

WCMG

(WORKING CAPITAL MANAGEMENT GROUP) S.A.



Investment opportunity in European Non- Performing Loans

PRESENTATION FOR WELL INFORMED INVESTORS ONLY

Summary

Fund Overview	3
Fund Structure	6
NPL'S Potential situation in Europe	7
Market Attractions	8
Market view 2016-2019	9
Covid period 2020-2021 (1 st Quarter)	10
Market view 2021-2023	11
European NPL Market overview	12
NPL'S Potential situation in Europe	13
NPL - Non Performing exposures	15
France NPL / Banking loan ratios (Scope Rating Agency)	17
Group perimeter	18
Active Credit Cycle	21
Team	22



Target Size

€ 40/45 million

Our Investment Strategy

- To buy **unsecured finalized and not finalized npl's** consumer loans small and medium ticket.
- To buy **npl's bank overdrafts, m/t unpaid instalments**, small and medium ticket.
- To buy **unpaid invoices B2B and B2C**.
- To buy **secondary and tertiary market** of NPL's unsecured small and medium tickets.
-

Target market

Mainly Italy, France and Spain, marginally in an opportunistic vision Slovenia and Switzerland

Market Opportunity

- Big Quantity of **NPL's post or intra COVID** Crisis
- **Secondary and tertiary market** of Npl's previously bought by other Debt Purchaser
- **Platform dismissions** by investment fund including portfolios stock
- **Regional utilities change** of approach to bad debts in order to clean up financial statements

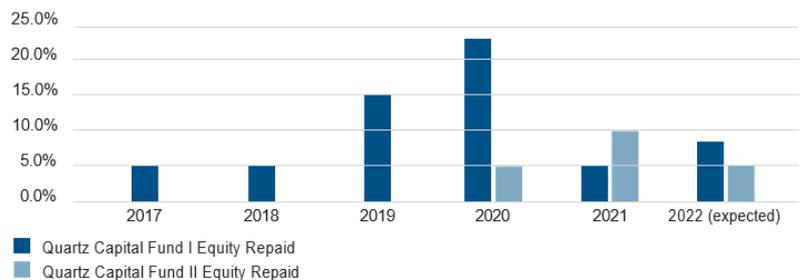
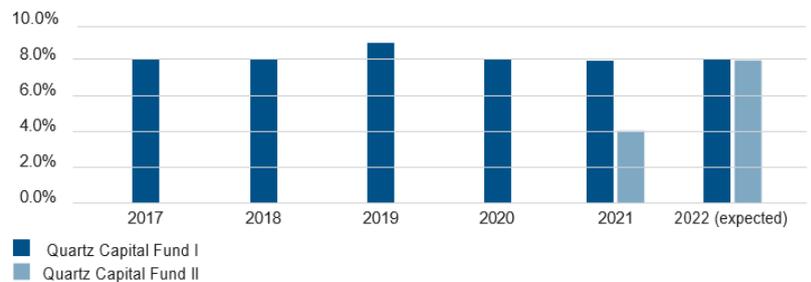
Target Sector

- Banks
- Financial Leasing Companies
- Factoring Companies
- Industrial and commercial companies
- SPV
- Regional and national Utilities
- Regional and national telco
- International and local debt purchases
- Investment funds
- Specialized platform

Return Objectives

- Net IRR objective of 12-15% over life of the compartment with at least semi-annual cash distributions
- Target net cash yield to the investors of 6-8% over life of the compartment
- Focus on equity protection and stability of collection curves
- Collection oriented to cash and noncash asset for closing sale of assets

Investment Period	6/9 months after the termination of the raising period.
Fund Structure	Debt lines composed by statement of account received by the sellers, loan contracts, invoices . The asset could be packed in some SPV
Regulated Legal Structure	Luxembourg AIF managed by AIFM UE authorized in accordance with Ar. t 6 Directive 2011/61/UE
Track Record To Date	Historical dividend distribution Quartz Capital Fund S.C.A. (per compartment)



Alignment Term	Collection costs paid on base of variable fees on collection
Term	Five years by end of investment period, extendable by two-one year period if decided by the general partner
ISIN Codes	LU2433138133 class A - retail LU2502042216 class I - institutional
Minimum investment	Retail: € 125,000 Institutional: € 5,000,000
Management fee	Up to 2.20%
Currency	Euro

QUARTZ I

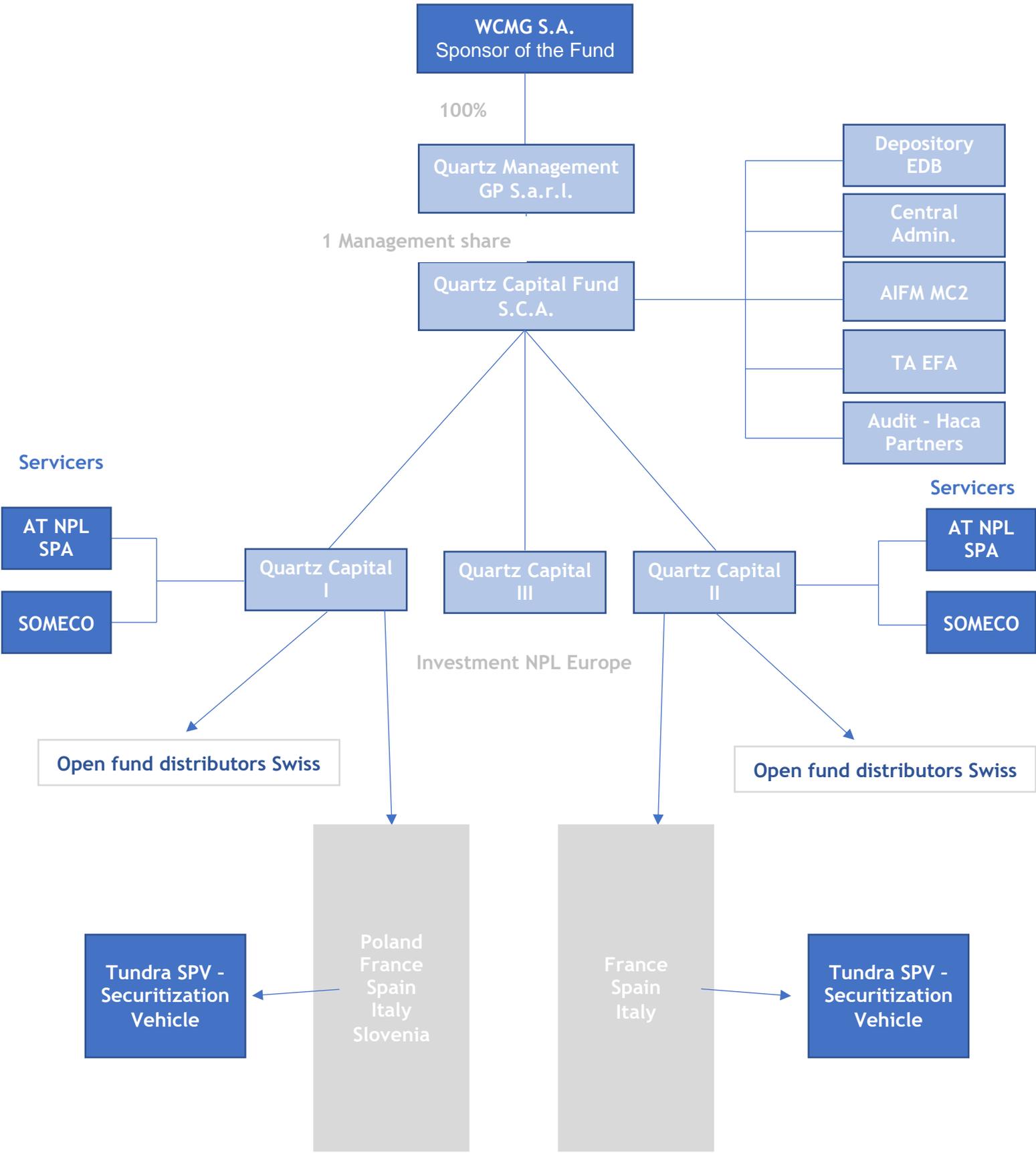
Purchase Price	5.997.965,40 €
Collection as of May 2022	9.379.657,47 €
Bank account available amount as of 01/10/2022	3.124.120,84 €
Initial GBV	333.688.103,64 €
Purchase price GBV (%)	1,80 %
Number of debtors	85.563
Average GBV/accounts	3.899,91 €
Final Considerations	The sale of the portfolios of Package 1 was carried out about one year before compared to the planned resell date (30/06/2023), as the performance of the portfolios and the market situation made the transaction favorable. On the following slides the details regarding the sale of the Italian and out of Italy portfolios. In addition, we claim that the liquidation of Package 1 should indicatively take place by the end of 2022.

