



# 2022 and Q1 2023 Earnings Presentation

28 April 2023

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# Today's Presenters

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Enrique Dancausa

CEO

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CFO

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# Agenda

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# 1

## Key Highlights FY 2022 & Q1'23



1

- 2022 transaction volumes have closed at €2,438MM; business activity impacted by the termination of Sareb & Unicaja contracts

2

- Revenues and Adjusted EBITDA have closed at €174MM and €51MM, respectively. 2022 results have maintained a sustainable Adjusted EBITDA margin ~30% due to the action plan implemented to adapt the cost structure in the Company

3

- Cash flow generation of €43MM in the period (85% cash conversion) ending with a cash position of €30MM as of December'2022. Gross debt at Haya HoldCo 2 PLC has been reduced by €19MM repayments in H2'22.

4

- Volumes have closed at €357MM in Q1'23 allowing €32MM revenues and an Adjusted EBITDA of €7MM. Free cash flow generation of €8MM maintaining an exceptional cash conversion of 114% in the quarter

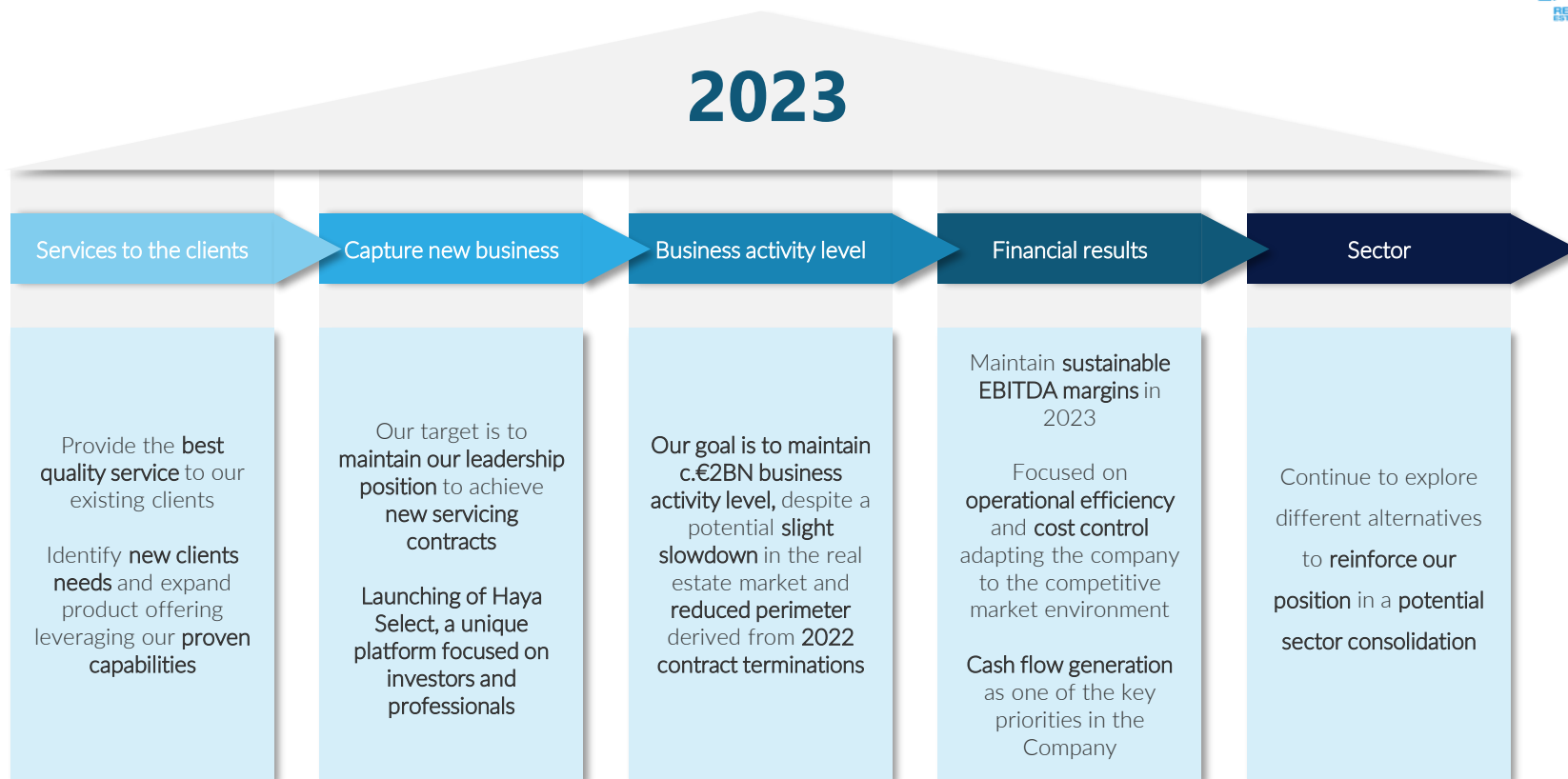
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- 2022 was a key year for Haya in which we achieved several milestones such as the refinancing process, some minor contracts were signed as well as solid results from company's efforts to adjust its cost base and operating structure to the change in perimeter resulting from contracts termination. 2023 business activity will be driven by the conditions on Real Estate market which could be uncertain due to macro and inflation situation



