Garfunkelux Holdco 2 S.A.

QE 30 June 2026 Results

1. Highlights

- **120 Month Estimated Remaining Collections** (“ERC”) at £3,084m as of 30 June 2026.
- **Portfolio investments acquired** for the three months ended 30 June 2026 total £55.8m, a decrease of £46.7m compared with the three months ended 30 June 2025.
- **Debt Purchase gross cash collections** of £162.3m in the three months ended 30 June 2026, a decrease of 12.3% on the three months ended 30 June 2025.
- **Cash income** of £203.7m in the three months ended 30 June 2026, a decrease of 9.9% on the three months ended 30 June 2025.
- **Cash EBITDA**(1) for the three months ended 30 June 2026 of £102.6, a 15.6% decrease on the three months ended 30 June 2025, with Last Twelve Months (“LTM”) Cash EBITDA to 30 June 2026 of £369.8m.
- **Net debt to LTM Pro forma Cash EBITDA**(2) is at 5.9x as at 30 June 2026.
- **Net secured debt to LTM Pro forma Cash EBITDA**(2) is at 4.0x as at 30 June 2026.

(1) Cash EBITDA is defined as cash collections on acquired portfolios plus service revenue, other revenue and other income less collection activity costs and other expenses (which together equal operating costs) and before exceptional items, depreciation, amortisation and impairment of non-performing loans.

(2) Pro forma LTM Cash EBITDA as quoted is defined as Group Cash EBITDA for the twelve months ended 30 June 2026, adjusted for Pro forma cost adjustments and includes DACH region.

1. Highlights (continued)

About Lowell:

Lowell is one of Europe's largest credit management companies with a mission to make credit work better for all and a commitment to fair and ethical customer practices. It operates in the UK, Germany, Austria, Switzerland, Denmark, Norway, Finland, and Sweden. The Group employs over 3,000 people.

Lowell's unparalleled combination of data analytics, deep consumer insight and robust risk management provides clients with expert solutions in debt purchasing, third party collections and business process outsourcing. With its ethical approach to debt management, Lowell is committed to delivering the most fair and affordable outcome for each customer's specific circumstances.

Lowell was formed in 2015 following the merger of the UK and German market leaders: the Lowell Group and the GFKL Group. In 2018, Lowell completed the acquisition of the Carve-out Business from Intrum, which has market leading positions in the Nordic region. It is backed by global private equity firm Permira and Ontario Teachers' Pension Plan.

For more information on Lowell, please visit our investor website: www.lowell.com

1. Highlights (continued)

Non-IFRS financial measures

We have included certain non-IFRS financial measures in this trading update, including **Estimated Remaining Collections** (“ERC”), **Cash EBITDA** and **Gross Money Multiples** (“GMMs”).

We present ERC because it represents our expected gross cash proceeds of the purchased debt portfolios recorded on our balance sheet over the 120-month period. ERC is calculated as of a point in time assuming no additional purchases are made. ERC is a metric that is also often used by other companies in our industry. **We present ERC because it represents our best estimate of the undiscounted cash value of our purchased debt portfolios at any point in time, which is an important supplemental measure for our board of directors and management to assess the gross cash generation capacity of the assets backing our business**. In addition, the instruments governing our indebtedness use ERC to measure our compliance with certain covenants and, in certain circumstances, our ability to incur indebtedness. Our ERC projection, calculated by our proprietary analytical models, utilises historical portfolio collection performance data and assumptions about future collection rates. While we cannot guarantee that we will achieve such collections and while our ERC projection may not be comparable to similar metrics used by other companies in our industry, our ERC forecasts have historically proven to be somewhat conservative through all phases of the economic cycle.

We present Cash EBITDA because we believe it may enhance an investor’s understanding of our underlying cash flow generation at a given point in time that can be used to service or pay down debt, pay income taxes, purchase new debt portfolios and for other uses. Cash EBITDA is defined as collections on owned portfolios plus other turnover, less collection activity costs and other expenses (which together equals servicing costs) and before exceptional items, depreciation and amortisation.

Our board of directors and management use Cash EBITDA to understand cash profit in a period, mindful it is neither a proxy for future periods (since it is a lagged measure which can be influenced by the volume and mix of purchases in the latter months of the reported period), nor is it an indication of run off cash generation as the current cost base is representative of our front loaded cost curves and recent purchasing activity. Cash EBITDA is not a measure calculated in accordance with IFRS and our use of the term Cash EBITDA may vary from others in our industry. For a reconciliation of Cash EBITDA to operating profit, see page 19.