QUARTZ II

Purchase Price	12.721.697,10 €
Collection as of 30.09.2022	8.535.831,50 €
No cash assets as of 30.09.2022	8.070.028,42 €
Initial GBV	288.074.368,89 €
Purchase price GBV (%)	4,42%
Number of debtors	479.050
Average GBV/accounts	601 €
Final Considerations	From 2022 an increase in the stock is estimated due to the expected increase in non-performing loans and a reduction in recovery rates, especially on larger tickets and secured loans that require longer recovery times. The Italian Npl industry has seen continuous growth from 2013 to 2021. It is expected that the revenue growth will continue at a rate of +9% in 2022 and +4% in 2023.



Fund Structure

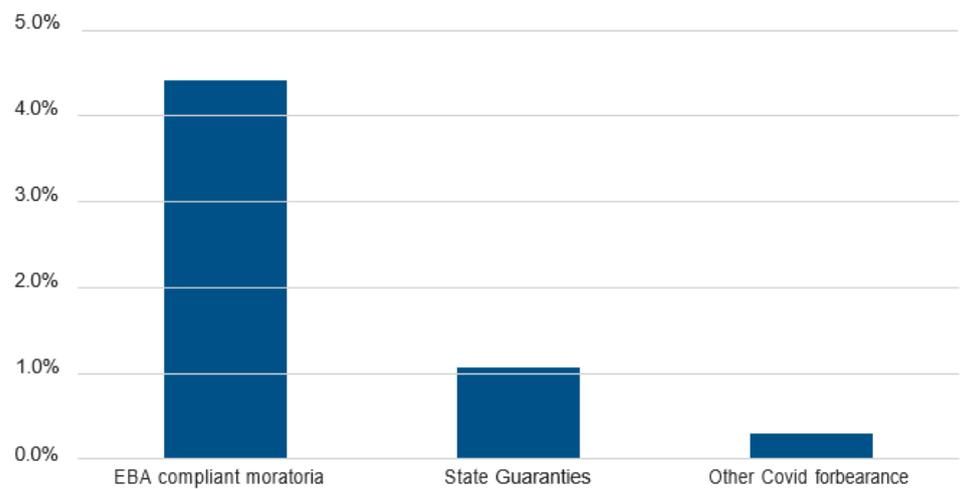


NPL'S Potential situation in Europe

Overview 2021-2023

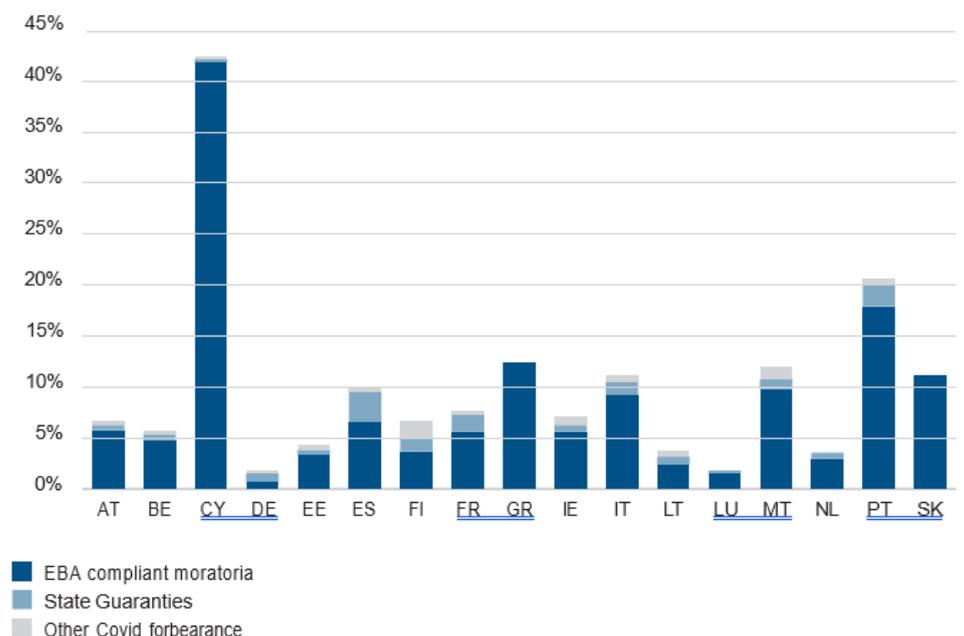
Indicator 8: total outstanding loans benefiting from COVID-19 measures

Loans benefiting from COVID-19 measures and percentage of total loans across the BU.



Source: ECB staff contribution, COREP-19, FINEREP and ECB calculations

Loans benefiting from COVID-19 measures as a percentage of total loans by Member State



~€ 600bn of NPL stock



- Despite significant reduction on banks with high NPLs, volumes have been stable otherwise
- 4 countries with 66% of total stock

Increase in debt losses



- 37% increase from 2018 and 2019
- Both, companies and consumers, show an increase in payment days



- Reduction has mainly taken place on high NPL countries
- Despite efforts, NPL ratios are still above precrisis levels
- NPL ratio range from 1.8% to 35.2%

Consumer behavior



- 24% of consumers borrow money to pay bills
- Increasing share of credit related to ecommerce purchases

45% coverage ratio



- Coverage ratio increased 180bps
- Banks well capitalized
- CET1 ratio reached 14.8% on fully loaded basis

New backstop regulations



- New back-stop regulations implemented as of 2020-01-01 has resulted in further NPL portfolios being sold by banks

