# Management Discussion & Analysis of Financial Condition and Results of Operations

As of and for the six months ended June 30, 2022

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2022

(Thousands of Euros)

| | 30/06/2022(*) | 31/12/2021 |
|---|---|---|
| **NON-CURRENT ASSETS:** | | |
| Intangible assets | 117,718 | 137,045 |
| Property, plant and equipment | 2,468 | 2,933 |
| Right-of use asset | 1,711 | 2,505 |
| Non-current financial assets | 599 | 768 |
| Deferred tax assets | 23,497 | 26,148 |
| Goodwill | 2,067 | 2,067 |
| **Total current assets** | **148,060** | **171,466** |
| **CURRENT ASSETS:** | | |
| Non-current assets held for sale | 6,060 | 6,355 |
| Current financial assets- | 119,510 | 308,060 |
| Trade and other receivables | 80,080 | 91,278 |
| Current financial assets | 22 | 99,669 |
| Cash and cash equivalents | 39,408 | 117,113 |
| Other current assets | 492 | 595 |
| **Total current assets** | **126,062** | **315,010** |
| **TOTAL ASSETS** | **274,122** | **486,476** |
| **EQUITY:** | | |
| Share capital | 9,683 | 9,683 |
| Share premium | 45,831 | 45,831 |
| Reserves of the Parent | (56,840) | (44,260) |
| Reserves of the subsidiaries | 872 | - |
| Other shareholder contributions | 103,900 | 3,900 |
| Profit (loss) for the period attributable to the Parent | (42,905) | (11,708) |
| **Equity attributable to the Parent** | **60,541** | **3,446** |
| **Total equity** | **60,541** | **3,446** |
| **NON-CURRENT LIABILITIES:** | | |
| Debts with Group companies and associates | 111,882 | - |
| Long term provision | 3,643 | 3,829 |
| Lease liabilities | 205 | 960 |
| **Total non-current liabilities** | **115,730** | **4,789** |
| **CURRENT LIABILITIES:** | | |
| Liabilities associated with non-current assets held for sale | 1,307 | 1,564 |
| Debts with credit institutions, bonds and other securities | - | 424,920 |
| Debts with Group companies and associates | 35,956 | - |
| Lease liabilities | 1,583 | 1,653 |
| Other financial liabilities | 2,811 | 5,557 |
| Other current liabilities | 16,107 | 12,924 |
| Trade payables | 39,841 | 31,377 |
| Related party payable | 246 | 246 |
| **Total current liabilities** | **97,851** | **478,241** |
| **TOTAL EQUITY AND LIABILITIES** | **274,122** | **486,476** |

(*) Unaudited financial statements.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**
(Thousands of Euros)

| | 30/06/2022 (*) | 30/06/2021 (*) |
|---|---|---|
| Revenue | 100,709 | 94,544 |
| Other operating expenses | (61,061) | (34,126) |
| Personnel expenses | (44,619) | (30,442) |
| Amortisation and gains or losses on disposals of non-current assets | (24,210) | (25,838) |
| **Profit (loss) from operations** | **(29,181)** | **4,138** |
| Finance income | 2,618 | 2,718 |
| Finance expense | (13,564) | (12,317) |
| **Net income (expense)** | **(10,946)** | **(9,599)** |
| **Profit (loss) before tax** | **(40,127)** | **(5,461)** |
| Income tax benefit (expense) | (2,778) | 2,350 |
| **Profit (loss) for the period of continuing operations** | **(42,905)** | **(3,111)** |
| | | |
| **Profit (loss) for the period** | **(42,905)** | **(3,111)** |
| Attributable to the sole shareholder of the Parent | (42,905) | (3,111) |

(*) Unaudited financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**
**(Thousands of Euros)**

| | 30/06/2022 (*) | 30/06/2021(*) |
|---|---|---|
| **1. CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Profit (loss) before tax** | **(40,127)** | **(5,461)** |
| **Adjustments for:** | | |
| Amortisation and gains or losses on disposals of non-current assets (+) | 24,210 | 25,838 |
| Finance income (-) | (2,618) | (2,718) |
| Finance costs (+) | 13,564 | 12.317 |
| Provisions (+) | 19,589 | 340 |
| Impairment and losses on disposals (+/-) | - | - |
| **Adjusted profit before Tax** | **14,618** | **30,316** |
| **Income tax reimbursement** | **960** | **978** |
| **Increase/(Decrease) in current assets and liabilities** | | |
| (Increase)/Decrease in current assets | (6,203) | 21,367 |
| Increase/(Decrease) in current liabilities | 1,429 | 2,044 |
| Increase/(Decrease) in other non current assets / liabilities | (46) | - |
| **Total net cash flows from operating activities (1)** | **10,921** | **54,705** |
| | | |
| **2, CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| **Payments due to investments:** | | |
| Property, plant and equipment | (311) | 98 |
| Right of use | (854) | (914) |
| Other intangible assets (computer software) | (6,042) | (4,484) |
| Other financial assets | - | (3) |
| **Proceeds from disposals:** | | |
| Other financial assets and interest received | 90 | - |
| **Total net cash flows from investing activities (2)** | **(7,117)** | **(5,303)** |
| | | |
| **3, CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| **Proceeds and payments relating to equity instruments:** | | |
| Distributions in kind | | - |
| Other shareholder contributions | | - |
| **Proceeds and payments relating to financial liability instruments:** | | |
| Financing obtained from- | | |
| Credit institutions (revolving credit facility) (+) | | |
| Other | (11,332) | - |
| Repayment of borrowings from | | |
| Credit institutions (revolving credit facility) (-) | - | (3,900) |
| Other (bondholders) | (57,322) | - |
| Interest paid (-) | (12,855) | (11,224) |
| **Total net cash flows from financing activities (3)** | **(81,509)** | **(15,124)** |
| | | |
| **4, Net increase/(decrease) in cash and cash equivalents (1+2+3)** | **(77,705)** | **34,278** |
| | | |
| **Cash and cash equivalents at beginning of period** | **117,113** | **54,025** |
| **Cash and cash equivalents at end of period** | **39,408** | **88,303** |

(*) Unaudited financial statements.