We present Gross Money Multiples (“GMMs”) because it represents our expected gross cash return from purchased debt portfolios. In addition, GMMs are one of a number of return metrics that we use when making pricing and investment decisions. GMMs can be reported on a rolling basis or on a static basis. On a rolling basis, GMMs are calculated as the sum of gross collections achieved to date plus our ERC as at the reporting date, divided by purchase price. All things being equal and based on this rolling definition, GMMs should improve over time as portfolios and vintages mature. On a static basis, GMMs are calculated over a static time-period – for example, a static 120m GMM will be based upon either gross collections achieved to date plus the remaining months of ERC required to get to a 120m total period or the original priced 120m collection expectations, divided by purchase price.

ERC, Cash EBITDA and GMMs and all other non-IFRS measures have important limitations as analytical tools and you should not consider them in isolation or as substitutes for analysis of our results as reported under IFRS.

Lowell

2. Operating & financial review

The following table summarises key performance indicators at, and for the periods ended 30 June 2026 and 30 June 2025.

	Three months ended or as at 30 June 2026 £m	Three months ended or as at 30 June 2025 £m
Non-IFRS Metrics[1]		
Portfolios acquired	55.8	102.5
Gross collections (in total)	519.0	517.5
Gross collections (DP)	162.3	185.1
Gross collections (3PC)	356.7	332.4
Cash EBITDA	102.6	121.5
UK cash EBITDA	73.9	88.6
Nordics cash EBITDA	29.5	31.2
Holding companies cash EBITDA	(5.8)	(7.8)
DACH cash EBITDA	5.0	8.4
120-month ERC	3,083.6	3,634.0
180-month ERC	3,676.8	4,288.6
IFRS Metrics[2]		
Service revenue	27.3	22.1
Yield income from portfolio investments	78.3	94.3
Operating profit	28.2	41.8
Loss for the period	(74.8)	(37.5)
Total portfolio investments	1,433.2	1,815.8

[1] Non-IFRS metrics **include** DACH region, consistent with the separately published results presentation
[2] IFRS metrics **exclude** DACH region in line with held for sale treatment in the interim financial statements

2. Operating & financial review (continued)

Collections
DP Collections were £162.3m in the three months ended 30 June 2026, a decrease of £22.8m on the three months ended 30 June 2025 (£185.1m), which reflects the fall in UK collections after Wolf IV portfolios were moved off-balance sheet.

Income
Total income of £114.1m was generated in the three months ended 30 June 2026, a decrease of £20.7m on the three months ended 30 June 2025 (£134.8m), which reflects the fall in UK income after Wolf IV portfolios were moved off-balance sheet.

Total income includes income from portfolio investments and ABS assets of £78.3m in the three months to 30 June 2026 (three months to 30 June 2025: £94.3m) and net portfolio write-up of £7.1m (three months to 30 June 2025 – net portfolio write-down £9.9m).

Service revenue generated in the three months to 30 June 2026 was £27.3m (3 months to 30 June 2025 £22.1m, which reflects the increase in UK servicing income after Wolf IV was moved off-balance sheet and consequently recognised as servicing income.

Operating expenses
Operating expenses were £86.0m for the period (three months to 30 June 2025: £93.0m), of which £50.1m were collection activity costs, (three months to 30 June 2025: £56.5m).

Finance costs
Finance costs totalled £86.8m for the period (three months to 30 June 2025: £81.5m). Refer to note 2 for further details.

Cash flow
Net cash generated from operating activities after portfolio purchases and exceptional costs totalled £43.1m in the three months to 30 June 2026. Net cash generated from operating activities before portfolio acquisitions totalled £97.4m in the three months to 30 June 2026.

While returns achieved on an individual portfolio can vary, the business has a consistent and impressive track record of generating strong and sustainable unlevered returns on its aggregate purchased portfolios.

Gross Money Multiple as of 30 June 2026 is shown below.