Source: EBA and ECB Q4-2019. Intrum European Consumer Payment Report

Markets view 2016-2019

NPL's market for DP

- Big Deal vs Niche Deal
- High purchase prices on primary market
- Concentration of the big Services
- Little Servicers and DP developing a parallel market
- GACS pressure on purchase prices
- Consumer Protection
- Compliance rules more and more relevant

NPL's market for Investors

- Low Expected IRR
- High Investment access thresholds
- Big offer of different type of investment
- Big quantity of financial instruments

Capital Market for DP

- Difficult to raise needed capital for many debt purchasers
- Sector rotation in Stock Exchange markets
- Risk free investment with negative yield
- High leverage on basis low performances

Servicers Market

- Consolidation through M&A
- From specialized to generalist aggregation
- Market bottleneck on big deals
- Termination of bid curve out exclusivity contract in some markets (Spain for example)
- Concentration on Banks and Financials market debt management

Servicers and DP Management trend

- Standardization of process and learning curve process
- Low cost platform and ICT synergy
- Debtor facility to pay
- Debtor contact channels based on different new channel

Covid period 2020-2021 (1st quarter)

- Big Losses of economic cycle (8-13% less GDP)
- Default ratio of debtors frozen by suspension of loan repayment
- Private and corporate level of debts has significantly increased due to the governments financial support programs
- Unemployment rate explosion
- Real workless level higher than official one
- Banks and financial institutions revenues and profit down
- Interest rate artificially lowered
- Banks balance sheet pressure

NPL's market for DP

- Big quantity of new NPL's stock
- Purchase prices trend still not clear on primary market
- Concentration of the big Services
- Secondary and tertiary market in strong development
- GACS pressure on purchase prices
- Consumer Protection Act
- Compliance rules more and more relevant
- Privacy management

NPL's market for Investors

- Increasing expected IRR
- Lower Investment access thresholds
- Big offer of different type of investment
- Big quantity of financial instruments
- High Yield research

Capital Market for DP

- Strong stock of liquidity on the market
- Sector rotation in Stock Exchange markets
- Risk free investment with negative yield
- High leverage on basic low performances

Servicers Market

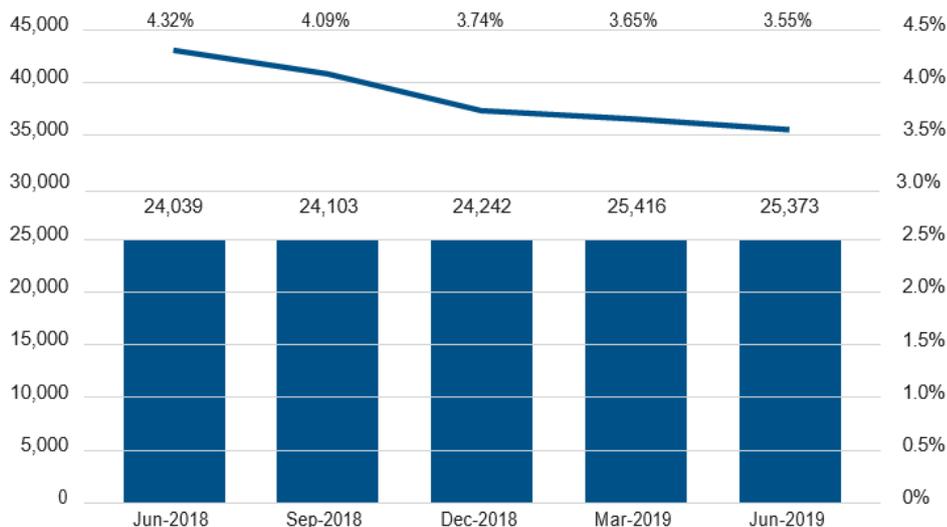
- Creation of new entity
- From generalist approach to specialized approach
- Look through different sectors (utilities and Telco)

Servicers and DP Management Trend

- Artificial Intelligence process management
- Big Data analysis
- Debtor behavior prediction
- Debtor contact channels opening
- Debtor cross selling activity to improve margins
- Customer/debtor experience improvement

European NPL market overview

Total loans and NPL ratio of Eurozone banking market



- Npl's ratio, as result of NPL's Global Stock/total loans.
- Between 2018 and 2019 stock of NPL's increased
- Between 2018 and 2019 Npl's ratio went down
- NPL's ration can be considered as an anticyclical index
- We expect a great increase of new type of portfolios and products to see

Source: ECB staff contribution, COREP-19, FINEREP and ECB

Portfolio transactions in the Eurozone market (2019)



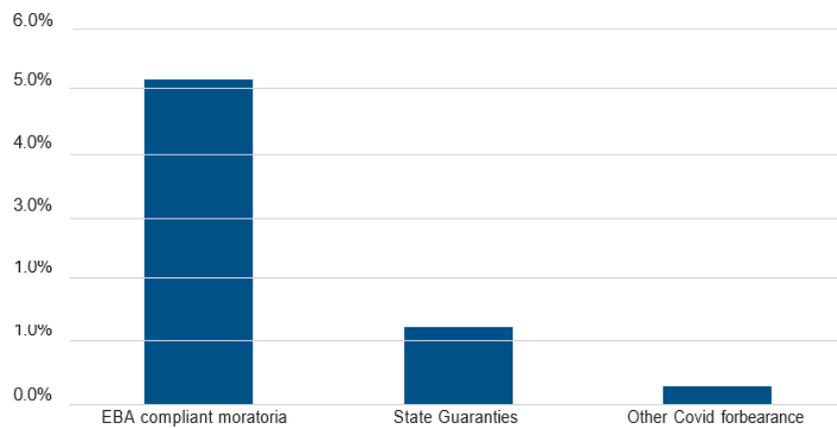
- The market for portfolio transactions has grown considerably in recent years until 2019
- United Kingdom, France, Portugal, Greece, Ireland, Spain, Germany and Italy accounts for most of the volume, also if with different weight inside the total
- Italian market has been hardly influenced by GACS
- Secondary market has not official numbers but transactions became more and more relevant
- Utilities and telco start to be considered as «attractive» also by main DP

NPL'S Potential situation in Europe

Overview 2021-2023

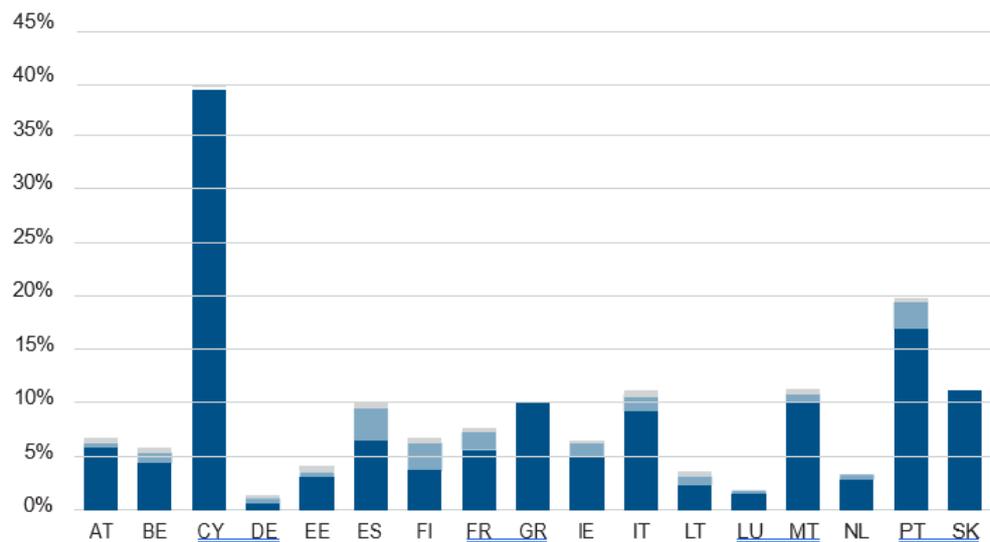
Indicator 9: Performing loans benefiting from COVID-19 measures as a percentage of total loans

