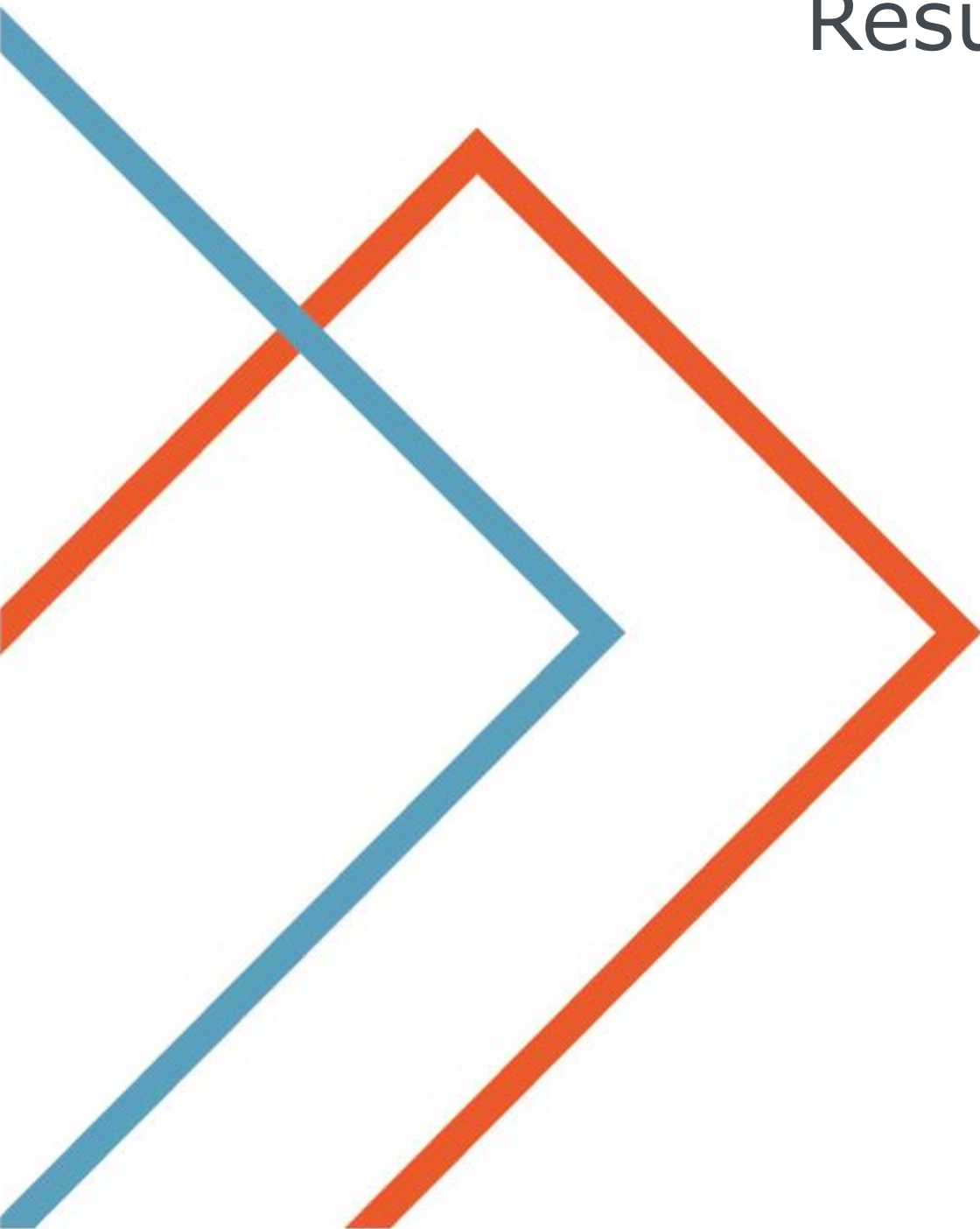


**Garfunkelux Holdco 2 S.A.**  
**QE 30 June 2025**  
**Results**



# 1. Highlights

- **120 Month Estimated Remaining Collections** ("ERC") at £3,634m as of 30 June 2025, up 4.9% since 30 June 2024.
- **Portfolio investments acquired** for the three months ending 30 June 2025 total £102.5m, an increase of £17.5m compared with the three months ending 30 June 2024.
- **Debt Purchase gross cash collections** of £185.1m in the three months ending 30 June 2025, a decrease of 37.5% on the three months ending 30 June 2024.
- **Cash income** of £226.0m in the three months ending 30 June 2025, a decrease of 32.7% compared to the three-month period ending 30 June 2024.
- **Cash EBITDA<sup>(1)</sup>** for the three months ended 30 June 2025 of £121.5m, a 46.6% decrease on the three month period ending 30 June 2024, with Last Twelve Months ("LTM") Cash EBITDA to 30 June 2025 of £459.1m.
- **Net debt to LTM Pro forma Cash EBITDA<sup>(2)</sup>** is at 5.1x as at 30 June 2025.
- **Net secured debt to LTM Pro forma Cash EBITDA<sup>(2)</sup>** is at 3.5x as at 30 June 2025.