**Haya Real Estate, S.A.U.**
**and Subsidiary**
**(Haya Group)**

## 1. Situation of the entity

Haya Real Estate, S.A.U. (hereinafter, the Parent) was incorporated for an indefinite duration on 28 May 2013 as Cornalata Servicios y Gestión, S.L, and is duly registered in the Mercantile Registry of Madrid in Volume 1547, General, Book 31,153, Folio 10, Section 8, Sheet No. M-560,663, Entry 1 with VAT Registration No. (CIF) A-86744349.

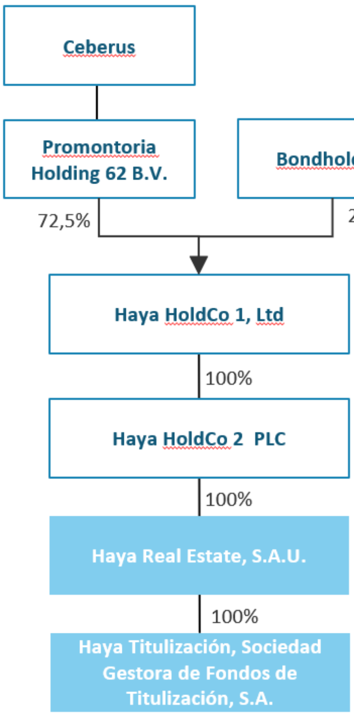
The entity's name was changed on 1 August 2013 to Promontoria Plataforma, S.L.U., before being changed to its current name on 21 April 2014.

On 25 April 2018, the Sole Shareholder agreed to modify the Parent's bylaws so that it becomes a public limited company, changing its company name to Haya Real Estate, S.A. The transformation was effective on 7 May 2018.

On 11 April 2022, Promontoria Holding 62, B.V which held 100% of the Parent's share sold 100% of shares to Haya Holdco 2 plc, (hereinafter, the Sole Shareholder) which is owned by Haya Hold Co 1 Ltd. Both companies were created in the context of the refinancing and recapitalization process. Promontoria Holding 62, B.V. together with the bondholders are the shareholders of Haya Holdco 1, Ltd.   Cerberus Capital Management L.P. ("Cerberus") advises funds that indirectly own 100% of the shares of Promontoria Holding 62, B.V.

The entity, Haya Real Estate, S.A.U, is registered office is at Calle Medina de Pomar 27, Madrid (Spain).

The corporate structure of Haya Real Estate, S.A.U. and subsidiary ("Haya" or the "Group") at June 30, 2022 is shown below




On October 27th, 2021 the Parent, has signed an agreement with Beka Finance for the sale of 100% of shares of the Parent's subsidiary "Haya Titulización, Sociedad Gestora de Fondos de Titulización, S.A.U". This transaction has obtained the regulatory approval by National Securities Market Commission (CNMV) on June 27th, 2022 and on July 7th, 2022, the transactions was closed.

All Group's business activity is carried out in Spain, and mainly involves the following comprehensive services:

- Debt management and recovery: The Group actively manages and monitors its clients' portfolios of outstanding loans. For performing loans, the Group monitors the debtor's financial situation to anticipate a future default. It manages payments from debtors and performs necessary administrative functions. For NPLs, the Group assists in the analysis and implementation of a number of recovery strategies, including pre-legal recovery processes such as discounted pay-offs ("DPOs"), standstill payoffs, short sales, loan sales and portfolio sales. In addition, it manages legal recovery processes, such as foreclosure and insolvency processes and deeds in lieu ("DILs")

- Real estate asset management: The real estate asset management activities are centred on REO management activities such as asset onboarding activities (including reception of the assets and registration in IT systems), payment of taxes and debt cancellation. Once the asset is onboarded, the Group assists in analyzing any development work required, for example, construction or obtaining relevant urban planning permits, with the help of urban planning lawyers, architects and contractors. The Group also performs detailed appraisal analyses, and manages necessary repairs and incidents, where required.

- Real estate asset commercialization: The Group manages a number of commercialization activities on behalf of its clients, including the rental and sale of REOs, through a broad network of real estate brokers, its clients' bank branches, its internal salesforce and its own online platform. Its activities incorporate the management of rentals, implementation of marketing campaigns, contacting clients and arranging site visits, as well as the sale of asset portfolios. The Group also assists in the formalization of private contracts and public deeds and performs ongoing monitoring and reporting activities.

- Advisory and underwriting: The Group has a cross-functional advisory team that assists in managing the clients' portfolio through a variety of activities. The Group provides asset valuation services through a combination of automatic and manual valuation, performs extensive market research and offers extensive data analytics and statistical modelling.