Performing loans benefiting from COVID-19 related measures a cross the BU



Source: ECB staff contribution, COREP-19, FINEREP and ECB calculations

Performing loans benefiting from COVID-19 related measures by Member State



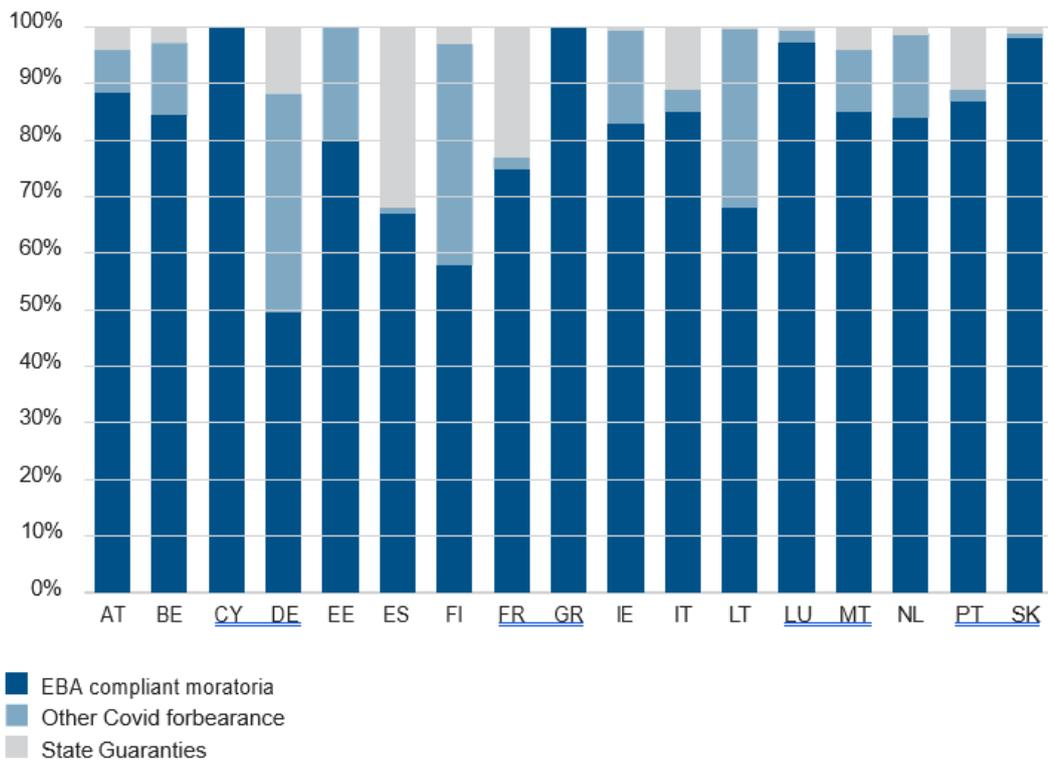
■ EBA compliant moratoria
■ State Guaranties
■ Other Covid forbearance

