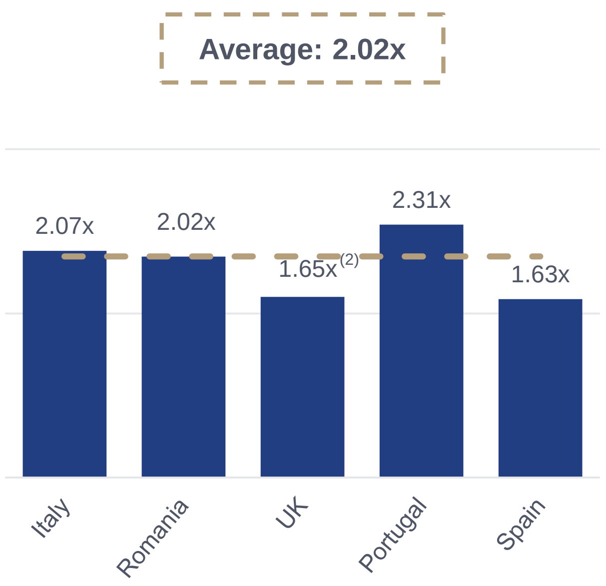
Strong Returns Across Geographies and Asset Types

Gross Money Multiples (84-month)

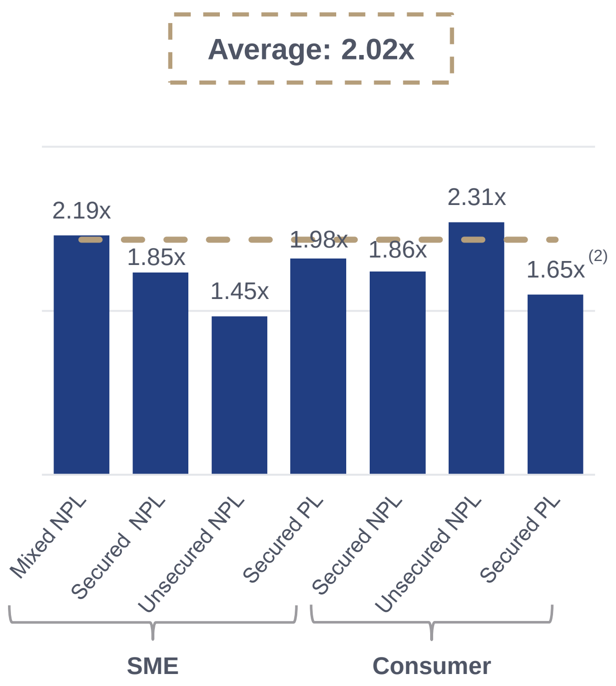
By Year of Purchase (1)



By Geography (1)



By Asset Type (1)



- Consistently strong returns across geographies and asset types, with average Gross Money Multiples of 2.02x (1) at Dec-2017
- Slight decrease in Gross Money Multiples due to greater contribution from secured loan portfolios in recent purchases
- Gross Money Multiples dependent on level of collateral backing and stage of litigation proceedings which impact time to collect

1 All figures excluding fully sold deals and cover the period since ownership by the Portfolio Business
2 UK portfolio Gross Money-on-Money Multiple is calculated using local currency, as actual collections to 31 December 2017 plus 84 month ERC divided by purchase price