- Value-added services: The Group's value-added services complement its core servicing business and consist of portfolio advisory services, securitization management and property management. The Group also leverages its direct contact with end customers to offer related products, such as mortgages, insurance, utilities and refurbishment services. It has a team that manages and assists in the development of land and projects under construction.

The Group's revenues in the first semester of 2022 derive mainly from servicing contracts (SLAs or Service Level Agreements) setting down the terms and conditions for the services. These contracts have fee structures generally based on:

- Volume-servicing fees: the percentage fee contractually agreed with the clients for each asset transaction or recovery managed by the Group on their behalf, based on its nature (i.e. the recovery or sale of debt, the conversion of NPLs to REOs or the commercialization of a REO).

- Asset management fees: the percentage fee contractually agreed with the clients charged on the amount of assets under management (AuM), except for Sareb contract where there is no asset management fee but rather a minimum fee to cover structure costs.

In addition, the Group derives its revenues from other business such as advisory, securitization and property management.

The main servicing contracts contributing to revenues in the first semester of 2022 are:

- Caixabank Group (former "Bankia"): The Group has been providing management services for real estate assets of the Caixabank Group under an SLA signed in April 2018, for an exclusivity period of ten years even though the agreement if for an indefinite period, which replaced a previous SLA signed in October 2013. In addition to volume-servicing and management fees, the SLA also establishes a success fee that the Group earns if certain benchmarks are achieved for the assets managed during the year. The SLA establishes certain service levels the Group has to achieve, which are measured regularly.

- Cajamar Group: The Group has been providing management services for the real estate and credit assets of the Cajamar Group since July 2014, under the SLA signed on June 10th, 2014, for a period of ten years. The SLA establishes certain service levels the Group has to achieve, which are measured regularly.

- SAREB: The Group has been providing management services for the real estate and credit assets of the Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria, S.A. (hereinafter, "SAREB") since January 2015, under an SLA that had a term of five years. This agreement expired on 31 December 2019. On October 30th, 2020, the Parent entered into a new servicing contract (SLA) with SAREB to service a portfolio of loans and Real Estate Owned assets with effective date from 1 January 2021 until June 30, 2022. The new SLA did not replace the original one signed in 2014 and did not require any upfront payment from the Parent. The new SLA establishes certain service levels the Group has to achieve, which are measured regularly. In February 2022, SAREB has made public that the Group has not been selected to be one of its service providers for its new contract. Therefore, the Group won't extend the current contract which expired on June 30th, 2022.

- Unicaja Group (former "Liberbank"): The Group has been providing management services for the real estate assets of the Unicaja Group since August 2017, under an SLA signed on 8 August 2017 for a period of seven years. The SLA establishes certain service levels the Group has to achieve, which are measured regularly. In December 2021 the Parent has received a formal notice from Unicaja communicating the early termination of the contract, which was effective in June 2022, according to contractual terms.

- BBVA: in October 2018, the Group signed an agreement for the servicing of the BBVA Group's Spanish real estate assets, for a period of eight years and a potential renewal up to 2 additional years. The SLA establishes certain service levels the Group has to achieve, which are measured regularly.

- Divarian: in April 2019, the Parent signed a business purchase agreement with Divarian Propiedad, S.A. («Divarian»), the former internal servicing unit of BBVA acquired by Cerberus, for the integration of Divarian's servicing business into the Parent, including employees and other resources (mainly IT). The transaction was effective on 31 May 2019. At the same time, the Parent entered into a Service Level Agreement (SLA) with "Divarian Propiedad, S.A." and "Divarian Desarrollos Inmobiliarios, S.L." for the management of their REOs for a period of eight years. The Service Level Agreement did not require any upfront payment from the Parent, and the servicing business was acquired for 1 euro. The SLA establishes certain service levels the Group has to achieve, which are measured regularly.

- Apple: During 2019, the Group added one additional contract with Promontoria Manzana, S.A. and its affiliates, Global Licata, S.A. and Global Pantelaria, S.A. (owned through a JVCo 80% by Cerberus and 20% Banco Santander) for the management of real estate assets for a period of eight years.

The Group has expanded its activity since 2013, through acquisitions of asset management businesses from other financial institutions and of companies specialising in value-added services that complement its core business. The majority of the existing servicing contracts have required upfront payments in exchange for the exclusivity. The Parent is also the sole administrator of a few small portfolios of guaranteed real estate assets acquired by Cerberus.

## 2. Business performance and results

### 2.1 Key Performance Indicators

#### a. Alternative Performance Measures (APMs)

The key indicators used by the Group and its sector to describe its activities and performance are: Assets under Management (by total and by client), Transaction Volumes (by total and by type of transaction), Average Volume Servicing Fees and Average Asset Management Fees, EBITDA and Adjusted EBITDA, Net Debt, Leverage Ratio, Free Cashflow, Adjusted Free Cashflow and Cash Conversion. The Group uses these measures when planning its strategy, preparing budgets, reporting to the Sole Shareholder and reviewing the Group's performance.

The Group's management considers that these measures are commonly used among its peers in the industry. It considers measures based on EBITDA to be useful as they eliminate potential differences in operating income between the periods and companies being compared, due mainly to factors such as amortisation and depreciation, historic costs, the age of the assets, capital structures and tax regimes.

