Tear Sheet: DoValue's €265M 2025 Senior Secured Notes

Italian loan and real estate service company doValue S.p.A (the **Issuer**) has launched a new five-year €265 million senior secured bond to prepay a bridge facility used in the acquisition of 80% of the share capital of FPS Loans and Credits Claim Management Company S.A (**FPS**) by doValue Greece Holding S.M.S.A. (**FPS HoldCo**). It is contemplated that FPS HoldCo will merge into FPS (the **Reverse Merger**).

Investor meetings will be taking place until Wednesday, July 29, with pricing thereafter.

Reorg calculates the opening senior secured leverage ratio to be 1.9x using €638.5 million senior secured debt, minus €162.4 million cash and cash equivalents and €244.7 million Cons. EBITDA. The opening net leverage ratio is calculated to be 2.5x, using €777.4 million total debt minus €162.4 million cash and cash equivalents and €244.7 million Cons. EBITDA.

A capital structure prepared by Reorg can be found at the end of this tearsheet.

Debt Explained's tear sheet below is a synthesized legal and financial tool that quickly provides a concise summary of covenant capacities. In the next few hours the Reorg team will publish a detailed contextual covenant and structural analysis for investors. Please contact questions@reorg.com for an in-depth analysis.

Summary Covenant Facts

• **Generous capacity for making restricted payments at issuance:**
  ○ **Ratio-capped restricted payments available at issuance**: Uncapped restricted payments are permitted if consolidated net leverage is 3.25x - which is *higher* than the 2.51x opening net leverage as calculated by Reorg. Approximately €183.5 million of restricted payments capacity at issuance under a basket that is typically not accessible on issue.
  ○ **Generous dividend program throughout the life of the notes**: The notes allow annual dividends based on 8% of market capitalization if net leverage is 3.5x, and 5% of market capitalization if leverage is higher. According to Reorg calculations, Day 1 capacity is equal to €55 million.
  ○ **"Free and clear" basket provided**: Starter basket of the greater of €20 million and 8% of Consolidated EBITDA provided for in the restricted payments build-up basket available for immediate use upon issuance.
• **Limitation on Guarantees:** The guarantee obligations of FPS Holdco and Altamira Asset Management S.A. ("*Altamira*") will each be limited to its respective obligations under its applicable proceeds loans agreement. Moreover, the limited amount guaranteed by Altamira and FPS Holdco will be shared between the Noteholders and lenders of the Senior Facilities Agreement.
• **Reverse Merger:** If the Reverse Merger is not completed within 6 months of the issue date, consents of the Bank of Greece as regulator and Eurobank S.A. are required to permit FPS to guarantee the Notes. If such consents are not obtained, this could lead to FPS not guaranteeing the Notes.
• **Super senior debt incurrence available in the future:** Ability to incur up to €100 million of credit facilities, either after the existing Senior Facilities have been fully repaid or the existing Senior Facilities lenders consent to incurrence of such debt. Noteholders' consent will not be required. Uncapped certain hedging obligations are also permitted to be incurred on a super senior basis.
• **Significant senior secured ratio debt incurrence availability at issuance**: Senior secured ratio debt is permitted if consolidated senior secured net leverage is 3.5x. The opening leverage as calculated

by Reorg is 1.9x indicating a headroom of €391.5 million for senior secured debt incurrence at issuance.

Debt Explained's legal analysts will separately publish a thorough analysis of the covenants, structure and the legal loopholes in the next few hours. For regulatory reasons, this tear sheet contains only key covenant facts and basket capacities. *Please email questions@reorg.com to request a copy of the in-depth analysis.*

How Much Leverage Can Be Added over Time?
€391.5M under Consolidated Senior Secured Net Leverage Ratio

Ratio Debt	2.0x Fixed Charge Coverage Ratio ● Senior Secured Debt Incurrence: 3.5x Consolidated Senior Secured Net Leverage Ratio ● Junior Secured Debt Incurrence (on Collateral): uncapped subject to 2x FCCR *Headroom of 1.6x of leverage under Consolidated Senior Secured Net Leverage Ratio, or €391.5M*
Minimum Debt Capacity at Issue[1]	€425.7M *(equivalent of 1.7x turns of leverage)* ● Credit Facilities - Greater of €125M and 51% of Cons. EBITDA ● Management Advances - €60M (Greater of €10M and 4% Cons. EBITDA per calendar year, with one-year carry forward and back) ● CLO/PMO - Greater of €35M and 14% Cons. EBITDA ● Recourse Factoring or Securitization - Greater of €50M and 20% Cons. EBITDA ● General Debt - Greater of €80M and 33% Cons. EBITDA (€80.7M) ● Local Credit Facilities - Greater of €50M and 20% Cons. EBITDA ● Investments in Associates - Greater of €25M and 10% Cons. EBITDA
Headroom under the Credit Facility Basket at Issue	Greater of €125M and 51% of Cons. EBITDA