UK As at 30 June 2026		Nordics As at 30 June 2026		DACH As at 30 June 2026	
Invested (£ millions)	**Gross Money Multiple (1)**	**Invested (£ millions)**	**Gross Money Multiple (1)**	**Invested (£ millions)**	**Gross Money Multiple (1)**
3,473	2.4x	1,443	2.2x	942	2.4

(1) GMM presented in this quarterly report only includes actuals to date and forecast collections for the next 120m, although collections will pass that period.

Garfunkelux Holdco 2 S.A.
Condensed consolidated interim statement of comprehensive income

£000	Note	3 months to 30 June 2026 (unaudited)	3 months to 30 June 2025[1] (unaudited)	Year ended 31 December 2025 (audited)
Continuing operations				
Income				
Income from portfolio investments	3,4	78,080	94,246	329,436
Income from asset backed securities	5	170	76	711
Net portfolio write up/(down)	3	7,149	(9,925)	(38,300)
Fair value gain from asset backed securities	4	529	28,234	3,550
Service revenue		27,267	22,098	99,882
Other revenue		933	49	2,955
Total income		**114,128**	**134,778**	**398,234**
Operating expenses				
Collection activity costs		(50,083)	(56,536)	(193,475)
Other expenses		(35,870)	(36,415)	(184,093)
Total operating expenses		**(85,953)**	**(92,951)**	**(377,568)**
Operating profit from continuing operations		**28,175**	**41,827**	**20,666**
Finance income		865	7,518	7,250
Finance costs	2	(86,831)	(81,467)	(335,026)
Loss for the period before tax		**(57,791)**	**(32,122)**	**(307,110)**
Tax credit/(charge)		(7,774)	(617)	125
Loss for the period from continuing operations		**(65,565)**	**(32,739)**	**(306,985)**
Loss for the period from discontinued operations		**(9,262)**	**(4,714)**	**(38,001)**
Loss for the period		**(74,827)**	**(37,453)**	**(344,986)**
Other comprehensive expenditure				
Items that will or may be reclassified subsequently to profit or loss				
Foreign operations – foreign currency translation differences		17,704	(18,390)	32,321
Other comprehensive income, net of tax		**17,704**	**(18,390)**	**32,321**
Total comprehensive expenditure for the period		**(57,123)**	**(55,843)**	**(312,665)**

[1] The 3 months to 30 June 2025 comparative condensed consolidated interim statement of comprehensive income is re-presented on the basis of the classification of DACH operations as discontinued.

The notes on pages 11 to 18 form part of the interim financial statements.

Garfunkelux Holdco 2 S.A.
Condensed consolidated interim statement of financial position

£000	Note	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
Assets				
Non-current assets				
Goodwill		783,157	783,157	783,157
Intangible assets		53,263	62,909	57,877
Other investments		150	-	151
Property, plant and equipment		27,006	68,841	27,883
Portfolio investments	3	975,709	1,307,569	971,114
Asset backed securities	4	22,577	17,202	15,710
Other financial assets		48	9,267	48
Deferred tax assets		72,827	85,770	73,712
Total non-current assets		**1,934,737**	**2,334,715**	**1,929,652**
Current assets				
Portfolio investments	3	457,514	508,220	438,446
Asset backed securities	4	11,065	6,556	20,016
Trade and other receivables	5	33,614	144,162	31,704
Other financial assets		3,928	19,292	10,138
Derivatives		981	1,549	429
Assets for current tax		2,035	21,499	399
Cash and cash equivalents		155,833	100,982	127,852
Assets classified as held for sale		253,886	-	279,532
Total current assets		**918,856**	**802,260**	**908,516**
Total assets		**2,853,593**	**3,136,975**	**2,838,168**
Equity				
Share capital		4,385	4,385	4,385
Share premium and similar premiums		1,109,586	1,109,586	1,109,586
Reserves		(38,879)	(125,720)	(76,614)
Retained deficit		(1,849,998)	(1,442,226)	(1,688,074)
Total equity		**(774,906)**	**(453,975)**	**(650,717)**
Liabilities				
Non-current liabilities				
Borrowings	7	3,160,754	2,802,364	2,883,369
Retirement benefit deficit		643	5,263	661
Provisions		2,558	4,664	2,684
Other financial liabilities		25,815	60,659	26,125
Deferred tax liabilities		6,842	30,863	6,953
Total non-current liabilities		**3,196,612**	**2,903,813**	**2,919,792**
Current liabilities				
Trade and other payables	6	87,793	119,146	89,138
Provisions		992	5,148	3,651
Borrowings	7	259,424	505,026	386,395
Other financial liabilities		3,863	-	2,772
Current tax liabilities		1,945	37,593	(828)
Liabilities classified as held for sale		77,870	20,224	87,965
Total current liabilities		**431,887**	**687,137**	**569,093**
Total equity and liabilities		**2,853,593**	**3,136,975**	**2,838,168**

The notes on pages 11 to 18 form part of the interim financial statements.