Details of the definitions, calculation and reconciliation of these APMs with the Group's interim condensed consolidated financial statements are shown below:

*a.1 Assets under Management (by total and by client)*

The Group defines Assets under Management (AuMs) as the total contracted assets under management on which asset management fees are earned and which are comprised of NPLs (Non-Performing Loans) and REOs (Real Estate Owned Assets), generally at the gross book value reflected in the client's balance sheets or agreed upon reference price. The AuMs we manage can change for a specified period as a result of "inflows" (increases in AuMs resulting from new servicing contracts or additional AuMs from existing servicing contracts), "outflows" (decreases in AuMs resulting from the recovery or sale of NPLs or the commercialization of REOs) and NPLs conversions into REOs. The total amount of Assets under Management in a period forms the basis of our commissioning and is confirmed periodically with our clients.

This Alternative Performance Measure is used because it is understood to be a key measure to analyse and track our performance as it shows the base on which we earn our asset management fees and illustrate the volume of assets that we currently manage for our clients.

| *At GBV unless otherwise indicated* | In € millions | |
|---|---|---|
| | June 30, 2022 | December 31, 2021 |
| Assets under Management (by client) | | |
| *Caixabank* | *2,790* | *2,857* |
| *Cajamar* | *3,440* | *3,726* |
| *Sareb* | *12,209* | *12,870* |
| *Unicaja* | | *2,064* |
| *BBVA* | *1,476* | *1,621* |
| *Divarian (1)* | *3,357* | *3,645* |
| *Apple(1)* | *1,226* | *1,313* |
| *Other Cerberus Portfolios(1)* | *1,530* | *1,377* |
| *Other clients(1)* | *27* | *30* |
| **Assets under Management (total)** | **26,055** | **29,503** |

(1) Asset under Management indicated at "outstanding balance" for NPLs and "appraisal value" for REOs

As of June 30, 2022, the AuMs decreased by €3,448 million compared to December 2021 mainly due to the termination of Unicaja contract and natural evolution of recoveries under existing contracts.

*a.2 Transaction Volumes (by total and by type of transaction)*

The Group defines Transaction Volumes as the volume transacted on AuMs on behalf of clients and on which volume fees are earned. Transaction Volumes comprise:

- Transaction Volumes derived from the recovery or sale of NPLs, measured at the amount of cash recovered on the loans for our clients;
- Transaction Volumes derived from the achievement of certain milestones in connection with the conversion of NPLs into REOs (REO conversion) through foreclosures or bankruptcy proceedings, measured at the established amounts for such milestones in the applicable servicing contract;
- Transaction volumes derived from the commercialization of REOs, measured at sale price for our clients.

The total amount of Transaction Volumes transacted in a period forms the basis of our commissioning and is confirmed periodically with our clients.

| | Six months ended June 30, (in € millions) | |
|---|---|---|
| | 2022 | 2021 |
| Transaction Volumes (by type of transaction) | | |
| *NPL* | *163.7* | *145.4* |
| *REO Conversion* | *186.0* | *244.1* |
| *REO* | *1,023.1* | *853,2* |
| **Transaction Volumes (total)** | **1,372.8** | **1,242.7** |

For the six months ended June 30, 2022 compared to the six months ended June 30, 2021, transaction volumes increased by €130 million (or +10.5%).

NPL volumes increased by 12.5% compared to the first six months of 2021. This increase is showed the recovery pace in NPLs market. REO Conversion volumes decreased by 23.8% (or €58.1 million) when compared to H2 2021 mainly due to lower activity in Sareb. REO volumes increased by 19.9% (or €169.9 million) compared to the first six months of 2021 due to the increase in the real estate market activity helped by portfolio and large transactions sales and the recovery pace curve in Caixabank (2021 volumes affected by merger process).

*a.3 Average Volume Servicing Fees, and Average Asset Management Fees*

The Group generates revenues primarily from two types of fees under our Core Servicing Contracts: (i) volume servicing fees, which are calculated as a percentage of the recoveries volume for each NPA (i.e., the cash recovery or sale of debt, the activities performed to convert NPLs to REOs or the commercialization of a REO) that we achieve on behalf of our clients, and (ii) management fees, which are generally calculated as a function of AuMs in each contract in a given period. Such fees vary significantly from contract to contract and by type of asset recovery. Other revenues consist of success fees (linked to the achievement of performance objectives agreed with the clients) and revenues derived from other types of businesses (e.g., securitization, advisory services, rental management and land development advisory, among others).

The Group defines Average Volume Servicing Fees, as volume servicing fees as per the consolidated financial statements divided by Transaction Volumes for a specified period.

Likewise, the Group defines Average Asset Management Fees as asset management fees as per the consolidated financial statements divided by the average Assets under Management for a specified period (such average being calculated using the AuMs at the beginning and the end of the relevant period as confirmed periodically with our clients).

These averages are relevant for the Group as they give an overall average for the fees received in terms of the volume of client activity and total assets managed by the Group, irrespective of the terms and conditions of the contract with each client.

Because of their nature, including information reported by our clients, these APMs cannot be reconciled directly with the Group's interim condensed consolidated financial statements, but they provide a useful and relevant measure of the Group's performance and the overall trend in its revenues.

Average Volume Servicing Fees were calculated as follows for the six months ended June 2022 and 2021:

| | Six months ended June 30, (in € millions, other than ratios) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| Volume servicing fees | 56.3 | 51.5 |
| Volume of transactions in the period (1) | 1,372.8 | 1,242.7 |
| **Average Volume Servicing Fees** | **4.10%** | **4.15%** |

(1) According to the definition of this APM provided before.