- (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 2025, adjusted for Pro forma cost adjustments.

## 1. Highlights (continued)

### **Commenting on the results, Colin Storrar, CEO, said:**

*"This quarter has seen us complete the full refinancing of our balance sheet, providing us with solid foundations to deliver on our ambitions as a leading CMS provider across key European markets. We continue to deliver strong underlying performance across the business and there remains a strong pipeline of opportunities at attractive returns"*

### **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 3,500 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](http://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 120-months. 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 18.

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.

## 2. Operating & financial review

The following table summarises key performance indicators at, and for the periods ended 30 June 2025 and 30 June 2024.

| <b>(£ in millions unless otherwise noted)</b> | <b>Three months<br/>ended or as at<br/>30 June<br/>2025</b> | <b>Three months<br/>ended or as at<br/>30 June<br/>2024</b> |
|---|---|---|
| Portfolio investments acquired                | 102.5   | 85.0  |
| 3PC income                                    | 40.9  | 39.7  |
| DP collections                                | 185.1   | 296.0   |
| Cash income                                   | 226.0   | 336.0   |
| Cash EBITDA <sup>(1)</sup>                    | 121.5   | 227.5   |
| 120-month ERC                                 | 3,634.0   | 3,465.2   |
| 180-month ERC                                 | 4,288.6   | 4,016.7   |

(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. Operating & financial review (continued)

### Collections

DP Collections were £185.1m in the three months ending 30 June 2025, a decrease of £110.9m on the three-month period ending 30 June 2024. The movement related to the DACH portfolio sales that were completed in April and May 2024.

### Income

Total income of £160.9m was generated in the three months ending 30 June 2025, an increase of £4.1m on the three-month period ending 30 June 2024.

Total income includes income from portfolio investments of £104.5m in the three months to 30 June 2025 (three months to 30 June 2024: £102.4m) and net portfolio write-down of £13.8m in the three months to 30 June 2025 (three months to 30 June 2024 net portfolio write-up: £12.2m).

Service revenue in the three months to 30 June 2025 of £41.7m included 3PC income of £40.9m (three months to 30 June 2024: Service revenue of £40.2m included 3PC income of £39.7m).

### Operating expenses

Operating expenses were £124.9m for the period (three months to 30 June 2024: £129.7m), of which £68.1m were collection activity costs, (three months to 30 June 2024: £62.1m).

### Finance costs

Finance costs totalled £82.9m for the three months ended 30 June 2025 reflecting the impact of consolidating the new co-investment structure in the UK and the two Nordic securitisations, a decrease of £6.8m compared to the same three months to 30 June 2024 at £89.7m. Refer to note 3 for further details.

### Cash flow

Net cash generated from operating activities before portfolio acquisitions totalled £42.8m in the three months to 30 June 2025.

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 2025 is shown below.

| UK<br>As at 30 June 2025 |  | DACH<br>As at 30 June 2025 |  | Nordics<br>As at 30 June 2025 |  |
|--------------------------|--|----------------------------|--|-------------------------------|--|
| Invested<br>(£ millions) | Gross Money<br>Multiple <sup>(1)</sup> | Invested<br>(£ millions)   | Gross Money<br>Multiple <sup>(1)</sup> | Invested<br>(£ millions)      | Gross Money<br>Multiple <sup>(1)</sup> |
| 3.229                    | 2.5x                                   | 931                        | 2.4x                                   | 1.422                         | 2.2x                                   |