## **2. Business Review**









## **3. Financial Review**

## 3

# Key Financial Highlights – 2022 & Q1'23



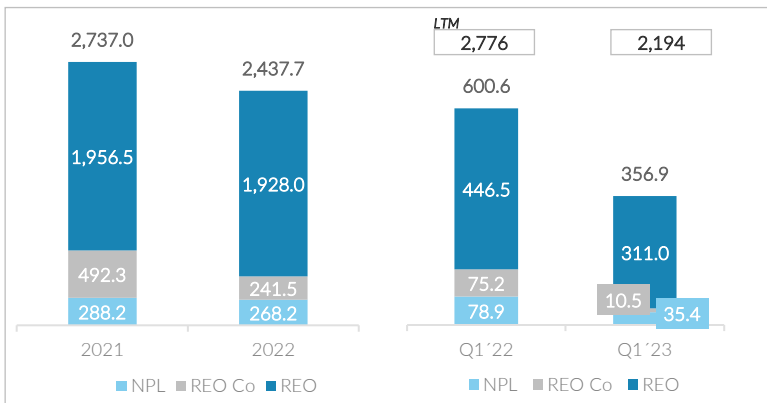
	FY 2022		Q1'23	
Assets Under Management	€11,575MM		€10,632MM	
Transaction Volumes	€2,438MM		€356.9MM LTM €2,194MM	
Revenues <sup>1</sup>	€173.7MM	Avg. Vol. serv. fee 4.33% Avg. Mgmt. fee 0.20%	€32.2MM LTM €163MM	Avg. Vol. serv. fee 5.16% Avg. Mgmt. fee 0.19%
Adjusted EBITDA <sup>2</sup>	€51.2MM	Adj. EBITDA Margin 29%	€7.1MM LTM €47.3MM	Adj. EBITDA Margin 22% LTM Adj. EBITDA Margin 29%
Free Cash Flow <sup>3</sup>	€43.4MM	Cash conv. 85%	€8.1MM LTM €37.0MM	Cash conv. 114% LTM Cash conv. 78%
Net Debt	€308.4MM	Lev. ratio 6.0x	€315.3MM	Lev. ratio 6.7x

# 3

## Transaction Volumes and Revenues



### Transaction Volumes (€MM)



#### NPL volumes

- Volumes impacted by contracts termination. Despite this, NPL volumes have had a good performance helped by portfolio sales in Q4'22
- Q1'23 NPLs volumes decreased due to contracts termination (no volumes in 2023)

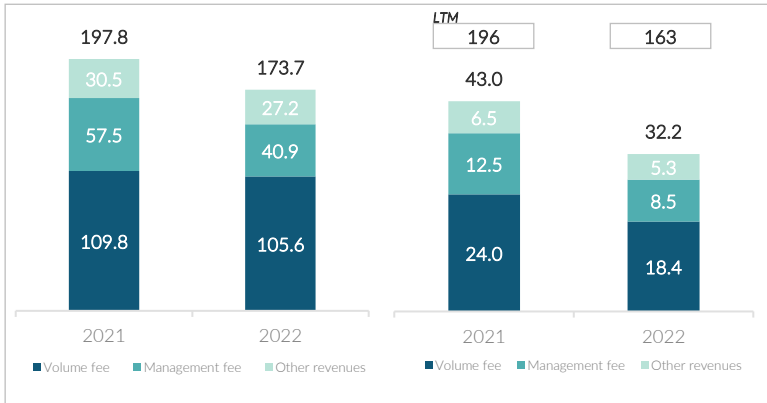
#### REO Co Volumes

- Recoveries decreased due to contracts termination
- REO CO volumes in 2023 mainly impacted by Sareb contribution in Q1'22

#### REOs Volumes

- Volumes reduced by -€29MM mainly impacted by contracts termination and large portfolio sale in 2021 with no corresponding impact in 2022.
- €311MM REO volumes in Q1'23 affected by contracts termination contribution. The majority of the clients have increased their volumes vs Q1'22