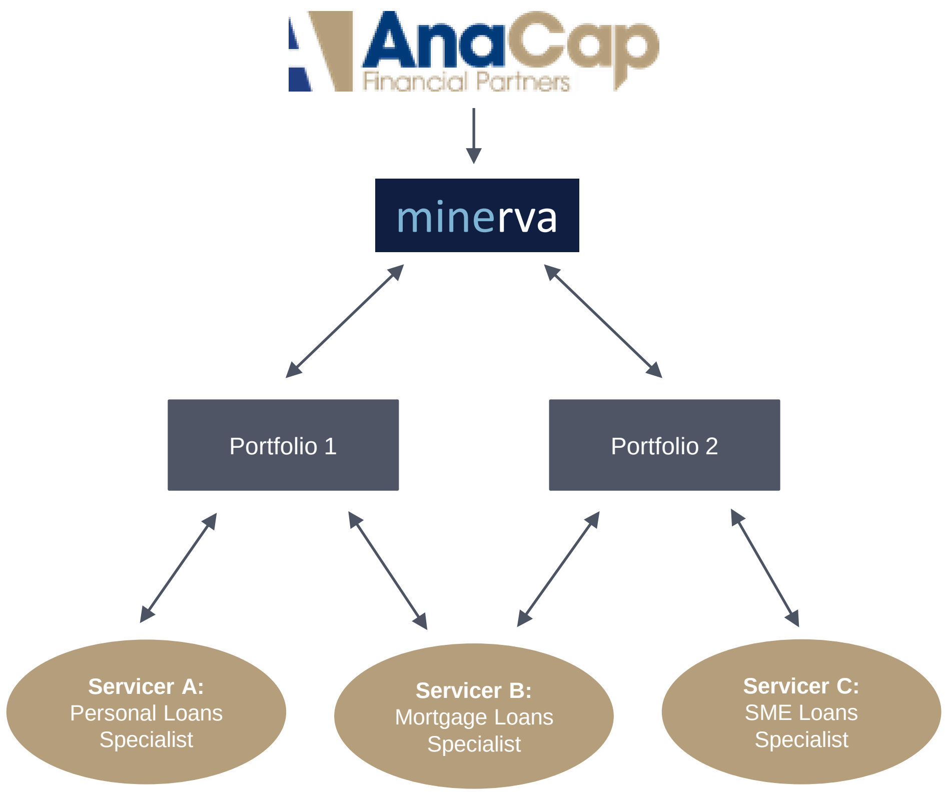
Asset Management Approach

ASSET MANAGEMENT APPROACH HIGHLIGHTS

- ✓ Tailored for AnaCap's multi-geographies, multi-asset type business model
- ✓ Panel based approach, leverages best servicers for each specific geography and asset type
- ✓ Servicer panel and servicing strategy can be benchmarked / updated based on individual servicer performance
- ✓ Flexible and nimble business model
- ✓ Minimises fixed cost base
- ✓ Easier entry point into new markets
- ✓ Mitigates downside risk through ability to maintain pricing discipline/exit without high costs
- ✓ Supported by 15 dedicated IT professionals in India
- ✓ AFE shareholding in strategically important servicers in core geographies of Italy and Spain

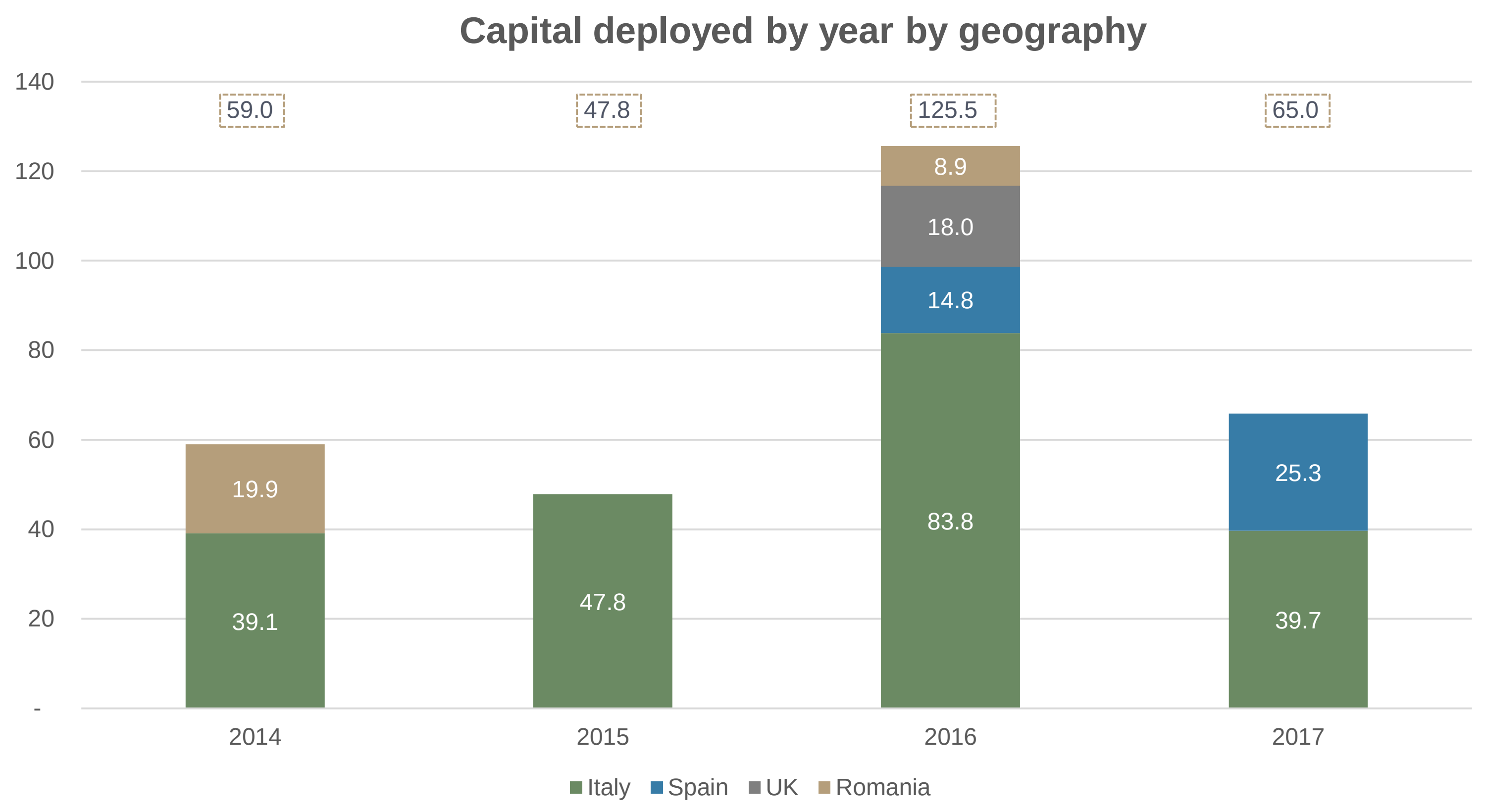
AnaCap's asset management model enables investment across a diverse range of geographies and asset types