Garfunkelux Holdco 2 S.A.
Condensed consolidated interim statement of changes in equity

	Share capital	Share premium and similar premiums	Capital reserve	Translation reserve	Valuation reserve	Retained deficit	Total
Balance at 31 December 2024 (audited)	**4,385**	**1,109,586**	**(8,291)**	**(101,530)**	**2,305**	**(1,344,507)**	**(338,052)**
Loss for the period	-	-	-	-	-	(344,986)	(344,986)
Exchange differences	-	-	-	32,321	-	-	32,321
Fair value movement on asset backed securities	-	-	-	-	(1,419)	1,419	-
Total comprehensive income/ (expenditure)	**-**	**-**	**-**	**32,321**	**(1,419)**	**(343,567)**	**(312,665)**
Balance at 31 December 2025 (unaudited)	**4,385**	**1,109,586**	**(8,291)**	**(69,209)**	**886**	**(1,688,074)**	**(650,717)**
Loss for the period	-	-	-	-	-	(87,097)	(87,097)
Exchange differences	-	-	-	20,031	-	-	20,031
Total comprehensive income/ (expenditure)	**-**	**-**	**-**	**20,031**	**-**	**(87,097)**	**(67,066)**
Balance at 31 March 2026 (unaudited)	**4,385**	**1,109,586**	**(8,291)**	**(49,178)**	**886**	**(1,775,171)**	**(717,783)**
Loss for the period	-	-	-	-	-	(74,827)	(74,827)
Exchange differences	-	-	-	17,704	-	-	17,704
Total comprehensive income/ (expenditure)	**-**	**-**	**-**	**17,704**	**-**	**(74,827)**	**(57,123)**
Balance at 30 June 2026 (unaudited)	**4,385**	**1,109,586**	**(8,291)**	**(31,474)**	**886**	**(1,849,998)**	**(774,906)**

The notes on pages 11 to 18 form part of the interim financial statements.

Garfunkelux Holdco 2 S.A.
Condensed consolidated interim statement of cash flows

£000	Note	3 months to 30 June 2026 (unaudited)	3 months to 30 June 2025 (unaudited)	Year ended 31 December 2025 (audited)(1)
Net cash generated from operating activities	**9**	**43,064**	**(11,711)**	**265,194**
Thereof discontinued operations		5,621	6,636	31,530
Investing activities				
Purchase from property, plant and equipment		(237)	(2,589)	(1,146)
Purchase of intangible assets		(3,632)	(6,042)	(12,986)
Net cash used in investing activities		**(3,869)**	**(8,631)**	**(14,132)**
Thereof discontinued operations		(247)	(4,295)	(3,083)
Financing activities				
Proceeds from loans and borrowings		13,343	1,809,716	1,984,087
Transaction costs related to borrowing		-	(49,541)	(49,057)
Repayment of borrowings		(23,858)	(1,769,516)	(2,072,047)
Payment of lease liabilities		(2,631)	(541)	(12,366)
Derivative settlement		-	675	(216)
Interest paid		(24,576)	(74,497)	(189,814)
Net cash used in financing activities		**(37,722)**	**(83,704)**	**(339,413)**
Thereof discontinued operations		(1,584)	1,519	(9,175)
Net increase/(decrease) in cash and cash equivalents		**1,473**	**(104,046)**	**(88,351)**
Cash and cash equivalents at beginning of period		154,360	205,400	216,003
Effect of movements in exchange rates on cash held		-	(372)	200
Total cash and cash equivalents at end of period		**155,833**	**100,982**	**127,852**

The notes on pages 11 to 18 form part of the interim financial statements.