### Revenues<sup>1</sup> (€MM)



#### % Volume servicing fee

- Volume servicing fee of 4.33% vs 4.01% as result of product mix improvement (lower REO Co volumes weight)
- Q1'23 servicing fee of 5.16% vs 4.00% in Q1'22

#### Management Fee

- Management fee mainly impacted by the natural evolution of perimeters and the termination of the contracts

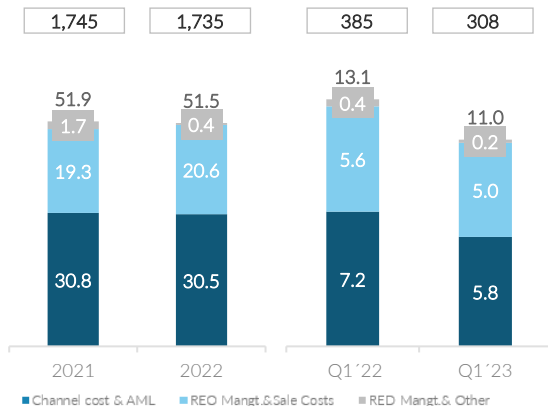
# 3 Focus on Costs



## Operating Expenses

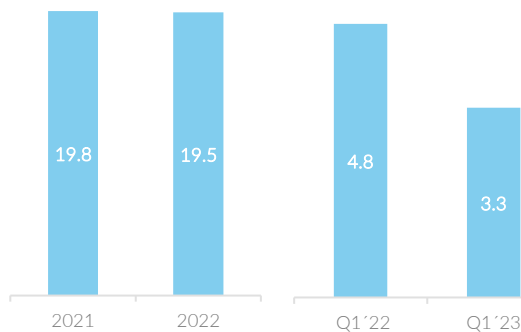
### Direct Cost (€MM)

Main Driver: REO volumes, ex portfolios



- **Direct cost** has remained at practically same level than 2022 due to the REOs ex portfolio activity
- Q1 '23 direct costs have been reduced by - €2.1MM mainly due to the lower REO volumes ex portfolio

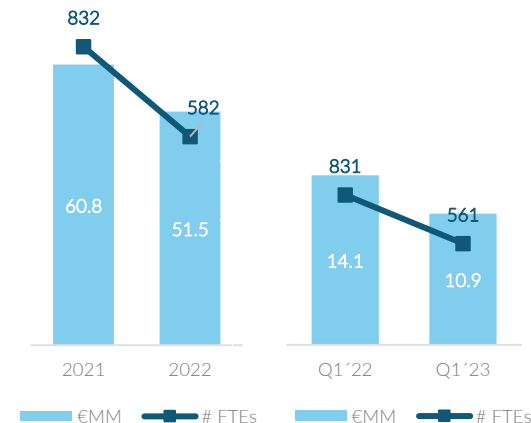
### Opex (€MM)<sup>1</sup>



- **2022 Opex decreased by -€0.3MM** in spite of higher insurance premiums in 2022 which have been partially offset by lower expenses in marketing, IT and external professional services
- -€1.5MM Opex reduction in Q1 '23 vs last year mainly due the cost control culture in the Company

## Personnel Cost<sup>2</sup>

### Evolution (€MM)



- **Personnel cost decreases by -€9.3MM** due to lower number of employees mainly due to **labour restructuring process finished in September 2022**.
- **Q1 '23 personnel cost of €10.9MM** (-€3.2MM vs last year) due to the reduced structure

# 3 Free Cash Flow and Net Debt



## Free Cash Flow<sup>1</sup>

### Highlights

- €43.4MM free cash flow in 2022 implying 85% cash conversion
- €8.1MM free cash flow in Q1 '23, 114% cash conversion (€13MM FCF // 188% cash conversion excluding tax inspection payment in Q1 '23). Cash flow generation of €37.0MM LTM Q1 '23 maintaining a cash conversion of 78%.