ILLUSTRATIVE SET-UP AND INFORMATION FLOW



Deployment 2017 – Historic Deployment by Year by Geography

Deployment (€'m)



Pipeline Update

- The pipeline of deals across our five core geographies remains strong, with €8.3bn in Face Value reviewed since the start of Q4 2017 alone
  - Strong embedded origination network across Europe aimed at maintaining a highly selective investment approach
- Lack of newly completed investments in Q4 driven in part by strong visibility to more attractive opportunities targeted for Q1 2018
  - Signed 2 new Romanian secured portfolios totalling €15.3m spend to complete by end of April
  - 2 further tranches of a previously signed Spanish portfolio of €5.1m and €2.6m to complete in April and June
  - In final stage review of secured portfolios across Spain, Portugal and Italy totalling over €100m potential spend
- Significant recent uptick in opportunities in both the Spanish and Portuguese markets as large volumes of primarily RE secured NPLs remain on local banks balance sheets, where we have extensive experience
- Notable continued pick up in competition across the Italian market where we are also supporting growth in Phoenix Asset Management's third party servicing business
- AFE continues to review markets outside its five core geographies, including Poland, where AnaCap has extensive wider investment experience in our Private Equity business. Secured portfolio activity continues to develop, where we believe we can achieve superior risk adjusted returns

Conclusion

- Delivered continued strong financial performance, with collections broadly in line with target for 2017 and off to a strong start in 2018
- AFE remains a high margin business with a low leverage ratio, down to 3.1x from 3.7x adj. EBITDA less than one year ago
- Despite maintaining a disciplined, highly selective approach to new investments, we successfully replaced required ERC over the course of 2017 and have ample available liquidity, including an expanded RCF at €90m
- Strong ongoing pipeline of portfolio opportunities overall as European banks have significantly recapitalised and continue to accelerate disposal activity, particularly around secured portfolios in Southern and Eastern Europe where we are well positioned and have extensive experience
- Increasing volume of secondary market opportunities from funds, including where we have direct proprietary experience, presenting another wave of potential transactions
- Continuing to invest in both our IT platform as well as in proprietary servicing capabilities across our core geographies, including:
  - Enhancement to our Italian master servicing approach and further diversification of our Italian DCA panel
  - Supporting further development of Phoneix Asset Management in Italy, including the addition of PIMCO as a client and shareholder
  - Completion of the buy-out of a Spanish servicing company in which we previously held a minority stake

Appendix

- Reconciliation of profit for the year ended 31 December 2017 from the Financial Statements
- Normalised and Adjusted EBITDA reconciliations
- Reconciliation of impairment
- Glossary

Consolidated Statement of Comprehensive Income

The appendix contains reconciliations between the figures per the Financial Statements and the figures used for the purposes of this presentation:
Consolidated Statement of Comprehensive Income for the year ended 31 December 2017:

	Per Financial Statements (€'m)	Impact of 20 days (€'m)	Full 6 months 30 June 17 to 30 Dec17 (€'m)	6 months to 30 June 17 (€'m)	Full 12 months to 31 Dec 17 (€'m)
Total Gross Collections	67.8	5.1	72.9	50.2	123.0
Revenue	33.3	4.8	38.0	40.9	78.9
Collection activity costs	(10.3)	(1.0)	(11.3)	(10.1)	(21.4)
Impairment	(7.4)	-	(7.4)	(6.0)	(13.4)
Operating costs – recurring (1)	(5.3)	(0.4)	(5.8)	(3.1)	(8.8)
Operating costs – non-recurring (2)	(2.4)	-	(2.4)	-	(2.4)
Finance costs/income	(9.7)	(0.3)	(10.0)	(8.2) (4)	(18.2)
Profit/(loss) before tax(3)	(1.5)	3.0	1.5	13.5	15.0

1 Recurring items excludes FX
2 Non-recurring items include costs associated with completion of the Acquisition. In total this amounted to €13.9m, of which €2.4m has been expensed directly to the Consolidated Statement of Comprehensive Income.
3 Includes share of profit in associate
4 Pro forma interest expense i.e. as if the bonds had been issued on 1 January 2017.

Normalised & Adjusted EBITDA

The appendix contains reconciliations between the figures per the Financial Statements and the figures used for the purposes of this presentation:

Reconciliation of profit before tax to Normalised and Adjusted EBITDA

	Per Financial Statements (€'m)	Impact of 20 days (€'m)	Full 6 months 30 June 17 to 30 Dec17 (€'m)	6 months to 30 June 17 (€'m)	Full 12 months to 31 Dec 17 (€'m)
Profit before tax	(1.5)	3.0	1.5	13.5	15.0
Finance costs/income	9.7	0.3	10.0	8.2	18.2
Share of profit in associate	(0.3)	-	(0.3)	-	(0.3)
FX	0.1	-	0.1	0.1	0.2
Impairment	7.4	-	7.4	6.0	13.4
Gross Collections	67.8	5.1	72.9	50.2	123.0
Revenue	(33.3)	(4.8)	(38.0)	(40.9)	(78.9)
Repayment of secured loan notes	(2.2)	-	(2.2)	(0.8)	(3.0)
Non-recurring items	2.4	-	2.4	-	2.4
Normalised and Adjusted EBITDA	50.1	3.6	53.7	36.2	90.2

Normalised & Adjusted EBITDA (cont'd)

The appendix contains reconciliations between the figures per the Financial Statements and the figures used for the purposes of this presentation:

Reconciliation of net cash used in operating activities to Normalised and Adjusted EBITDA

	Per Financial Statements (€'m)	Impact of 20 days (€'m)	Full 6 months 30 June 17 to 30 Dec17 (€'m)	6 months to 30 June 17 (€'m)	Full 12 months to 31 Dec 17 (€'m)
Net cash generated from operating activities	27.0	-	27.0	-1.7	25.3
Acquisition of purchased loan portfolios	25.3	-	25.3	39.7	65.0
Repayment of secured loan notes	(2.2)	-	(2.2)	(0.8)	(3.0)
Working capital adjustments	(2.5)	-	(2.5)	2.8	0.3
FX	0.1	-	0.1	0.1	0.2
Non-recurring items	2.4	-	2.4	-	2.4
Normalised and Adjusted EBITDA	50.1	-	50.1	40.1	90.2

Normalised & Adjusted EBITDA (cont'd)

The appendix contains reconciliations between the figures per the Financial Statements and the figures used for the purposes of this presentation:

Reconciliation of core collections to Normalised and Adjusted EBITDA

	Per Financial Statements (€'m)	Impact of 20 days (€'m)	Full 6 months 30 June 17 to 30 Dec17 (€'m)	6 months to 30 June 17 (€'m)	Full 12 months to 31 Dec 17 (€'m)
Core collections	67.8	5.1	72.8	50.2	123.0
Operating expenses	(25.3)	(1.5)	(26.8)	(19.1)	(45.9)
FX	0.1	-	0.1	0.1	0.2
Impairment	7.4	-	7.4	6.0	13.4
Repayment of secured loan notes	(2.2)	-	(2.2)	(0.8)	(3.0)
Non-recurring items	2.4	-	2.4	-	2.4
Normalised and Adjusted EBITDA	50.1	-	50.1	40.1	90.2

Impairment charge (2017 vs 2016)

Short term volatility has driven the impairment charge in Q2 2017. Q4 2017 impairment charge driven by isolated Italian unsecured consumer NPL portfolio.