In relation to volume servicing fees as a % of volume there was a decrease from 4.15% to 4.10% in H1 2022 when compared to H1 2021 due to a weight increase in REO portfolios or large transactions sales which have contractually lower % volume fee.

Average Asset Management Fees were calculated as follows for the last twelve months (LTM) ended 30 June 2022 and 2021:

| | Last twelve months ended June 30, (in € millions) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| Asset management fees | 53.3 | 57.1 |
| Average Assets under Management in the period (1) | 29,258 | 32,139 |
| **Average Asset Management Fees** | **0.18%** | **0.18%** |

(1) Calculated using the AuMs at the beginning and the end of the relevant period as confirmed periodically with our clients. LTM 2022 includes AuMs from Unicaja contract

Asset Management Fees as a % of assets under management remains stable in LTM 2022 when compared to LTM 2021.

*a.4 EBITDA and Adjusted EBITDA*

The Group defines EBITDA as the sum of net profit, corporate income tax, net financial expense, impairment and results on the sale of fixed assets, and depreciation and amortization.

The Group defines Adjusted EBITDA for the first six months of 2022 as the sum of EBITDA and the non-recurring revenues and costs mainly incurred in connection with Corporate Transactions (ie. Refinancing advisors, commercial proposals advisors…), labour restructuring processes and management incentive plans.

The Group uses EBITDA and adjusted EBITDA as objective and comparable performance measures for assessing its payment and cash flow-generation capacity. The Group considers that it will continue using Adjusted EBITDA as long as there are specific isolated transactions that represent income or expense for the Group without an associated cash flow and therefore need to be adjusted to ensure the usefulness and comparability of this indicator.

The reconciliation of this APM with the interim condensed consolidated statement of profit or loss for the six-month period ended June 30, is as follows:

| | Six months ended June 30, (in € millions) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| Profit (loss) for the period | (42.9) | (3.1) |
| Income tax (benefit)/ expenses | 2.8 | (2.4) |
| Finance income | (2.6) | (2.7) |
| Finance expense | 13.6 | 12.4 |
| Depreciation and amortisation charge | 24.2 | 25.8 |
| **EBITDA** | **(4.9)** | **30.0** |
| Non-recurring costs and revenues | 32.3 | - |
| **Adjusted EBITDA** | **27.4** | **30.0** |

For the six months ended June 30, 2022, Adjusted EBITDA was €27.4 million and for the six months ended June 30, 2021, Adjusted EBITDA was €30.0 million. Despite of the increase in volumes this reduction of €2.6 million is explained mainly by the decrease in management fee due to the natural evolution of the contracts and an increase in operating expenses according to the business activity which are partially offset with lower personnel costs.

The following table provides a summary of the last twelve months (LTM) EBITDA ended 30 June 2022 and 2021. EBITDA LTM presented below is not meant to provide an indicator of future earnings potential, as it covers periods with subdued economic activity affected by COVID-19 situation and management actions to contain costs:

| | LTM ended June 30, (in € millions) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| Profit (loss) for the period | (51.5) | (6.1) |
| Income tax (benefit)/ expenses | 8.9 | (2.9) |
| Finance income | (5.5) | (13.0) |
| Finance expense | 26.0 | 26.3 |
| Depreciation and amortisation charge | 59.3 | 51.8 |
| Impairment and gains or losses on disposals of non-current assets | 16.5 | 5.5 |
| **EBITDA** | **53.7** | **61.6** |
| Non-recurring costs and revenues | 9.0 | - |
| **Adjusted EBITDA** | **62.7** | **61.6** |

*a.5 Net Debt*

The Group defines Net Debt as debts with credit institutions, Group companies, bonds and other securities, including accrued interests, less cash and cash equivalents, as shown in our consolidated statement of financial position. This measure offers an objective view of the Group's net financial debt.

The reconciliation of this APM with the interim condensed consolidated financial statements for the six-month period ended June 30, 2022 and year ended December 31, 2021 is as follows:

| | In € millions | |
|---|---|---|
| | June 30, 2022 *(unaudited)* | December 31, 2021 |
| Debts with credit institutions, bonds and other securities | | 424.9 |
| Debts with Group companies and associates | 147.8 | |
| Cash and cash equivalents | (39.4) | (117.1) |
| **Net Debt** | **108.4** | **307.8** |

*a.6 Leverage Ratio (Net Debt to Adjusted EBITDA)*

The Group defines the Leverage Ratio as Net Debt divided by Adjusted EBITDA of the last twelve months (LTM). This APM measures financial leverage and a company's ability to pay off its debt.

This APM was calculated as follows for the last twelve months (LTM) ended June 30, 2022 and for the year ended December 31, 2021:

| | In € millions | |
|---|---|---|
| | June 30, 2022 *(unaudited)* | December 31, 2021 |
| Net Debt | 108.4 | 307.8 |
| Adjusted EBITDA LTM | 62.7 | 65.3 |
| **Leverage Ratio** | **1.7x** | **4.7x** |

