

December 6, 2023

Veraltis Asset Management, via its **Special Servicing arm in Croatia** and hand-in-hand with its sister **Master Servicing arm in Greece**, accomplished the extraordinary resolution of the largest asset under its Management.

The asset manager assumed the management of the respective claim backed by a hotel resort in Adriatic coast, with a target to flip its ownership over a short tenor and with a conservative gross money multiple. Following a change in strategy, the Asset Manager pursued the repossession of the collaterals comprising of a main **building with spa** and other amenities, **75 completed suites** (plus 85 uncompleted ones), **333 apartments** and an **adjacent land plot** suitable for touristic or similar development. The said disposal of the hotel resort occurred last week at a purchase consideration of **EUR 45 million (or NOK 500 mln)**, which represents a gross money multiple of **around 2x. Naturally**, this transaction crystalises at a significantly higher net return than the originally expected one.

The specific resolution ended a 10-year long complex litigious pre-bankruptcy case. During the management of the case, Veraltis managed the creditors table masterfully achieved to acquire for its client stronger negotiating position.

Its significance becomes greater because of the **sustainable nature** of the resolution. Our counterparty not only sourced the necessary capital but contemplates that this prime hotel asset will at least preserve **the current levels of jobs**. While at the same time the growth plan around the resort will likely **add more** employment opportunities and will increase the positive footprint of this resolution to the local economy. This resolution is the 4th major one in the last 3 years in which Veraltis has contributed to the salvaging and restructuring of big corporates and hence facilitated the preservation of several hundreds of jobs.

It is yet another major achievement for Veraltis Asset Management which since January 2021 generated recoveries close to **EUR 680 million** and realised approx. **60% of the all-time portfolio plan** trusted to Veraltis by all its clients, well ahead of time expectations. On fully resolved cases, Veraltis is registering an average closing ratio **38% higher than over relevant targets**. We couldn't be prouder of this accomplishment. It is a testament of the power of cross-country collaboration, insolvency know-how and market outreach which facilitates the matching of distressed assets with relevant investors. It also highlights the merits of working with a value-creating asset manager focusing on maximising value for its clients but also for the local economies in which it operates.

Special tribute is owed to #Tanja Miljanić Presečki, #Nebojša Popović, #Ivan Cicvarić, #Tihana Pavičić as well as a key and valuable enabler during the court proceedings #Željka Brlečić.

About Veraltis

VERALTIS is the outcome of the carve out of eight European servicing entities within B2 Impact, immediately turning it into a major player in the asset management, credit servicing and third-party collection industry, predominantly for corporate and secured assets. Veraltis is a devoted value maximizing asset manager and has a philosophy to provide sustainable insolvency solutions that return trapped assets back to the real economy. It has close to €12 bln of Assets Under Management and the ERC that it manages stands approximately at EUR 1 bln of ERC.

Veraltis is present in France, Greece, Italy, Croatia, Romania, Slovenia, Serbia and Cyprus.