NPL'S Potential situation in Europe

Overview 2021-2023

Indicator 13: Loans benefiting from COVID-19 measures

Percentage breakdown of total loans benefiting from COVID-19 measures

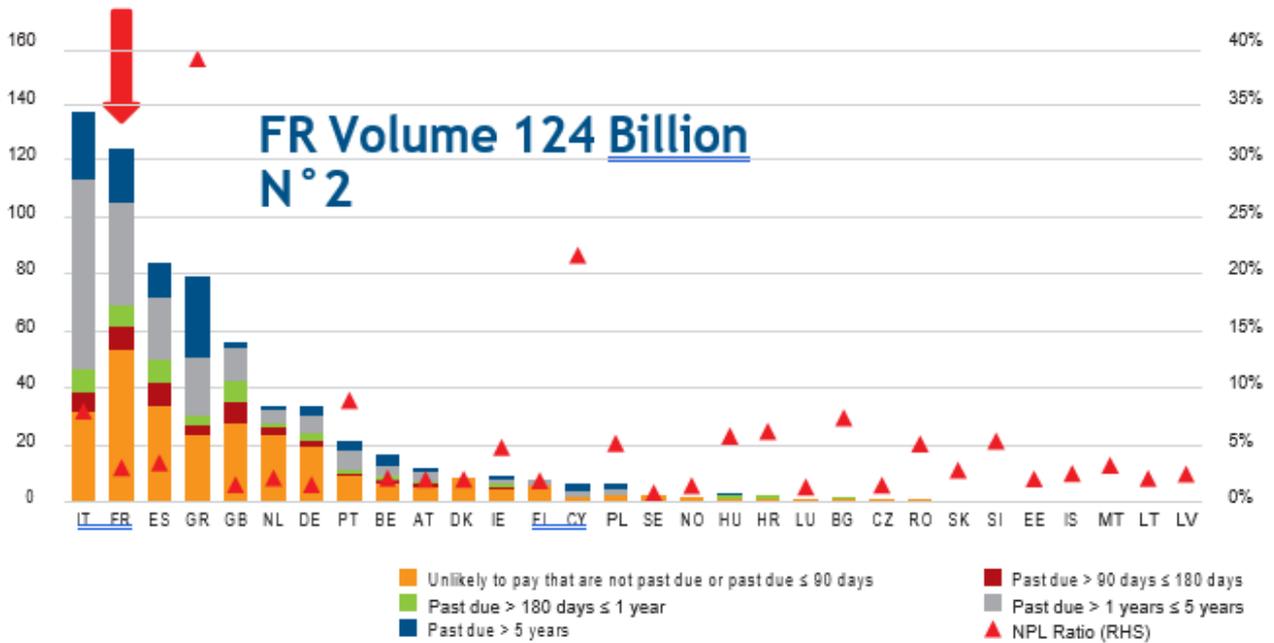


Source: ECB staff contribution, COREP-19, FINEREP and ECB calculations

Npl - Non performing exposures

Volume vs Ratio

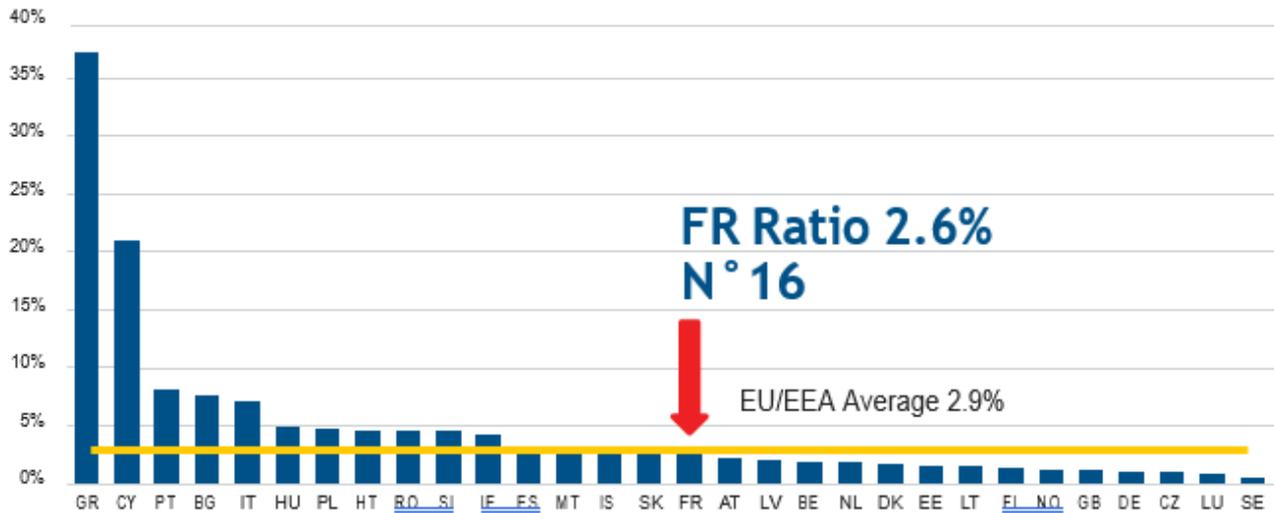
NPL volumes (€ billion) by past due category and NPL ratio (%) by country - June 2019



Source: EBA

NPL ratio (%) by country

Evolution of the French ratio
2015 > 2019
4.2% > 2.6%

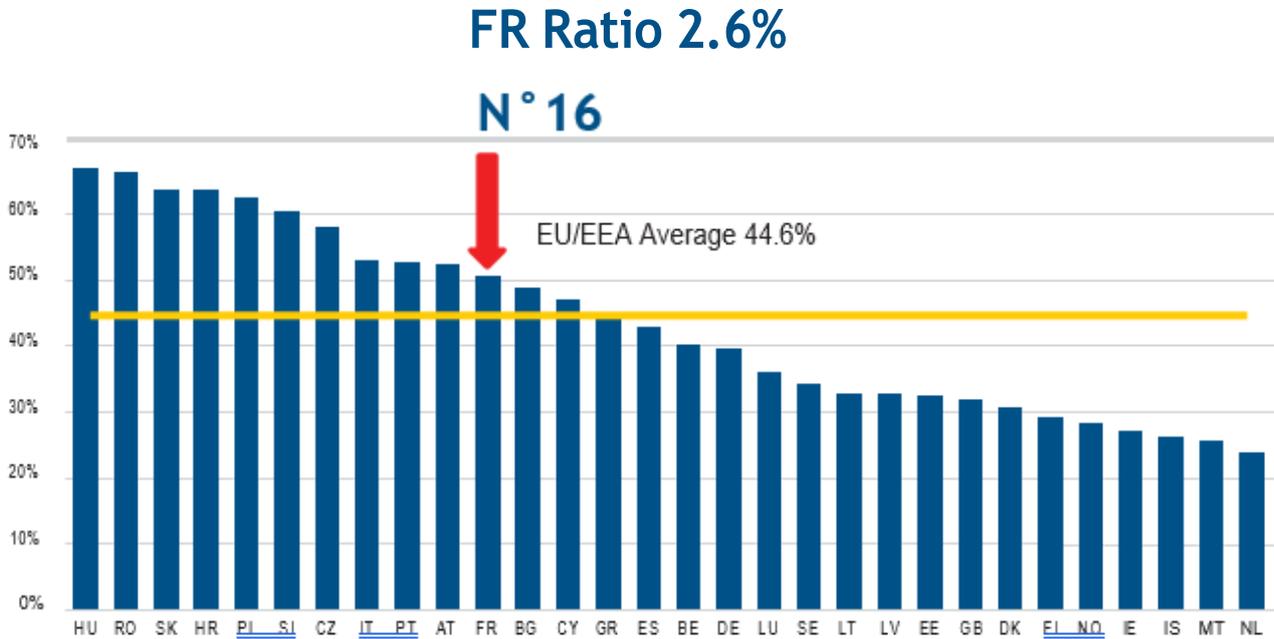


Source: EBA Risk Dashboard Q3 2019

Npl - Non performing exposures

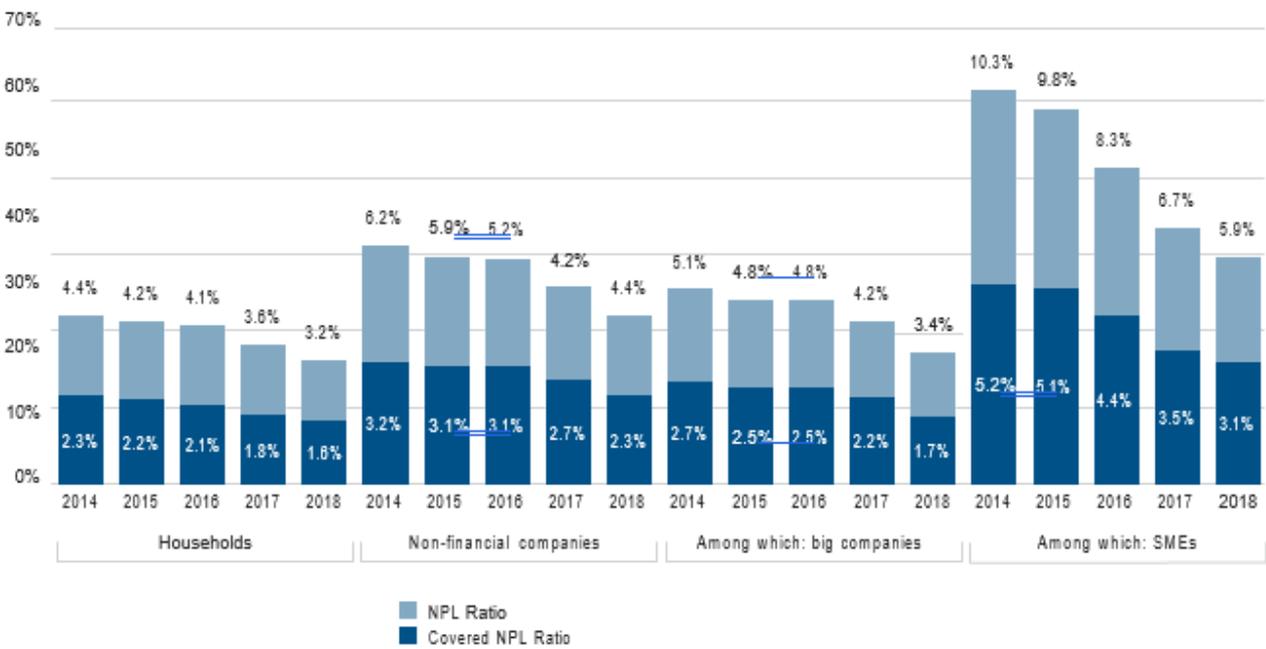
Gross vs net

NPL coverage ratio (%)