Value Extraction through Restricted Payments or Permitted Investments

Build-Up Basket Start Date	01/07/2020
Starter Amount in the Build-Up Basket	Yes - Greater of €20M and 8% Cons. EBITDA
Any Accrued Build-Up Basket Capacity	N/A
Ratio-capped baskets	Ratio-capped Restricted Payments: 3.25x Consolidated Net Leverage Ratio *(0.75x of leverage or €183.5M)*

[1] This aggregate does not include any amounts that will be available under the 2x FCCR ratio test mentioned above

	Ratio-capped Junior debt repayments: N/A Ratio-capped Permitted Investments: N/A
Minimum Restricted Payments (payments to equity)	€211M *(equivalent to 0.9x leverage)* plus an annual ratio based basket based on market capitalization of the Issuer (which would be €55M on day 1) • Free and Clear Amount in CNI build-up basket - Greater of €20M and 8% Cons. EBITDA • Equity Repurchases - €60M (Greater of €10M and 4% Cons. EBITDA per calendar year, with two-year carry forward and back) • Annual dividends to 8% of Market Capitalization of the Issuer if Consolidated Net Leverage Ratio is 3.5x or less, otherwise 5% of Market Capitalization • Advances/loans in management equity or stock option plans - €60M (Greater of €10M and 4% Cons. EBITDA per calendar year, with unlimited carry forward) • General RPs - Greater of €70M and 29% Cons. EBITDA
Minimum Permitted Investments at Issue	€571.7M *(equivalent to 2.3x leverage)* • Management Advances - €60M (Greater of €10M and 4% Cons. EBITDA per calendar year, with one-year carry forward and back) • Advances/loans to management equity / stock option plans - €60M (Greater of €10M and 4% Cons. EBITDA per calendar year, with two-year carry forward and back) • UTP Loan (other than UTP Loans financed by non-recourse debt) - €300M (€50M per calendar year, with unlimited carry forward) • Investments in Associates - greater of €80M and 33% Cons. EBITDA (€80.7M) • General PIs - greater of €70M and 29% Cons. EBITDA
Risk of Value Leakage from Asset Sales proceeds	
Can Asset Sale proceeds create Restricted Payments capacity?	No
Risk of Effectively Senior Debt (Secured on non-Collateral)	
Ratio-capped Permitted Liens	N/A
Minimum Permitted Liens at Issue	€390.7M *(equivalent to 1.6x of leverage)* • CF Basket Headroom - Greater of €125M and 51% of Cons. EBITDA • CLO/PMO - Greater of €35M and 14% Cons. EBITDA • Recourse Factoring or Securitization - Greater of €50M and 20% Cons. EBITDA • General Debt - Greater of €80M and 33% Cons. EBITDA (€80.7M) • Local Credit Facilities - Greater of €50M and 20% Cons. EBITDA • General PL - Greater of €50M and 20% Cons. EBITDA

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Risk of Collateral Dilution	
Ratio-capped Permitted Collateral Liens	3.5x Consolidated Senior Secured Net Leverage Ratio *(1.6x of leverage or €391.5M)*
Minimum Permitted Collateral Liens at Issue	€205.7M *(equivalent to 0.8x leverage)* ● CF Basket Headroom - Greater of €125M and 51% of Cons. EBITDA ● General Debt - Greater of €80M and 33% Cons. EBITDA (€80.7M) ● Acquisition Financing subject to 3.5x Consolidated Senior Secured Net Leverage or ratio no worse (**not** included in above aggregate)
Minimum Permitted Super Senior Collateral Liens	€100M *(equivalent to 0.4x leverage)* ● Cap amount for credit facilities debt super senior priority status - €100M ● Certain uncapped priority hedging obligations also permitted to be secured on a super senior basis
Portability	
Portability	No
Cost Savings/Synergies Adjustments	
Are Cost Savings / Synergies capped?	Yes at 20% of Cons. EBITDA (calculated after fully taking into account run rate adjustments)
Any time horizon for Cost Savings / Synergies to be realised?	24 months
Cost Savings / Synergies limited to certain contexts	Broadly applied, including for acquisitions, dispositions, restructurings, and implementation of cost saving or similar initiatives
Credit Support	
Guarantor Coverage on Issue	● 100% of pro forma Adjusted EBITDA ● 96% of total assets ● 97% of pro forma Gross Revenues **The liability of the Guarantors under the Notes and the €373.5M Senior Facilities Agreement shall be restricted to the amounts outstanding under the Altamira Proceeds Loan and the FPS Holdco Proceeds Loan only (as defined in the next section).**
Security Coverage	**First priority security over:** ● Shares held by the Issuer in Altamira and FPS Holdco and, if the Reverse Merger occurs, FPS ● If the Reverse Merger does not occur within six months from the issue date, the Issuer shall promptly cause (i) FPS HoldCo to pledge its