(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<br>30 June 2025<br>(unaudited) | 3 months to<br>30 June 2024<br>(unaudited) | Year ended<br>31 December<br>2024 (audited) <sup>(1)</sup> |
|--|------|--|--|--|
| <b>Continuing operations</b>   |      |  |  |  |
| <b>Income</b>  |      |  |  |  |
| Income from portfolio investments  | 4    | 104,474                                    | 102,395                                    | 416,173  |
| Income from asset backed securities  | 5    | 76   | -  | 416  |
| Net portfolio write up/(down)  | 4    | (13,790)                                   | 12,247                                     | 38,089   |
| Fair value gain from asset backed securities                                 | 5    | 28,234                                     | 1,541                                      | 6,586  |
| Service revenue  | 2    | 41,728                                     | 40,175                                     | 154,625  |
| Other revenue  |      | 135  | 402  | 4,784  |
| <b>Total income</b>  |      | <b>160,857</b>                             | <b>156,760</b>                             | <b>620,673</b>   |
| <b>Operating expenses</b>  |      |  |  |  |
| Collection activity costs  |      | (68,131)                                   | (62,121)                                   | (263,975)  |
| Other expenses   |      | (56,808)                                   | (67,537)                                   | (280,476)  |
| Goodwill impairment  |      | -  | -  | (74,068)   |
| <b>Total operating expenses</b>  |      | <b>(124,939)</b>                           | <b>(129,658)</b>                           | <b>(618,519)</b>   |
| <b>Operating profit</b>  |      | <b>35,918</b>                              | <b>27,102</b>                              | <b>2,154</b>   |
| Finance income   |      | 8,285                                      | 2,171                                      | 1,684  |
| Finance costs  | 3    | (82,941)                                   | (89,749)                                   | (295,414)  |
| <b>Loss for the period before tax</b>  |      | <b>(38,737)</b>                            | <b>(60,476)</b>                            | <b>(291,576)</b>   |
| Tax credit/(charge)  |      | 1,285                                      | 7,153                                      | (66,919)   |
| <b>Loss for the period</b>   |      | <b>(37,752)</b>                            | <b>(53,323)</b>                            | <b>(358,495)</b>   |
| <b>Other comprehensive expenditure</b>                                       |      |  |  |  |
| <b>Items that will not be reclassified to profit or loss</b>                 |      |  |  |  |
| Actuarial gains on pension plans   |      | -  | -  | 316  |
|  |      | -  | -  | <b>316</b>   |
| <b>Items that will or may be reclassified subsequently to profit or loss</b> |      |  |  |  |
| Foreign operations – foreign currency translation differences                |      | (18,390)                                   | 28,539                                     | 26,919   |
| Fair value gain on asset backed securities                                   |      | -  | -  | 1,419  |
| <b>Other comprehensive (expenditure)/ income, net of tax</b>                 |      | <b>(18,390)</b>                            | <b>28,539</b>                              | <b>28,654</b>  |
| <b>Total comprehensive expenditure for the period</b>                        |      | <b>(55,843)</b>                            | <b>(24,784)</b>                            | <b>(329,841)</b>   |

The notes on pages 11 to 17 form part of the interim financial statements.

(1) Extracted from the Group Consolidated Financial Statements for the Year Ended 31 December 2024.