Source: ABE Risk Dashboard Q3 2019

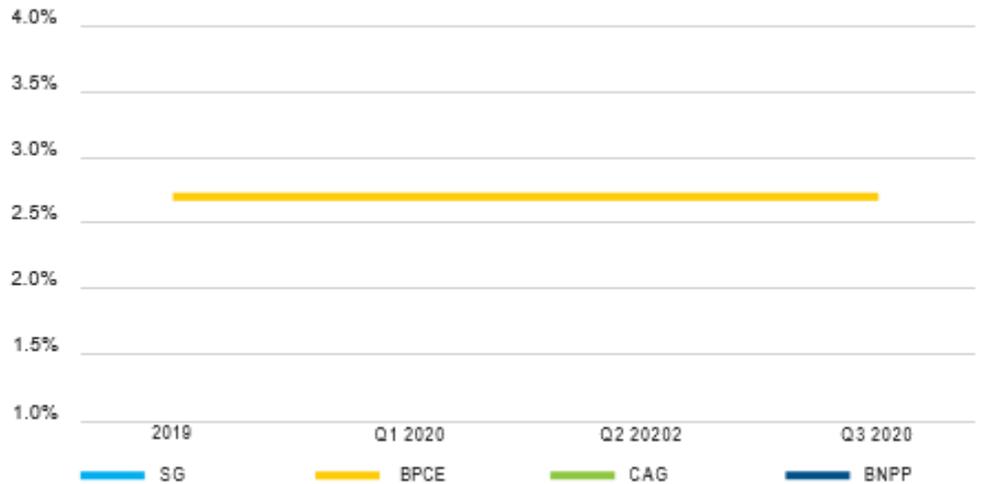
NPL ratio and coverage ratio for households (44.5% of total NPL) and non-financial companies (50.4% of total NPL) in France



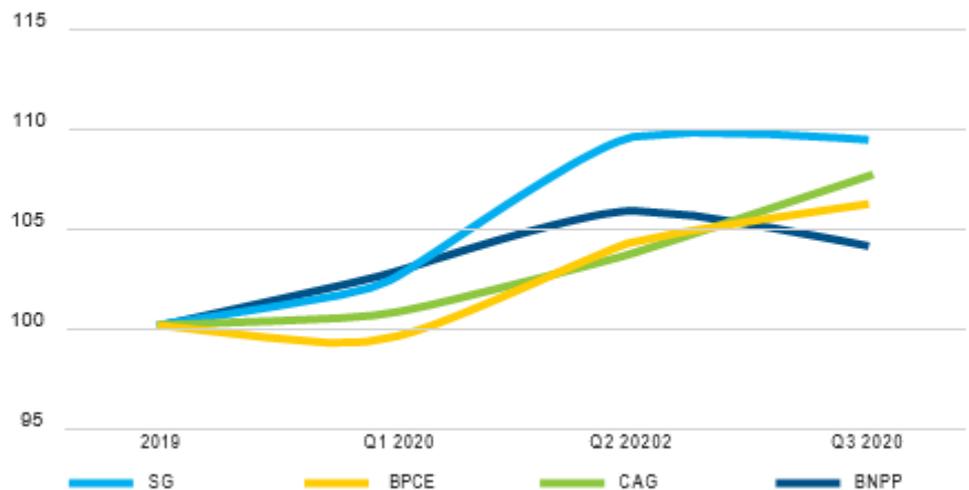
Source: ACPR Population: Banking Groups

France NPL / Banking loan ratios (Scope Rating Agency)

Reported impaired loans ratio (%)