Garfunkelux Holdco 2 S.A.
Notes to the condensed consolidated interim financial statements

1. Accounting policies

General information and basis of preparation
These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and IAS 34 Interim Financial Reporting. These interim financial statements have been prepared on a historical cost basis except for derivative financial instruments, certain portfolio investments that have been measured at fair value and assets held for sale that have been measured at the lower of their carrying value and fair value less costs to sell.

The accounting principles and key accounting judgements applied by the Group and the Company are consistent with those made in the audited consolidated financial statements for the year ended 31 December 2025.

This report should be read with the audited financial statements for the year ended 31 December 2025.

Basis of consolidation
The Group interim financial statements consolidate the interim financial statements of Garfunkelux Holdco 2 S.A. ("the Company") and its subsidiaries (together "the Group") for the three months period ended 30 June 2026

2. Finance costs

£000	3 months to 30 June 2026 (unaudited)	3 months to 30 June 2025 (unaudited)	Year ended 31 December 2025 (audited)
Interest payable on the Senior Secured Notes	37,398	31,919	137,046
Interest payable on Revolving credit facility	6,368	4,746	23,336
Interest payable on shareholder loan	17,005	15,549	63,486
Interest payable on securitisation loans	16,546	22,367	60,368
Other interest payable	1,685	1,703	10,846
Interest expense from lease liabilities	497	265	1,739
Fees payable on borrowings	4,896	4,918	11,345
Foreign exchange loss	1,092	-	25,683
Derivative fair value loss	1,344	-	1,177
	86,831	**81,467**	**335,026**

Garfunkelux Holdco 2 S.A.
Notes to the condensed consolidated interim financial statements

3. Portfolio investments

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
Non-current	975,709	1,307,569	971,114
Current	457,514	508,220	438,446
Total	**1,433,223**	**1,815,789**	**1,409,560**

The movements in amortised cost portfolios were as follows:

£000	Continuing operations 30 June 2026 (unaudited)	Discontinued operations 30 June 2026 (unaudited)	Total 30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
At start of the period	**1,445,129**	**-**	**1,445,129**	**1,801,998**	**1,744,814**
Portfolios acquired during the period	54,941	851	55,792	94,970	302,373
Collections in the period	(146,181)	(14,230)	(160,411)	(170,082)	(643,325)
Proceeds from BSV	-	-	-	-	(243,244)
Income from portfolio investments	78,080	9,418	87,498	94,246	372,256
Net portfolio write up/(down)	7,149	(610)	6,539	(9,925)	(50,369)
Net foreign exchange movement	(5,895)	(839)	(6,734)	13,141	41,750
Other costs	-	-	-	(9,659)	-
Transfer to assets held for sale	-	5,410	5,410	1,100	(114,695)
At end of the period	**1,433,223**	**-**	**1,433,223**	**1,815,789**	**1,409,560**

Garfunkelux Holdco 2 S.A.
Notes to the condensed consolidated interim financial statements

4. Asset backed securities

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
Non-current			
Amortised cost	4,356	2,137	5,869
Fair value through P&L (FVTPL)	18,004	15,065	9,560
Fair value through OCI (FVOCI)	217	-	281
	22,577	**17,202**	**15,710**
Current			
Amortised cost	3,597	1,271	3,948
Fair value through P&L (FVTPL)	7,468	-	16,068
Fair value through OCI (FVOCI)	-	5,285	-
	11,065	**6,556**	**20,016**
Total	**33,642**	**23,758**	**35,726**

Amortised cost:

The movements in amortised cost Asset Backed Security ("ABS") investments were as follows:

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
At start of period	**8,964**	**3,667**	**4,121**
ABS acquired	-	-	8,444
Collections in the period	(1,181)	(335)	(3,459)
Income from ABS investment	170	76	711
At end of period	**7,953**	**3,408**	**9,817**

The movements in fair value ABS investments were as follows:

Fair value through P&L:

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
At start of period	**25,753**	**33,632**	**35,865**
Portfolios acquired during the period	-	5,102	8,864
Collections in the period	(663)	(1,583)	(5,762)
Foreign exchange movement	(191)	(659)	(512)
Fair value gain	572	28,234	4,057
Disposal	-	(49,661)	(17,534)
Reclass	-	-	650
At end of period	**25,471**	**15,065**	**25,628**

Garfunkelux Holdco 2 S.A.
Notes to the condensed consolidated interim financial statements

4. Asset backed securities (continued)

Fair value through OCI:

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
At start of period	**248**	**5,867**	**6,491**
Collections in the period	(32)	(571)	(1,450)
Fair value gain/(loss)	1	(11)	(507)
Recycled to income statement	-	-	911
Disposals	-	-	(5,164)
At end of period	**217**	**5,285**	**281**

5. Trade and other receivables

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
Trade receivables	7,253	37,324	7,679
Prepayments and accrued income	14,842	4,261	12,993
Other receivables	8,624	93,882	7,962
Tax receivable	2,893	8,695	3,070
	33,614	**144,162**	**31,704**

6. Trade and other payables

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
Trade payables	7,097	28,900	6,182
Other taxes and social security	4,832	4,306	5,893
Accruals and deferred income	44,279	38,369	48,225
Other payables	31,585	47,571	28,838
	87,793	**119,146**	**89,138**

7. Borrowings

£000	30 June 2026 (unaudited)	30 June 2025 (unaudited)	31 December 2025 (audited)
Non-current			
Unsecured borrowing at amortised cost			
Shareholder loan owed to Garfunkelux Holdco 1 S.à r.l.	754,138	686,838	720,351
Total unsecured	**754,138**	**686,838**	**720,351**
Secured borrowing at amortised cost			
Senior secured notes	1,536,083	1,510,235	1,403,626
Prepaid costs on secured borrowings	(13,693)	(47,961)	(18,381)
Securitisation loans	588,339	653,252	481,885
Discount on securitisation loans	(10,538)	-	(13,990)
Prepaid costs on securitisation loans	(186)	-	-
Revolving credit facility term loan	306,611	-	309,878
Total secured	**2,406,616**	**2,115,526**	**2,163,018**
Total borrowings due for settlement after 12 months	**3,160,754**	**2,802,364**	**2,883,369**
Current			
Unsecured borrowing at amortised cost			
Other interest payable	-	1,116	138
Total unsecured	**-**	**1,116**	**138**
Secured borrowing at amortised cost			
Senior secured notes	-	-	136,341
Interest on senior secured notes	72,903	-	23,336
Prepaid costs on senior secured borrowings	(9,138)	(350)	(8,762)
Securitisation loans	149,130	151,027	188,550
Discount on securitisation loans	(3,084)	-	-
Prepaid costs on securitisation loans	(107)	-	(3,195)
Revolving credit facility term loan	49,720	353,233	49,987
Total secured	**259,424**	**503,910**	**386,257**
Total borrowings due for settlement before 12 months	**259,424**	**505,026**	**386,395**
Total borrowings	**3,420,178**	**3,307,390**	**3,269,764**

Garfunkelux Holdco 2 S.A.
Notes to the condensed consolidated interim financial statements

8. Assets classified as held for sale and discontinued operation

The Group's DACH business (Germany, Austria and Switzerland) has been classified as a discontinued operation following the approval and execution of a plan to dispose of the business, as it represents a separate geographic area of operations.

As such it is deemed appropriate to report this operating segment as an asset held for sale in these accounts.

Financial information relating to the discontinued operation is as follows:

	3 months to 30 June 2026 £000	3 months to 30 June 2025 £000	Year ended 31 December 2025 £000
Income	23,734	26,079	97,721
Expenses	(33,337)	(32,695)	(155,378)
Loss from discontinued operations before taxes	**(9,603)**	**(6,616)**	**(57,657)**
Tax (charge)/credit	-	1,902	19,656
Loss from discontinued operations after taxes	**(9,603)**	**(4,714)**	**(38,001)**

	3 months to 30 June 2026 £000	3 months to 30 June 2025 £000	Year ended 31 December 2025 £000
Net cash from operating activities	5,621	6,636	31,530
Net cash used in investing activities	(247)	(4,295)	(3,083)
Net cash used in financing activities	(1,584)	1,519	(9,175)
Net increase in cash and cash equivalents from discontinued operations	**3,790**	**3,860**	**19,272**

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Notes to the condensed consolidated interim financial statements