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

| £000                                 | Note | 30 June 2025<br>(unaudited) | 30 June 2024<br>(unaudited) | 31 December 2024<br>(audited) <sup>(1)</sup> |
|--------------------------------------|------|-----------------------------|-----------------------------|--|
| <b>Assets</b>                        |      |                             |                             |  |
| <b>Non-current assets</b>            |      |                             |                             |  |
| Goodwill                             |      | 779,014                     | 850,840                     | 779,014                                      |
| Intangible assets                    |      | 62,909                      | 89,457                      | 69,513                                       |
| Property, plant and equipment        |      | 68,841                      | 47,146                      | 73,498                                       |
| Portfolio investments                | 4    | 1,307,569                   | 1,135,685                   | 1,251,953                                    |
| Asset backed securities              | 5    | 17,202                      | 44,286                      | 26,105                                       |
| Other financial assets               |      | 9,267                       | 9,374                       | 1,204  |
| Deferred tax assets                  |      | 85,770                      | 155,023                     | 84,776                                       |
| <b>Total non-current assets</b>      |      | <b>2,330,572</b>            | <b>2,331,811</b>            | <b>2,286,063</b>                             |
| <b>Current assets</b>                |      |                             |                             |  |
| Portfolio investments                | 4    | 508,220                     | 545,946                     | 492,861                                      |
| Asset backed securities              | 5    | 6,556                       | -                           | 20,372                                       |
| Assets classified as held for sale   |      | -                           | -                           | 9,623  |
| Trade and other receivables          | 6    | 144,162                     | 106,275                     | 109,608                                      |
| Other financial assets               |      | 19,292                      | 15,724                      | 22,249                                       |
| Derivatives                          |      | 1,549                       | 4,123                       | 1,390  |
| Assets for current tax               |      | 21,499                      | 2,333                       | 22,121                                       |
| Cash and cash equivalents            |      | 100,982                     | 322,290                     | 216,003                                      |
| <b>Total current assets</b>          |      | <b>802,261</b>              | <b>996,691</b>              | <b>894,227</b>                               |
| <b>Total assets</b>                  |      | <b>3,132,833</b>            | <b>3,328,502</b>            | <b>3,180,290</b>                             |
| <b>Equity</b>                        |      |                             |                             |  |
| Share capital                        |      | 4,385                       | 4,385                       | 4,385  |
| Share premium and similar premiums   |      | 1,109,586                   | 1,109,586                   | 1,109,586                                    |
| Reserves                             |      | (129,863)                   | (144,235)                   | (107,516)                                    |
| Retained deficit                     |      | (1,442,226)                 | (1,069,141)                 | (1,344,507)                                  |
| <b>Total equity</b>                  |      | <b>(458,119)</b>            | <b>(99,405)</b>             | <b>(338,052)</b>                             |
| <b>Liabilities</b>                   |      |                             |                             |  |
| <b>Non-current liabilities</b>       |      |                             |                             |  |
| Borrowings                           | 8    | 2,802,364                   | 2,445,070                   | 1,240,419                                    |
| Provisions for pension               |      | 5,263                       | 7,049                       | 5,300  |
| Provisions                           |      | 4,664                       | 6,784                       | 4,903  |
| Other financial liabilities          |      | 60,660                      | 36,714                      | 60,157                                       |
| Deferred tax liabilities             |      | 30,863                      | 29,312                      | 30,069                                       |
| <b>Total non-current liabilities</b> |      | <b>2,903,815</b>            | <b>2,524,929</b>            | <b>1,340,848</b>                             |
| <b>Current liabilities</b>           |      |                             |                             |  |
| Trade and other payables             | 7    | 119,146                     | 96,524                      | 109,619                                      |
| Provisions                           |      | 5,148                       | 10,410                      | 6,865  |
| Borrowings                           | 8    | 505,026                     | 743,180                     | 1,984,371                                    |
| Derivatives                          |      | -                           | 85                          | -  |
| Other financial liabilities          |      | 37,593                      | 34,590                      | 58,325                                       |
| Current tax liabilities              |      | 20,224                      | 18,189                      | 18,314                                       |
| <b>Total current liabilities</b>     |      | <b>687,137</b>              | <b>902,978</b>              | <b>2,177,494</b>                             |
| <b>Total equity and liabilities</b>  |      | <b>3,132,833</b>            | <b>3,328,502</b>            | <b>3,180,290</b>                             |

The notes on pages 11 to 17 form part of the interim financial statements.

(1) Extracted from the Group Consolidated Financial Statements for the Year Ended 31 December 2024.



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

|   | Share<br>Capital | Share<br>premium &<br>similar<br>premiums | Capital<br>Reserve | Translation<br>reserve | Valuation<br>reserve | Retained<br>deficit | Total            |
|---|------------------|---|--------------------|------------------------|----------------------|---------------------|------------------|
| <b>£000</b>   |                  |   |                    |                        |                      |                     |                  |
| <b>Balance at 31<br/>December 2023</b>  | <b>4,385</b>     | <b>1,109,586</b>                          | <b>(8,291)</b>     | <b>(128,449)</b>       | <b>570</b>           | <b>(986,012)</b>    | <b>(8,211)</b>   |
| Loss for the year   | -                | -   | -                  | -                      | -                    | (358,495)           | (358,495)        |
| Actuarial gain on<br>pension  | -                | -   | -                  | -                      | 316                  | -                   | 316              |
| Exchange<br>differences   | -                | -   | -                  | 26,919                 | -                    | -                   | 26,919           |
| Fair value<br>movement on ABS   | -                | -   | -                  | -                      | 1,419                | -                   | 1,419            |
| <b>Total<br/>comprehensive<br/>income/<br/>(expenditure)<br/>for the year</b> | <b>-</b>         | <b>-</b>                                  | <b>-</b>           | <b>26,919</b>          | <b>1,735</b>         | <b>(358,495)</b>    | <b>(329,841)</b> |
| <b>Balance at 31<br/>December 2024<br/>(audited)<sup>(1)</sup></b>            | <b>4,385</b>     | <b>1,109,586</b>                          | <b>(8,291)</b>     | <b>(101,530)</b>       | <b>2,305</b>         | <b>(1,344,507)</b>  | <b>(338,052)</b> |
| Loss for the period   | -                | -   | -                  | -                      | -                    | (60,226)            | (60,226)         |
| Exchange<br>differences   | -                | -   | -                  | (3,957)                | -                    | -                   | (3,957)          |
| <b>Total<br/>comprehensive<br/>expenditure</b>                                | <b>-</b>         | <b>-</b>                                  | <b>-</b>           | <b>(3,957)</b>         | <b>-</b>             | <b>(60,266)</b>     | <b>(64,223)</b>  |
| <b>Balance at 31<br/>March 2025<br/>(unaudited)</b>                           | <b>4,385</b>     | <b>1,109,586</b>                          | <b>(8,291)</b>     | <b>(105,487)</b>       | <b>2,305</b>         | <b>(1,404,773)</b>  | <b>(402,275)</b> |
| Loss for the period   | -                | -   | -                  | -                      | -                    | (37,453)            | (37,453)         |
| Exchange<br>differences   | -                | -   | -                  | (18,390)               | -                    | -                   | (18,390)         |
| <b>Total<br/>comprehensive<br/>expenditure</b>                                | <b>-</b>         | <b>-</b>                                  | <b>-</b>           | <b>(18,390)</b>        | <b>-</b>             | <b>(37,453)</b>     | <b>(55,843)</b>  |
| <b>Balance at 30<br/>June 2025<br/>(unaudited)</b>                            | <b>4,385</b>     | <b>1,109,586</b>                          | <b>(8,291)</b>     | <b>(123,877)</b>       | <b>2,305</b>         | <b>(1,442,226)</b>  | <b>(458,118)</b> |