*a.7 Change in Working Capital and Adjusted Change in Working Capital*

The Group defines Change in Working Capital as the sum of increase/decrease in current assets and plus increase/decrease in current liabilities as shown in the operating cash flows section of our consolidated statement of cash flows. The Group defines Adjusted Change in Working Capital as Change in Working Capital minus non-recurring costs and revenues. These APMs are presented as measures of the Group's capacity to continue the normal course of its business over the short term:

| | LTM ended June 30, (in € millions) *(unaudited))* | |
|---|---|---|
| | 2022 | 2021 |
| (Increase)/Decrease in current assets | (27.2) | 13.1 |
| (Increase)/Decrease in current assets | 10.6 | 2.9 |
| Increase/(Decrease) in other current assets and liabilities | | |
| **Changes in working capital** | **(16.6)** | **16.0** |
| Non-recurring costs and revenues | 28.2 | - |
| **Changes in working capital Adjusted** | **11.6** | **16.0** |

*a.8 Free Cashflow*

The Group defines Free Cashflow of the last twelve months (LTM) as Adjusted EBITDA LTM minus Capital Expenditures LTM (excluding investments in contract intangible assets) and Adjusted Change in Working Capital LTM. Payments for the right-of use assets are not included. The measures the cash available after operational needs have been met and after investment in fixed and intangible assets, mostly investments in computer software.

Because of its nature, this APM cannot be directly reconciled with the Group's interim condensed consolidated financial statements but provides a useful and relevant measure of the Group's performance and cash generating capacity.

This APM was calculated as follows for the last twelve months (LTM) ended 30 June 2022 and 2021:

| | LTM ended June 30, (in € millions) *(unaudited))* | |
|---|---|---|
| | 2022 | 2021 |
| Adjusted EBITDA LTM | 62.7 | 61.6 |
| Capital Expenditures LTM (-) | (12.9) | (9.6) |
| Adjusted Changes in working capital LTM (+/-) | 11.6 | 16.0 |
| **Free Cash Flow LTM** | **61.3** | **68.0** |

*a.8 Cash Conversion*

The Group defines Cash Conversion LTM as Free Cashflow LTM divided by Adjusted EBITDA LTM. The Group considers this indicator as relevant given that it shows in which proportion the Adjusted EBITDA LTM is converted into cash in each period.

This APM arises from the direct calculation of two APMs previously reconciled with the Group's interim condensed consolidated financial statements for the six-month period ended June 30, 2022. This APM was calculated as follows for the last twelve months (LTM) ended June 30, 2022 and 2021:

| | LTM ended June 30, (in € millions, other than ratios) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| Free Cash Flow LTM | 61.3 | 68.0 |
| Adjusted EBITDA LTM | 62.7 | 61.6 |
| **Cash Conversion LTM** | **98%** | **110%** |

## 3. Income Statement

### Key Income Statement Items

Set forth below is a brief description of the composition of the key line items of our consolidated statement of profit or loss:

**Revenues**

Our revenues are derived mainly from the volume servicing fees and management fees, which are linked to the transaction volume activity and assets under management respectively, as well as other revenues.

**Other operating expenses**

Other operating expenses consist primarily of channel costs, costs associated to NPL and REO management (i.e. external lawyers cost in REO Conversion process), operational expenses and other operating expenses. Channel costs are commissions paid to real estate brokers or bank branches participating in the sale of REOs. Operational expenses are agency and consulting fees and the remaining of our operating expenses are comprised mainly of IT, marketing, contact center, facilities and travel expenses.

**Personnel costs**

Personnel costs represent salaries, severance, labour restructuring costs, management incentive plans and related personnel expenses.

**Amortization**

Amortization includes the amortization of tangible and intangible fixed assets on a straight-line basis over the useful life of the assets.

**Net finance costs**

Net finance costs arise primarily from our debt obligations and related interest expenses.

**Corporate income tax**

Corporate income tax benefit (expense) is calculated as the sum of the current tax payable resulting from the application of the effective tax rate to the taxable income for the year, less any allowable tax deductions and tax credits and the change in assets and liabilities due to deferred taxes.

### 3.1 Revenues

The following table presents the breakdown of total revenues for the six months ended June 30, 2022 and 2021:

| | Six months ended June 30, (in € millions) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| *Volume servicing fees* | *56.3* | *51.5* |
| *Management fees* | *23.7* | *27.9* |
| *Other* | *20.7* | *15.1* |
| **Total Revenues** | ***100.7*** | **94.5** |

For the six months ended June 30, 2022, revenues were €100.7 million, a 7% increase (or €6.2 million) from revenues of €100.7 million for the six months ended June 30, 2021. This increase of €6.2 million was primarily driven by an increase in Volume Fee due to higher transaction volumes in the period, and other revenues positively impacted by non-recurring items. Both effects have been partially offset by a decrease in management fee due to the natural evolution of the contracts.

### *3.2 Other operating expenses*

Other operating expenses increase by €26.9 million, or 79%, during the six months ended June 30, 2022, compared to the six months ended June 30, 2021 negatively impacted by non-recurring items (advisory costs associated to refinancing process and provision for the difference between estimated Unicaja termination fee and the amount received). Additionally, operating expenses also increase by (i) higher intermediation costs REO real estate agents impacted by higher REO volumes previously explained and (ii) an increase of costs associated to real estate asset maintenance with its corresponding impact in other revenues.

### 3.3 Personnel costs

Personnel costs increase by €14.2 million, or 47%, during the six months ended June 30, 2022, compared to the six months ended June 30, 2021. The increase was primarily driven by non-recurring costs associated to: (i) labour restructuring costs related to the process which will be completed during third quarter, and (ii) management incentive plan accrued once the recapitalization and refinancing process was completed. If both impacts are excluded, the personnel costs have decreased by €1.8 million or 6% due to lower number of employees in the period compared to last year.

