

APS adds mortgage portfolio in Hungary, nominal value € 138,9 million

Prague, 21. March 2017 - APS Holding, a.s. (APS), along with its partner in the Hungarian market, Balbec Capital LP affiliate, has processed the acquisition of non-performing credit portfolio composed of residential mortgages from UniCredit Bank Hungary. The nominal value of the portfolio is approximately € 138,9 million (HUF 42,7 billion). The portfolio will be serviced by APS Hungary Kft.

Financing partners for the transaction are an investment fund managed by Balbec Capital LP and APS advised Loan Management Investicni Fond a.s. It is the first acquisition APS achieved on the Hungarian market, and adds to the company's existing advised credit funds containing the 76 portfolios worth € 4.9 billion.

Martin Machoň, CEO of APS comments: *“We are pleased to have completed our first Hungarian acquisition. Our target is long term collaboration with debtors. We are dedicated to find mutually beneficial solution in each and every single case. We are going to bring our best professional practice based on more than 500,000 debt recovery cases and 13 years of history on the EU market. “*

The advisor role was fulfilled by PwC Hungary as financial advisors, as well as PwC Hungary Legal and CMS Cameron McKenna as legal advisors to the parties. APS acted as an investment adviser.

Viktor Levkanič, Investment Director of APS comments: *“We have been actively participating in the NPL transactions in Hungary for last several years, primarily at corporate secured and residential NPLs. During this time, we have built up our local market understanding and relationships. We believe in the market, see a strong potential for further investment opportunities and also trust the long-term performance of the economy.”*

Victor Angelescu, CEE Regional Director of APS comments: *“We expect to employ debt collection professionals, analysts and other highly qualified personnel during the first half of 2017. The first employees are already on board, we are still searching on the market for ambitious and talented people.”*

Since the beginning of 2016, APS has expanded its operations into Croatia, Cyprus and Hungary. Cypriot expansion is based on joint venture with Hellenic bank (APS 51 %, Hellenic Bank 49%). Newly established company will service distressed debt portfolio of € 2.4 billion. Transaction was approved by European Central Bank and Central Bank of Cyprus. Croatian office was established in January 2017 and starts its operations with acquired portfolio of corporate non-performing loans with nominal value over € 100 million.

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APS is a leading company in investment, management, and recovery of loan portfolios and real estate within Central and South-Eastern Europe. Founded in 2004, the company is headquartered in Prague, the Czech Republic. APS provides comprehensive services in distressed and performing loans portfolios investment advisory and recovery management, and also performs asset management. Involving more than 600 experts, it provides services in 11 European countries: Bulgaria, Croatia, Cyprus, the Czech Republic, Hungary, Montenegro, Poland, Romania, Greece, Serbia and Slovakia. APS manages assets totalling in nominal value more than EUR 4.9 billion and provides exclusive investment advisory to four investments vehicles and recognised institutional investors. Since 2013, APS is an official partner of International Finance Corporation (IFC), member of World Bank. APS has a single shareholder, Martin Machoň, APS co-founder and CEO.