(€ MM)

	FY 2021	FY 2022	LTM Q1 '23
Adjusted EBITDA <sup>2</sup>	65.3	51.2	47.3
Capital expenditures	-10.1	-12.6	-11.5
Change in working capital	35.4	4.8	1.2
Free Cash Flow <sup>1</sup>	90.6	43.4	37.0
Cash conversion	139%	85%	78%

## Cash & Net Debt Position of Haya Hold Co 2, PLC

### Highlights

- Net debt and cash position of €308.4MM and €29.6MM respectively, which implies a leverage ratio of 6.0x in Haya Hold Co 2 PLC. Gross debt at HoldCo 2 PLC<sup>3</sup> was reduced in by €19MM in H2 '22
- Based on the uncertain market conditions and outlook, the Company plans to use the exception included in the definition of minimum cash balance to upgrade the minimum cash amount to €35MM for the December period
- Cash position of €25.0MM and leverage ratio of 6.7x in Q1 '23

(€ MM)

	FY 2021	FY 2022	LTM Q1 '23
Total gross debt <sup>3</sup>	424.9	338.0	340.3
Cash on Balance Sheet	117.1	29.6	25.0
Total net debt	307.8	308.4	315.3
Adjusted EBITDA LTM <sup>2</sup>	65.3	51.2	47.3
Leverage Ratio	4.7x	6.0x	6.7x

Debt and cash position at Haya HoldCo 2, PLC Consolidated



# 4. Conclusions

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2023 year could be led by the servicing sector consolidation

We are actively working to reinforce our position in the process



Constant improvement in our service level, capabilities and processes to gain higher efficiency in the Company



Savings from the new cost structure and actions adopted will be consolidated in 2023

FCF generation as key priority



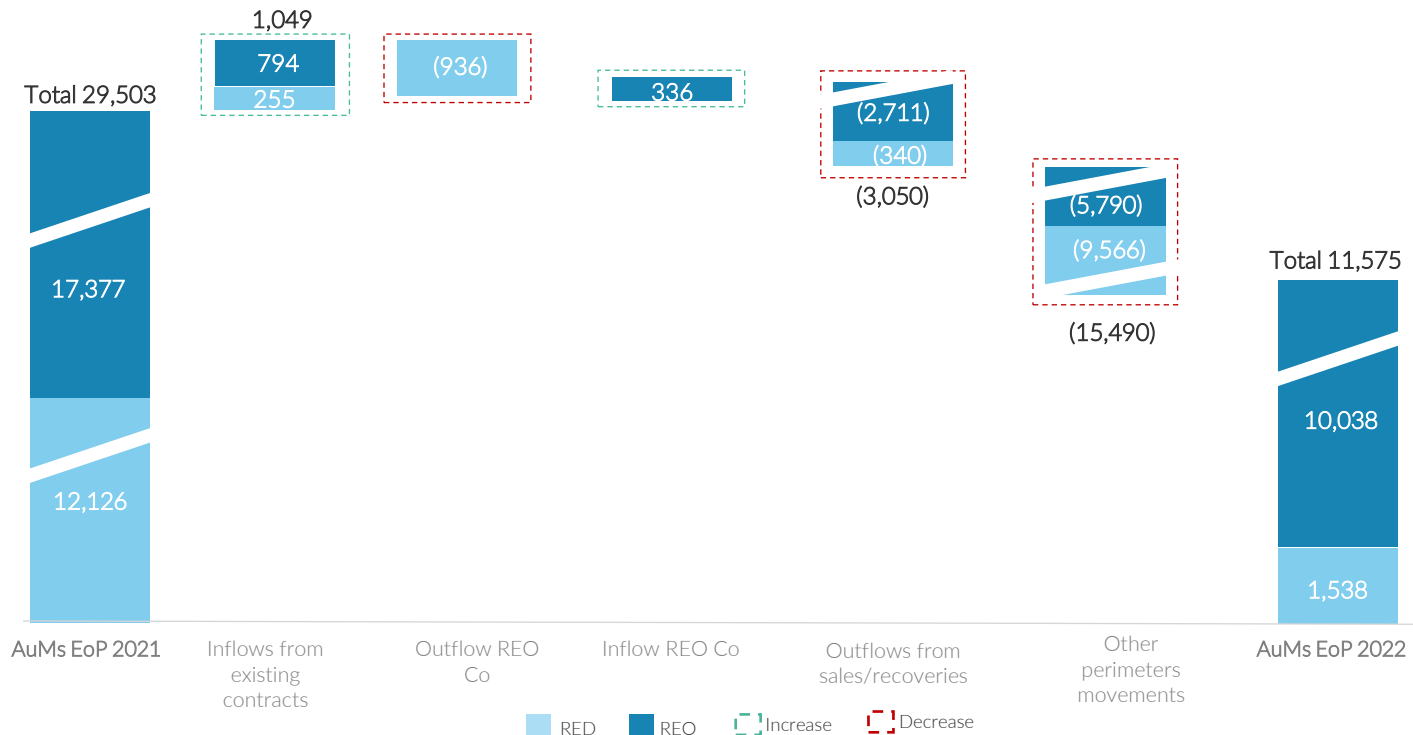
# 5. Annex

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## Asset under Management evolution (GBV<sup>1</sup>)

(€ MM)





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