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	shares in FPS; and (ii) FPS HoldCo to pledge its receivables due from FPS **Assignment of Rights under the Proceeds Loans** ● Assignment of the rights of the Issuer under the Altamira Proceeds Loan and the FPS Holdco Proceeds Loan "**Altamira Proceeds Loan**" means the €184.9M intercompany loan agreement between the Issuer, as lender and Altamira, the borrower, entered into June 27, 2019 - of which €166.4M was outstanding on March 31, 2020. "**FPS HoldCo Proceeds Loan**" means the €113.5M intercompany loan between the Issuer, as subscriber, and FPS HoldCo, as issuer, entered into on June 4, 2020.

A capital structure, prepared by Reorg's financial analysts, is below:

DoValue								
(EUR in Millions)	03/31/2020 Amount	Price	Mkt. Val.	Maturity	Rate	Yield	EBITDA Multiple Book	EBITDA Multiple Market
Senior Facility [1]	373.5		373.5					
Senior Secured Notes Due 2025	265.0		265.0	Jul-2025				
Total Senior Secured Debt	**638.5**		**638.5**				**2.6x**	**2.6x**
M&A Related Financial Liabilities	100.0		100.0					
Total Other Debt	**100.0**		**100.0**				**3.0x**	**3.0x**
Leases and Other Debt	38.8		38.8					
Total Leases	**38.8**		**38.8**				**3.2x**	**3.2x**
€25M Bankia Facility [2]	-		-	Jun-18-2021	E + 1.450%			
€25M Eurobank Luxembourg Facility [3]	-		-	Jul-10-2022	E + 1.500%			
€25M Other Facilities [4]	-		-					
Total Credit Facilities	**-**		**-**				**3.2x**	**3.2x**
Total Debt	**777.4**		**777.4**				**3.2x**	**3.2x**
Less: Cash and Equivalents	(162.4)		(162.4)					
Net Debt	**615.0**		**615.0**				**2.5x**	**2.5x**
Plus: Market Capitalization	740.8		740.8	∞.0				
Enterprise Value	**1,355.8**		**1,355.8**				**5.5x**	**5.5x**
<u>Operating Metrics</u>								
LTM Revenue	604.4							
LTM Reported EBITDA	244.7							
<u>Liquidity</u>								
RCF Commitments	75.0							
Less: Drawn	-							
Plus: Cash and Equivalents	162.4							
Total Liquidity	**237.4**							
<u>Credit Metrics</u>								
Gross Leverage	3.2x							
Net Leverage	2.5x							

<u>Notes:</u>
Pro forma for issuance of €265 million senior secured notes to refinance bridge facility agreement entered into to fund acquisition of Eurobank FPS. Market data as of July 27, 2020.
1. On June 30, 2020 a scheduled amortization payment of €20 million was made. Rate equal to Euribor + variable margin which will ratchet up or down depending on leverage. Subject to interest coverage ratio covenant of 5x and leverage ratio of 3x.
2. Facility entered into by Altamira on June 18, 2019. No disclosure on security.
3. Enter into upon completion of FPS aquisition. For working capital purposes. No disclosure on security.
4. All facilities unsecured and unguaranteed.

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Please contact Reorg at questions@reorg.com if you wish to speak to the legal analyst or credit analyst who prepared the above tear sheet for you. We actively welcome your questions and feedback.

Reorg will also publish an in-depth covenant report and credit analysis tear sheet on this bond. We are happy to share our comprehensive legal and financial analysis with you, just email questions@reorg.com for a copy.