8. Assets classified as held for sale and discontinued operation (continued)

	30 June 2026 £000	31 December 2025 £000
Assets		
Non-current assets		
Intangible assets	7,016	7,231
Property and equipment	22,674	28,784
Portfolio investments	64,180	69,224
Other financial assets	536	543
Total non-current assets	**94,406**	**105,782**
Current assets		
Portfolio investments	40,703	45,471
Trade and other receivables	79,364	76,676
Other financial assets	7,323	7,410
Assets for current tax	7,722	23,710
Restricted cash	24,367	20,483
Total current assets	**159,479**	**173,750**
Total assets held for sale	**253,886**	**279,532**
Liabilities		
Non-current liabilities		
Borrowings	381	-
Provisions for pension	3,274	3,314
Provisions	1,407	1,418
Other financial liabilities	19,685	21,343
Total non-current liabilities	**24,747**	**26,075**
Current Liabilities		
Trade and other payables	32,671	30,255
Provisions	4,495	10,697
Other financial liabilities	14,430	16,440
Current tax liabilities	1,527	4,498
Total current liabilities	**53,123**	**61,890**
Total liabilities held for sale	**77,870**	**87,965**

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Notes to the condensed consolidated interim financial statements

9. Note to the statement of cashflows

£000	Note	3 months to 30 June 2026 (unaudited)	3 months to 30 June 2025 (unaudited)	Year ended 31 December 2025 (audited)
Loss for the period before tax		**(67,054)**	**(36,836)**	**(345,111)**
Adjustments for:				
Income from portfolio investments	3,4	(87,499)	(104,474)	(372,967)
Income from ABS investments	4	(170)	(76)	-
Net portfolio write (up)/down	3,4	(6,540)	13,790	50,368
Fair value gain	4	(529)	(28,234)	(3,550)
Collections on portfolio investments	3,4	162,287	197,316	653,996
Proceeds from BSV		-	-	243,244
Disposal of ABS		-	49,661	22,698
Depreciation and amortisation		8,579	11,266	35,569
Loss on disposal of PPE and intangible assets		2,080	-	-
Finance income		(920)	(8,285)	(7,250)
Finance costs	2	87,422	82,941	340,194
Unrealised loss/(gain) from foreign exchange		2,784	(27,992)	7,719
(Increase)/decrease in trade and other receivables		(2,884)	(33,461)	77,904
Decrease/(increase) in trade and other payables		263	7,527	(20,481)
Movement in other net assets		(375)	(30,665)	(76,318)
Other non-cash movement		-	-	(10,337)
Cash generated by operating activities before portfolio acquisitions		**97,444**	**92,478**	**595,678**
Portfolios and ABS acquired		(55,793)	(102,574)	(319,682)
Income taxes (received)/paid		1,413	(1,615)	(10,802)
Net cash generated by operating activities		**43,064**	**(11,711)**	**265,194**

10. Subsequent events

There were no events after the reporting period that require adjustment to, or disclosure in, the financial statements.

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Cash EBITDA Walks

The three walks below show reconciliations from the IFRS balances in the accounts to the Group's Cash EBITDA number and are unaudited. These figures do not include Cash EBITDA of £5.0m relating to the DACH discontinued operations.

Profit to Cash EBITDA	**3 months to 30 June 2026 £000**
Loss for the period	(74,828)
Thereof discontinued operations	9,262
Net finance costs	85,966
Taxation charge	7,774
Operating profit	**28,174**
Net portfolio write up	(7,149)
Portfolio fair value gain	(529)
Portfolio amortisation	69,774
Non-recurring costs/exceptional items, net of exceptional income	1,365
Depreciation and amortisation	5,926
Cash EBITDA	**97,561**

Cash collections to Cash EBITDA	**3 months to 30 June 2026 £000**
Cash collections	148,025
Other income	28,198
Operating expenses	(85,953)
Non-recurring costs/exceptional items, net of exceptional income	1,365
Depreciation and amortisation	5,926
Cash EBITDA	**97,561**

Net cash flow to Cash EBITDA	**3 months to 30 June 2026 £000**
Decrease in cash in the period	(2,315)
Transaction costs	-
Movement in debt	10,515
Portfolios acquired	54,941
Interest paid	24,576
Tax received	76
PPE and intangible assets acquired	3,623
Derivatives acquired	-
Other cashflows (incl. working capital changes)	3,733
Payment of lease liabilities	1,047
Cash flow before interest, portfolio purchases, tax expenses and capital expenditure	**96,196**
Non-recurring costs/exceptional items, net of exceptional income	1,365
Cash EBITDA	**97,561**