### 3.4 Net finance costs

For the six months ended June 30, 2022, net finance costs were €10.9 million vs €9.6 million incurred during the first six months of 2021. Net financial costs increase by €1.3 million partially explained by amortized cost of former Senior Secured Notes fully recognized in P&L within the refinancing and recapitalization process.

### 3.5 Net profit/loss

Profit (loss) for the six months ended June 30, 2022, amounted to €(42.9) million compared with €(3.1) million for the six months ended June, 30, 2021. The loss increase of €39.8 million is explained by: (i) Adjusted EBITDA decrease of €2.6 million as previously described, (ii) €32.3 million of non-recurring net losses for the six months ended June 30, 2022 which are related to labour restructuring process, refinancing and recapitalization cost and other, without any corresponding impact for the same period in 2021, (iii) amortization costs decrease by €1.6 million in the period, (iv) €1.3 million higher financial expenses explained before and (v) the impact related to no capitalization of tax losses carryforwards in 2022 impacting negatively net profit/loss by €5.1 million compared with same period in 2021.

## 4. Liquidity and capital resources

Our liquidity requirements consist mainly of debt servicing requirements, capital expenditures and working capital. Historically, our principal sources of liquidity have been our net cash generated from operating activities and borrowings under the former syndicated facility, senior secured notes and the revolving credit facility (cancelled in April 2022).

On June 14, 2022, and as agreed as part of the recapitalisation, the Parent was released from its obligations as co-issuer of the existing SSNs, and a receivable arose (the “SSNs SHL”) between the Parent (as borrower) and Holdco 2 plc (as lender) in an amount of €425.7 million of which €423.9 million corresponded to the outstanding principal amount of the existing SSNs and €1.8 million corresponded to accrued and unpaid interest as of the recapitalization effective date (14 June, 2022). The SSNs SHL matures in November 2025, and the borrower may prepay the whole or any part of any loan (together with all interest accrued on it) in accordance with the contract terms. The SSNs SHL shall be repaid in the event of an acceleration of all outstanding amounts under the New SSNs issued by Haya Holdco 2 plc guaranteed by Haya Real Estate S.A.U and Haya Holdco 1 Ltd. The SSNs SHL accrues an annual interest rate of 3-month Euribor plus 9% plus a margin.

On June 14, 2022, the Parent repaid €57.3 million of the SSNs SHL, which was then used by Haya Holdco 2 plc to redeem existing SSNs.

On June 14, 2022 Haya Holdco 2 plc, contributed a total amount of €202.2 million to Parent equity by way of a distribution in kind. The contribution consisted of the partial contribution of the lender position under the SSNs SHL.

On June 14, 2022 Haya Holdco 2 plc, on the Parent's behalf, distributed to itself, by virtue of its position as Sole Shareholder, the amount of €102.2 million to be funded from the "Shareholder Contributions" without decreasing the share capital of the Parent. Such contribution in kind was made by way of a contribution to the Sole Shareholder of the Parent's lender position under the upstream loan entered into on 27 November 2017 between the Parent, as lender, and Promontoria Holding 62, B.V., as borrower, for an amount of €88.1 million (€102.2 million outstanding balance as of June 14, 2022).

As a result of the process, the Parent entered into th SSNs SHL with its Sole Shareholder, Haya Hold co 2, plc, amounting to €166.3 million notional outstanding balance as of June closing. With regards to equity position, €100 million net has been injected by the Sole Shareholder reinforcing the capital structure of the Parent to avoid any negative equity concern in the coming years.

Finally, at closing date (14 June 2022), the existing SSNs of €423.9 million issued by Haya Holdco 2, plc were exchanged for a new Senior Secured Notes which are guaranteed by Haya Real Estate, S.A.U. and Haya Holdco 1 Ltd.

In addition, in order to keep the guarantee provided for the lease of the Parent's Madrid office headquarter after the prepayment and cancellation of the Parent's revolving credit facility's, the Group in March 2022 has provided a new guarantee of €0.6 million issued by Banco Santander. Cash and cash equivalents amounted to €39.4 million as of June 30, 2022.

We believe we have sufficient liquidity and capital resources to meet our current operating requirements and debt obligations. Our ability to generate cash depends on our future operating performance, which is in turn dependent, to some extent, on a variety of factors, many of which are beyond our control.

### 4.1 Cash Flows

The following table provides a summary of cash flow data:

| . | Six months ended June 30, (in € millions) *(unaudited)* | |
|---|---|---|
| | 2022 | 2021 |
| Cash flows from operating activities | 10.9 | 54.7 |
| Cash flows from investing activities | (7.1) | (5.3) |
| Cash flows from financing activities | (81.5) | (15.1) |

#### a. Cash Flows from Operating Activities

Cash flows from operating activities were €10.9 million and €54.7 million for the six months ended June 30, 2022 and 2021, respectively. This change is mainly explained by a decrease in adjusted profit before tax in 2022 impacted by non-recurring cost (labour restructuring cost and costs associated to refinancing process) and the significant cash flow generated last year due to the normalization of accounts receivable executed.

#### b. Cash Flows from Investing Activities

Investing activities used €(7.1) million of cash flows for the first six months of 2022 compared to (€5.3) million used in the same period of 2021. Investment activities for the first six months of 2022 reflect mainly the investments made on IT applications to manage the Group clients' real estate and credit asset.