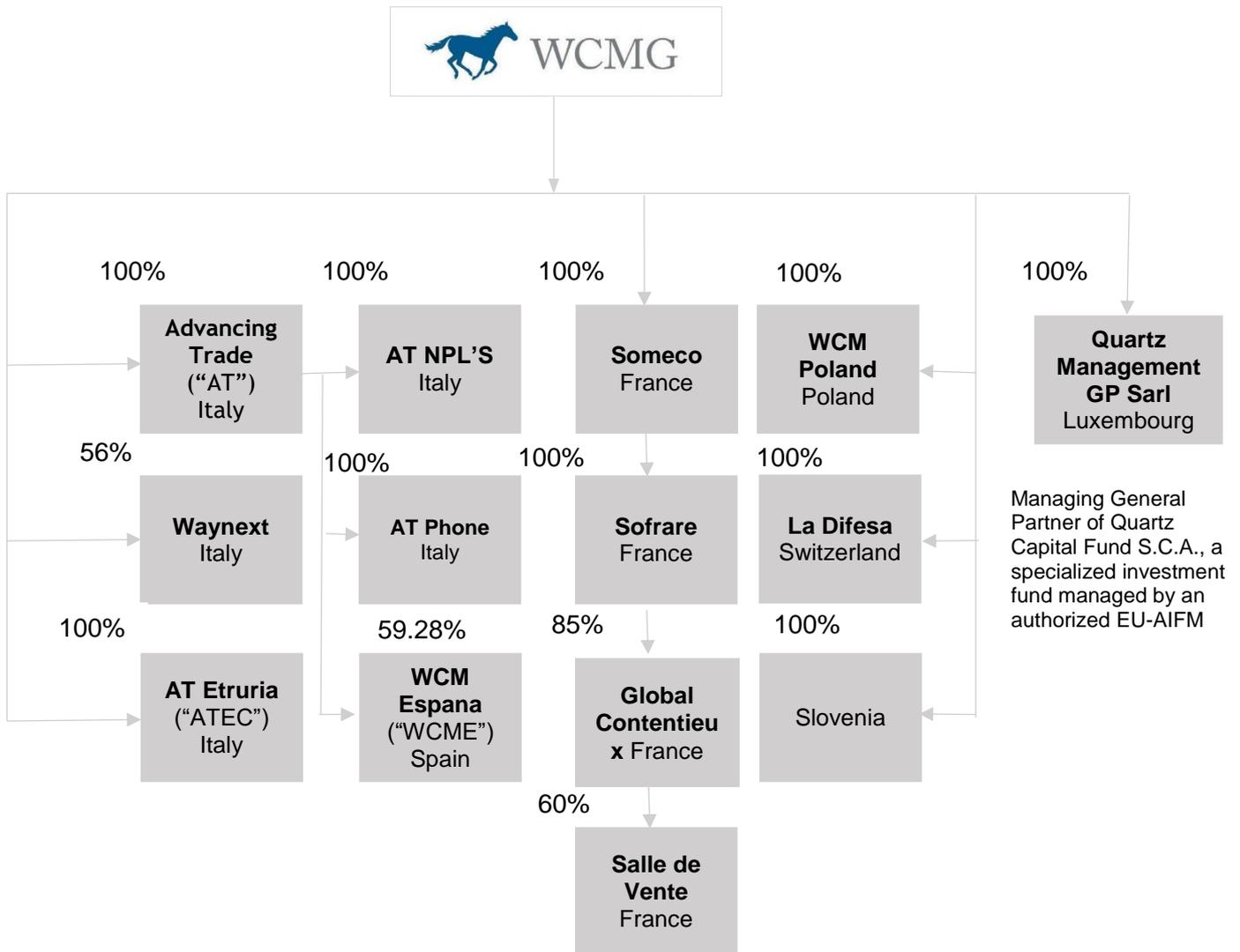


Reported impaired loans outstanding, 100 = end 2019



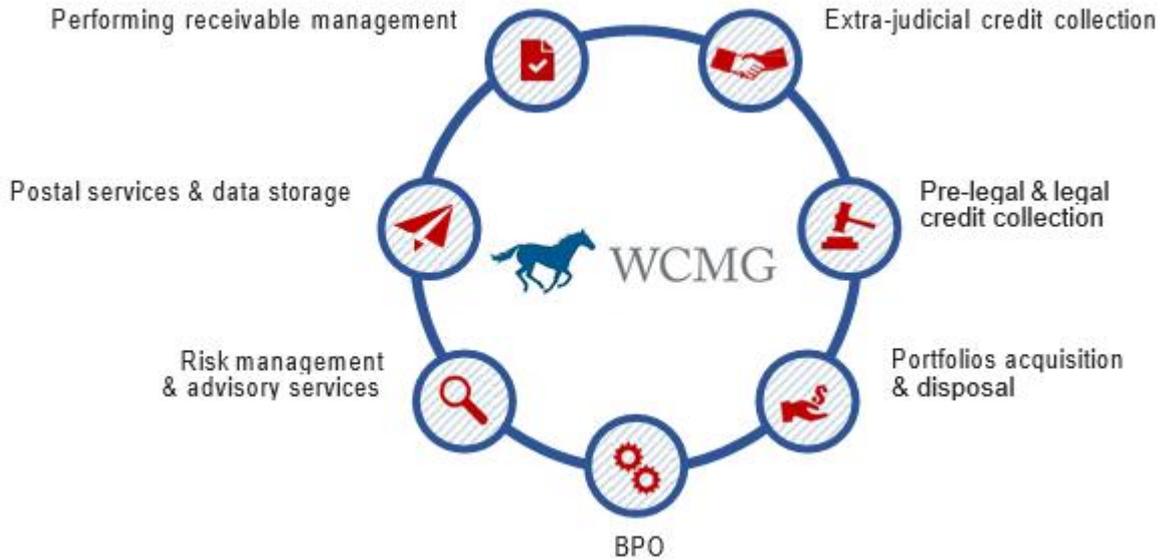
Granting € 255bn of moratoriums helped overcome the first lockdown: French banks have been among the largest providers of loan moratoriums by volume in Europe. This is noticeable in the absence of State-directed measures in the form of legislative schemes. According to EBA data, French banks granted € 255bn of moratoriums as of June 2020, representing 7.1% of loans to the private sector (households and non-financial corporations). By category of borrowers, loans under moratorium accounted for 3.3% of mortgage loans, 12.6% of loans to non-financial corporations (21.2% for SMEs).

Group Perimeter

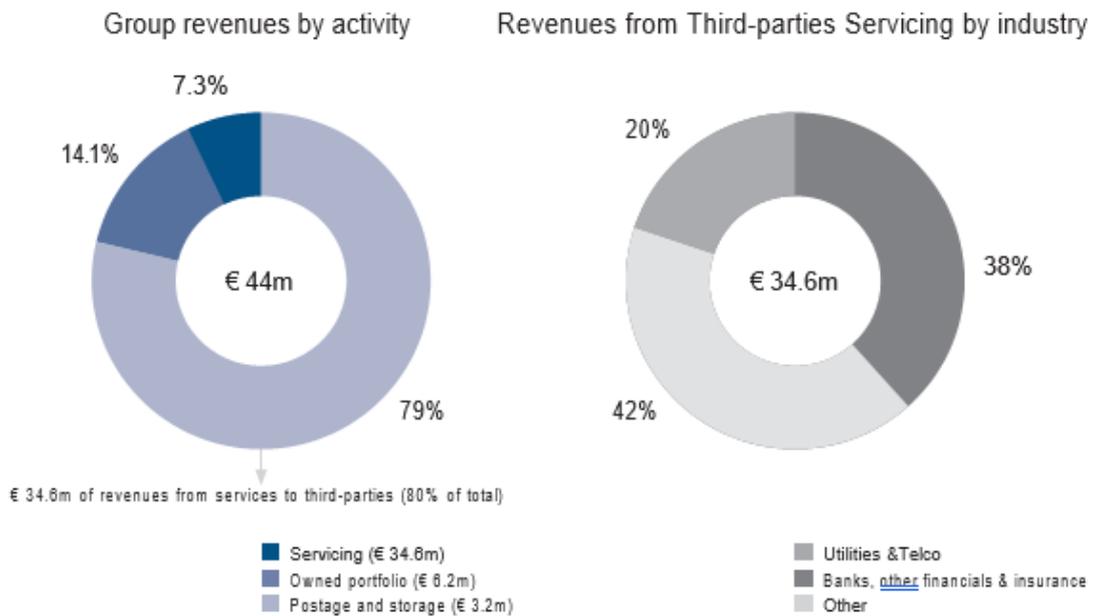


Unique value proposition managing the entire order to cash cycle

Value proposition at a glance



2021 revenues breakdown



Delivering a wide range of services, fully integrated and tailored to clients' needs

A truly pan-European platform

France

- Someco: primarily third-party servicing and portfolio acquisition
- Sofrare: legal and extra-judicial credit collection
- Global Contentieux: BPO services and call center unit in Lyon
- ca. € 5.6m in aggregated revenues in 2021(1)
- 34 employees of which 20 phone collectors(3)

Spain

- Legal and extra-judicial collection, BPO services
- Call center unit in Madrid
- ca. € 5m in aggregated revenues in 2021(1)
- WCME: entire order to cash credit management
- 160 employees

Luxembourg

- Holding company of the Group

Italy

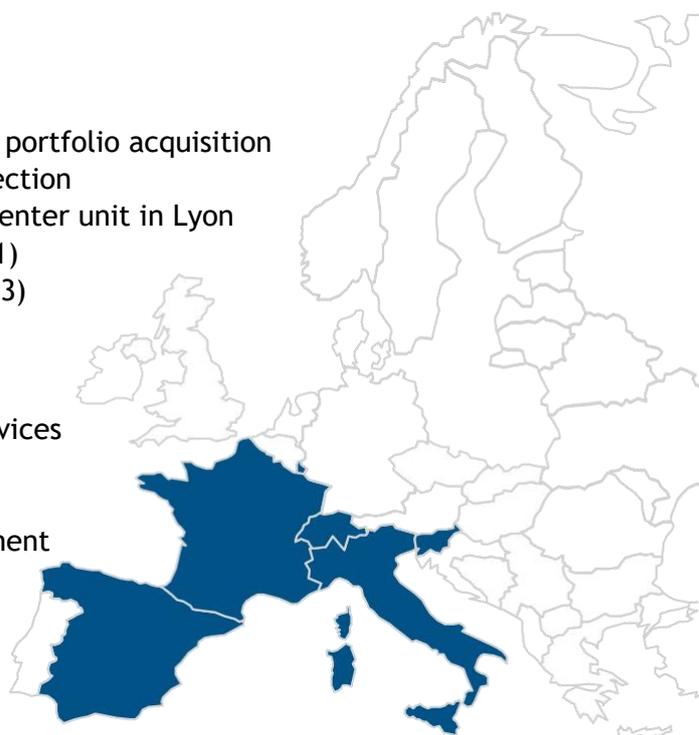
- AT: entire order to cash credit management
- AT NPL's: NPL servicing and portfolio acquisition
- AT Phone: call center unit based in Alzano Lombardo (Bergamo)
- AT Etruria Contact: 2 call centers based in Latina and Catania
- Archivi Nord (now Waynext): data management/storage and postal services
- ca. € 30.6m in revenues in 2021(1)
- 175 employees + 400 phone collectors(2)

