



AFE delivers strong collections and Adjusted EBITDA growth

Financial results for the nine months ended 30th September 2022

15th November 2022

AFE S.A. SICAV-RAIF (“AFE” or the “Company”) has today announced the financial results for the nine months ended 30th September 2022.

Key financial highlights for the period are summarised in the table below:

	Nine Months ended 30th September 2022	Nine Months ended 30th September 2021	Variance
Total Attributable Collections	€108.4	€74.0	46.4%
Revenue	€60.7	€46.4	30.8%
Adjusted EBITDA	€80.0	€54.9	45.7%
Core Collection Cost Ratio	23.9%	30.4%	-21.4%
Net Debt/Adjusted EBITDA	3.09x	4.90x	-1.81x
84-Month ERC	588.3	502.3	17.1%

Key Highlights:

- Successful carve-out of AnaCap Credit business into Veld Capital, an independent investment advisory business, which continues to advise AFE and affiliated funds
- AFE delivered €108.4m of Gross Attributable Collections for the nine months ended 30th September, up 46.4% year-on-year, representing 11 consecutive quarters of outperformance to forecast
- Deployment year-to-date of €92.8m, with an additional €5.4m signed transactions expected to close in Q4, together at an aggregate GMM of 1.9x
- Adjusted EBITDA of €80.0m for the nine months ended 30th September, representing a 45.7% increase on the prior year, with LTM adjusted EBITDA of €124.2m
- Total Core Collection Cost Ratio of 23.9%, decreasing from 30.4% year-on-year, driven by low fixed costs and focus on secured asset types
- Net Debt to Adjusted EBITDA of 3.09x, decreasing from 4.90x year-on-year and significantly below target range of 3.50x to 4.00x

Capital Structure and Liquidity

As at 30th September, the Company had Net Debt to Adjusted EBITDA at 3.09x and an LTV ratio of 65.1% against RCF covenant of 75.0%, and a stable liquidity position of €19.0m.



Justin Sulger

Partner, Veld Capital Limited

“We continue to deliver robust collections and strong EBITDA growth, with LTM Adjusted EBITDA increasing 76% to €124.2m. This has allowed us to maintain low leverage, well below target at 3.09x, whilst utilising strong free cash flow to already achieve 98% of our full-year deployment target at an attractive aggregate gross money multiple of 1.9x.

With low fixed costs, we remain patient and mindful of liquidity, but poised to capitalise on exceptional risk-adjusted returns as the market backdrop continues to evolve rapidly.”

Teleconference

At 14.00 hours GMT on 15th November 2022, an audio Conference Presentation will be held on the results for the nine months ended 30th September 2022. For further details please visit the AFE website at:

www.veld-fe.com

For further information, please contact us via:

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NOTES TO EDITORS

AFE S.A. SICAV-RAIF (www.veld-fe.com)

AFE invests in a diverse range of primarily non-performing debt and real estate assets across Europe and provides the central Asset Solutions platform utilised by Veld Capital. Veld Capital was created from the carve out of AnaCap Financial Partner's Credit business. AFE has broad based expertise spanning unsecured and secured consumer, SME and corporate debt as well as direct real estate, further benefiting from the wide network, extensive track record and expertise in origination, underwriting and asset management that Veld Capital (formerly AnaCap Credit) has developed since inception in 2009.