### c. Cash Flows from Financing Activities

Financing activities used of €(81.5) million and €(15.1) million of cash during the six months ended June 30, 2022 and 2021, respectively. Financing activities in 2022 are related to refinancing and recapitalization process (mainly former Senior Secured Notes prepayment and transactional costs) without any corresponding impact in 2021 period which cash flow was only related to interest payment and the repayment of €3.9 million of the Group´s RCF. Both periods contain the interest payment accrued as of June 30.

## 5. Main risks and uncertainties

The main operational risks are as follows:

**Client concentration**

All of the Group's revenues and accounts receivable are mainly derived from service level agreements with a small number of clients (SAREB, the Caixabank Group, the Cajamar Group, the Unicaja Group, BBVA Group, and Divarian). These core contracts accounted for 91% of the Group's revenues in 2021. This degree of concentration entails a number of additional risks, which are discussed below.

There is also a risk that the Group's clients might decide to sell a substantial part, or all, of the asset portfolio managed by the Group to a third party or might experience a change of control. If this were to occur, the majority contracts signed include clauses under which the Haya Group would receive compensation for any such sales or for early termination of the contract, mitigating the agreement cancellation risks. Depending on the date of an hypothetical cancellation, some losses may arise as a consequence of the difference between the termination fee and the book value of the upfront payments (accounted as intangible assets). Furthermore, the amount the Group would receive as compensation would be a single, lump sum payment with no future management or volume fees on the portion sold unless the Group is provided with the opportunity to service the portfolio for the new owner.

Since it was created, the Group has demonstrated its capacity to sign service provision agreements with new clients while expanding the portfolio of services it offers to the market, underpinned by development of IT applications that can integrate the asset databases of any entity. The high level of concentration is mitigated by the Group's leading technological offering and the diversity of its services.

**Business risk**

The Spanish banking sector is going through a market consolidation process, with multiple mergers being contemplated or discussed in 2021. This consolidation could potentially impact the real estate servicing sector as well and could adversely affect our future revenues. In this context, our clients Bankia and Liberbank have finalized their respective merger processes with Caixabank and Unicaja, being our clients the acquired party. Regarding to Bankia and Caixabank's merger, the Group continues providing services to the merged entity. In relation to Liberbank and Unicaja merger, the Group received in December 2021 a formal notice communicating the early termination of the contract which was effective in June 2022. This early termination contract implies the Group to receive from Unicaja a termination fee. This termination fee would arise in those contracts in which Haya paid an upfront payment and even in some contracts without upfront payment.

Similarly, our clients may decide to sell a significant part or the entire portfolio we manage to another institution, which would decrease our fees. If this were to occur, we would receive as compensation a single, lump sum payment with no future management or volume fees on the portion sold. Furthermore, if one or more of our clients or potential clients decide to sell a substantial portion or the portfolio, we manage for them to institutional investors or investment firms that are competitors of Cerberus Capital Management, L.P., it may be difficult for us to renew or enter into new servicing contracts to manage those portfolios, given that Cerberus is the indirect Shareholder of the Group. Failure to renew existing contracts or enter into new servicing contracts with these potential new clients may have a material adverse effect on our business, results of operations or financial condition.

Concentration in the financial sector or the sale of portfolios by our clients could also imply opportunities for the Group to compete for the bidding of future new servicing contracts for both financial institutions and institutional investors which would have a positive impact in the Group's future revenues. On the other hand, on February 24$^{th}$, 2022, Sareb has made public that the Group has not been selected to be one of its service providers for its new contract. As a result, the current contract with Sareb has matured on June 30, 2022 and has not been extended. In that context, the Group will continue servicing its other clients, focusing on its commercial performance, and pursuing all new business opportunities. Likewise, the evolution of the Spanish real estate sector will affect the future activity of the Group as part of its revenues are linked to the commercialization of real estate assets and the recovery of loans of loans with real estate collateral.

## 6. Material Differences of financial condition or results of operations between Haya Real Estate, S.A.U and its subsidiaries and Haya Holdco 2 plc and its subsidiaries.

Haya Holdco 2 plc is a holding company without independent operations or subsidiaries other than Haya Real Estate and its subsidiaries.

The only material differences in financial condition are directly related to the recapitalisation completed in June 2022. See “Liquidity and Capital Resources” above. As a result, while Haya Real Estate’s equity position amounted to €60.5 million as of June 30, 2022, Haya Holdco 2 plc has negative equity as of the same date.

In relation to debt difference between Haya Real Estate and Haya Holdco 2 plc are the following:

1. The New Senior Secured Notes are recorded as a €350.8 million liability (their principal amount less related capitalised costs) on the balance sheet of Haya Holdco 2 plc, as the issuer, but they are off balance sheet contingent obligations of Haya Real Estate, as a guarantor;

2. The SSNs SHL is recorded as a €147.8 million liability (its net principal amount less related capitalised costs) on the balance sheet of Haya Real Estate, as a borrower, but is an asset of Haya Holdco 2 plc, as a lender; and

3. The interest expense of Haya Holdco 2 plc related to the New Senior Secured Notes is only partially offset by the interest income from Haya Real Estate related to the SSNs SHL.

Note that the accounting for the business combination between Haya Real Estate, S.A.U and Haya Holdco 2 plc which was part of the recapitalisation completed in June 2022 is preliminary and subject to ongoing review with external accounting experts. In addition, Holdco 2 is in the process of appointing its auditor for the 2022 financial year.