Slovenia/Croatia

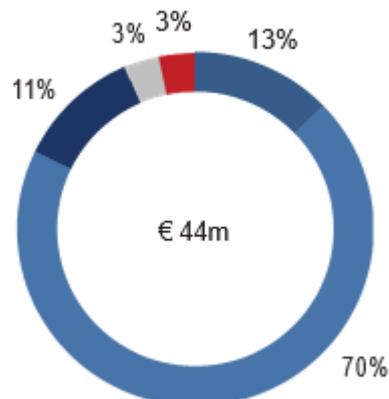
- Call center unit in Izola and BPO services
- ca. € 1.5m in revenues in 2021(1)
- 72 employees of which 55 phone collectors

Switzerland

- Legal and extra-judicial collection
- ca. € 1.3m CHF revenues in 2021(1)
- 16 employees of which 8 phone collectors(3)

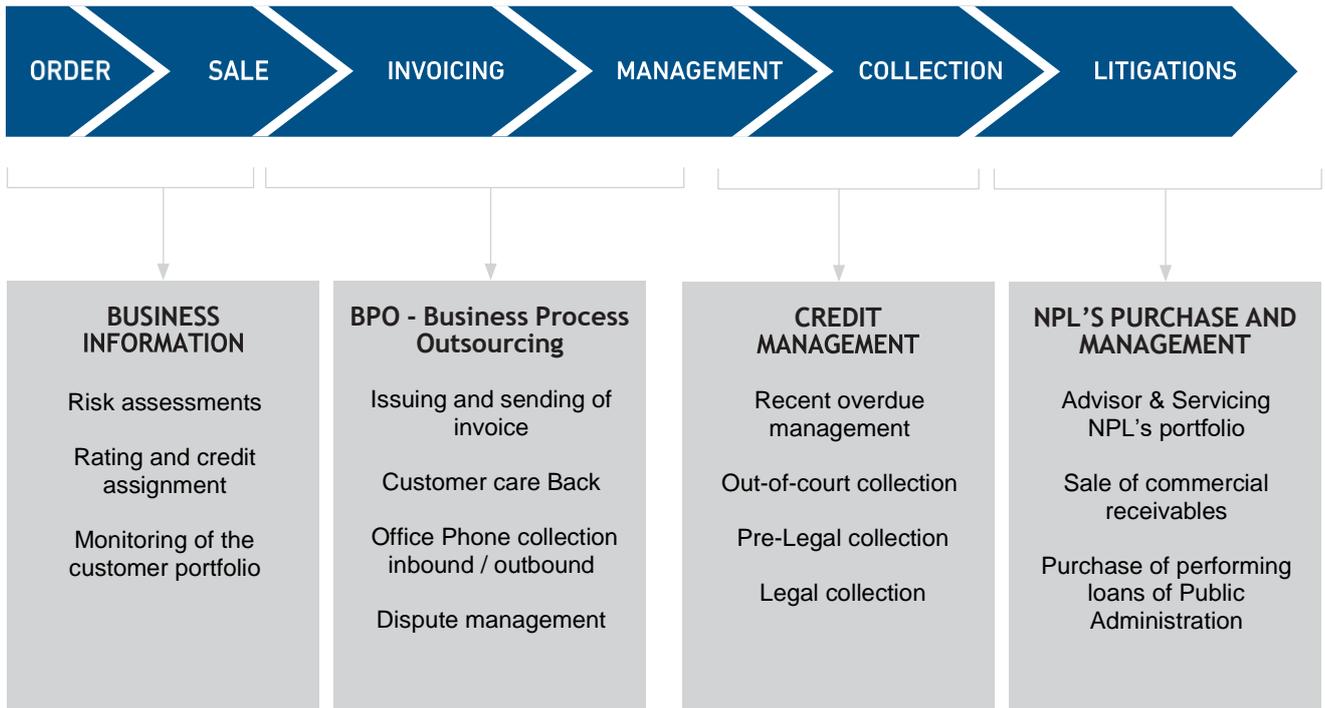


Group Gross Revenues Breakdown



Active Credit Cycle

WCMG provides services that cover the entire credit cycle: from the acquisition of the customer to the management of non-performing loans.



Experienced management team with proven industry expertise and a well trained workforce across the geographies of reference

Strong management team with proven industry expertise.

Italian top management



Mr. Juan Perdoni

Group CEO

- Joined WCMG in 2001
- 20 years of industry experience
- Previously in the fashion industry



Mr. Marco Picocchi

CEO of AT

- Joined WCMG in 2011
- 10 years of industry experience
- Previous experience in audit



Mr. Marco Franceschetti

CEO of AT NPL's

- Joined back WCMG in 2022, after working there from 2008 to 2015
- Several experiences in the European NPL industry
- Previous experience in Investment Banking and Strategic Consultancy, working with Financial Institutions



Mr. Stefano Fumagalli

CEO of Waynext

- Joined WCMG in 2007
- 14 years of industry experience
- Previous experiences in AT NPL's, ATEC and AT

The Italian management is also supported by sector specialist managers with cross-competencies in sales and operations.

Local management



Mr. Jean Richard Debret

Past owner of Someco and WCMG Director

- Joined WCMG in 1999
- 34 years of industry experience
- Previous experiences in Someco-Sofrare



Mr. Dario Cassano

CEO Someco Groupe - ABRI

- Joined WCMG in 2005
- Previous experience
- in the petroleum industry



Mr. Alvaro Ruiz Carrapiso

CEO WCME

- Joined WCMG in 2018
- 12 years of industry experience
- 4 years experience in banking sector



Mr. Matjaz Car

CEO Slovenia & Poland

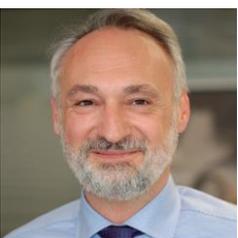
- Joined WCMG in 2005
- Previous experiences in the financial, IT and consulting sectors



Mr. Matteo Castellini

CEO Switzerland

- Joined WCMG in 2014
- 14 years of industry experience
- Previous experiences in a law firm



Mr. Enrico Mela

- 27 years experience like Investment Fund and Structure

Extensive network of professionals



600 phone collectors o/w ~30 also fulfilling loan management functions ~ 100 CRM specialist
6 call centers



135 third-party home collection agencies across Italy and Europe



350 external legal firms across Italy and Europe

Opportunity to lever on a plug & play platform