Purchased Loan Portfolios and Purchased Loan Notes	Six months ended 30 June 2017 (€'000)	Six months ended 31 December 2017 (€'000)	Twelve months ended 31 December 2017 (€'000)	Twelve months ended 31 December 2016 (€'000)
Impairment – charge/(credit)	**5,985**	**7,386**	**13,371**	**(4,329)**
Secured loan notes share of impairment	(1,553)	(95)	(1,648)	471
Total impairment for the period	4,432	7,291	11,723	(3,858)
Revaluation movement recognised in revenue	(2,879)	(306)	(3,185)	1,503
Net charge/(credit) to profit	**1,553**	**6,985**	**8,538**	**(2,355)**

- Main driver behind the impairment in Q2 was a Spanish portfolio where the collections curve has prudently been extended to capture the impact from potential delay due to suspension of some mortgage foreclosures across a number of regional courts in Spain. There was no change in ERC.
- Impairment in Q4 is driven primarily by isolated reduction in ERC forecast on our Italian unsecured consumer NPLs after consistent underperformance of the existing servicers in H2 2017
- Strategy assumed ramp-up in legal collections in H2 2017 however this was not supported by the actual performance and a re-evaluation of our collections methodologies has resulted in the mark down in 84-month ERC
- We have implemented remediation actions including partial termination of one of the existing servicers and migration of a large portion of accounts to a new servicer focused on legal recoveries
- Overall portfolio remains strongly diversified with exposure to Italian unsecured consumer NPL portfolio representing only 11.8% of total AFE ERC

Glossary

- **“84-month ERC (“ERC")”** means AFE’s estimated remaining collections on purchased loan portfolios and purchased loan notes over an 84-month period, assuming no additional purchases are made and on an undiscounted basis. ERC excludes any proportionate share of remaining cash collections that may be payable to a co-investor holding secured loan notes. ERC includes estimated collections on sold portfolios where part of the sale proceeds are based on future collections from that underlying portfolio.
- **“Adjusted EBITDA”** represents (loss)/profit before tax adjusted to exclude the effects of finance costs and finance income, share of profit/(loss) in associates, net foreign currency losses/(gains), impairment of purchased loan portfolios and loan notes, disposals and repayments of secured loan notes, and non-recurring items. Revenue on purchased loan portfolios and loan notes and costs on secured loan notes calculated using the effective interest rate method are replaced with total gross collections in the period.
- **“Cash due from servicers”** relates to cash collected by servicers on the portfolios which were not received until October.
- **“Core collections”** represents total gross collections, less disposals of purchased loan portfolios and loan notes.
- **“Gross MM”** represents total attributable collections received on a portfolio to the date the multiple is measured, plus ERC for that portfolio at the same date, divided by the total amount paid for the portfolio at the date of purchase.
- **“Liquidity”** - €29.4m undrawn on the Facility plus cash available of €52.2m as at 31 December 2017.
- **“LTM Adjusted EBITDA”** means Adjusted EBITDA for the 12 month period to 31 December 2017.
- **“LTV ratio”** means the aggregate secured indebtedness of the Group less cash and cash equivalents (including cash and cash equivalents in servicers' accounts or otherwise that are due from servicers but not yet paid by servicers to the Group, less cash collections due to be paid to co-investors under secured loan notes) divided by ERC.
- **“Normalised Adjusted EBITDA”** represents Adjusted EBITDA excluding disposals of purchased loan portfolios and loan notes.
- **“Pro forma net interest expense”** means interest expense incurred on the bond coupon for a period of 12 months. This is calculated based on a margin of 5.0% on the Notes.
- **“Pro forma Fixed Cover Charge Ratio (“FCCR”)”** is calculated as LTM Adjusted EBITDA divided by pro forma net interest expense.
- **“SSRCF”** (Super Senior Revolving Credit Facility) – As at 31 December 2017 AFE had available a €45.0m Revolving Credit Facility (the “Facility”) available to draw down on. As at 31 December 2017, c. €15.6m of the Facility had been utilised. In February 2018 AFE increased the Facility available to use by an additional €45.0m, bringing the total Facility available to use to €90.0m.
- **“Total attributable collections”** represents total gross collections, excluding any share of cash collections that relate to the interests of co-investors holding secured loan notes.
- **“Total gross collections”** represents cash collected from debtors in connection with purchased loan portfolios and net cash collections (after servicing costs) for purchased loan notes as well as disposals of purchased loan portfolios and loan notes. Total gross collections include any proportionate share of cash collections that relate to the interests of co-investors holdings of secured loan notes.