



AFE reports consistent Q1 2023 results and extension of its super senior facilities to December 2023

Financial results for the quarter ended 31st March 2023

30th May 2023

AFE S.A. SICAV-RAIF (“AFE” or the “Company”) has today announced the financial results for the quarter ended 31st March 2023.

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

	Quarter Ended 31st March 2023	Quarter Ended 31st March 2022	Variance
Total Attributable Collections	€16.1m	€19.0m	-15.3%
Revenue	€16.9m	€14.0m	+21.0%
Adjusted EBITDA	€6.2m	€11.7m	-53.0%
LTM Adjusted EBITDA	€111.3m	€100.1m	+11.2%
Core Collection Cost Ratio	67.6%	40.0%	+69.0%
Net Debt/Adjusted EBITDA	3.32x	3.55x	-6.5%
84-Month ERC	€538.8	€543.4	-0.8%

Key Highlights:

- The Company delivered its 13th consecutive quarter of outperformance to forecast, with €16.1m of Total Attributable Collections for Q1 2023.
- Q1 Deployment of €4.6m as follow-on investments focusing on preserving liquidity.
- Adjusted EBITDA of €111.3m for the 12 months ended 31st March 2023, representing a 11.2% increase on the prior year, primarily driven by collection growth and low fixed cost structure.
- ERC of €539m, representing a decrease of 0.8% year-on-year, with additional embedded ERC growth of €63m expected from already contracted follow-on investments.
- Net Debt to LTM Adjusted EBITDA of 3.32x, decreasing from 3.55x year-on-year, within the Company’s long-term guidance of 3.0 to 3.5x.

Capital Structure and Liquidity

As at 31st March 2023, the Company had Net Debt to Adjusted EBITDA at 3.32x and a LTV ratio of 68.5% against the RCF covenant of 75.0%, and a stable liquidity position of €17.9m. The Company is continuing to evaluate public and private refinancing alternatives of its outstanding indebtedness.



Justin Sulger

Managing Partner, Veld Capital

“We are very pleased to announce another strong quarter of outperformance to forecast, following the company’s highest ever year of collections in 2022.

After completing an extension of the RCF until year-end and eyeing the most compelling investment environment in over a decade, we are now working actively with banking partners on a wider refinancing of the company’s debt. This is supported by a now almost 6-year track record in AFE of strong cashflow generation, underpinned by low fixed costs and stable, sustainable leverage, which is already back in line with long term guidance after only a brief interruption post-Covid.”

Teleconference

At 11.00 hours BST on 30th May 2023, an audio Conference Presentation will be held on the results for the quarter ended 31st March 2023. 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.