The notes on pages 11 to 17 form part of the interim financial statements.

(1) Extracted from the Group Consolidated Financial Statements for the Year Ended 31 December 2024.

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

| £000  | Note     | 3 months to<br>30 June<br>2025<br>(unaudited) | 3 months to<br>30 June<br>2024<br>(unaudited) | Year ended<br>31 December<br>2024<br>(audited) <sup>(1)</sup> |
|---|----------|---|---|---|
| <b>Net cash (used)/generated from operating activities</b>  | <b>9</b> | <b>(11,711)</b>                               | <b>131,183</b>                                | <b>124,911<sup>(2)</sup></b>                                  |
| <b>Investing activities</b>                                 |          |   |   |   |
| Purchase of property, plant and equipment                   |          | (2,589)                                       | (3,292)                                       | (2,962)   |
| Purchase of intangible assets                               |          | (6,042)                                       | (1,924)                                       | (15,127)  |
| Proceeds from disposal of property, plant and equipment     |          | -   | -   | 913   |
| <b>Net cash used in investing activities</b>                |          | <b>(8,631)</b>                                | <b>(5,216)</b>                                | <b>(17,176)</b>   |
| <b>Financing activities</b>                                 |          |   |   |   |
| Proceeds from loans and borrowings                          |          | 1,809,716                                     | 815,768                                       | 3,062,995   |
| Transaction costs related to borrowings                     |          | (49,541)                                      | -   | -   |
| Repayment of borrowings                                     |          | (1,769,516)                                   | (747,501)                                     | (2,885,170)   |
| Payment of lease liabilities                                |          | (541)   | (850)   | (3,476) <sup>(2)</sup>  |
| Derivative settlement                                       |          | 675   | -   | 6,367   |
| Interest paid   |          | (74,497)                                      | (74,182)                                      | (215,872)   |
| <b>Net cash used in financing activities</b>                |          | <b>(83,704)</b>                               | <b>(6,765)</b>                                | <b>(35,156)</b>   |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |          | <b>(104,049)</b>                              | <b>119,202</b>                                | <b>72,579</b>   |
| <b>Cash and cash equivalents at beginning of period</b>     |          | <b>205,400</b>                                | <b>201,738</b>                                | <b>143,083</b>  |
| Effect of movements in exchange rates on cash held          |          | (372)   | 1,350   | 341   |
| <b>Cash and cash equivalents at end of period</b>           |          | <b>100,982</b>                                | <b>322,920</b>                                | <b>216,003</b>  |

The notes on pages 11 to 17 form part of the interim financial statements.

(1) Extracted from the Group Consolidated Financial Statements for the Year Ended 31 December 2024.

(2) Movement has been restated from the figure reported for the Year Ended 31 December 2024.

## Garfunkelux Holdco 2 S.A.

### 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. Those standards have been applied consistently to the historical periods.

The accounting principles applied by the Group and the Company are essentially unchanged compared with the 2024 Consolidated Financial Statements.

This report should be read with the audited financial statements for the year ended 31 December 2024.

#### 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-month period ending 30 June 2025.

### 2. Service revenue

| £000                  | 3 months to<br>30 June<br>2025<br>(unaudited) | 3 months to<br>30 June<br>2024<br>(unaudited) | Year ended<br>31 December<br>2024<br>(audited) |
|-----------------------|---|---|--|
| 3PC income            | 40,868  | 39,730  | 154,504  |
| Dunning Lawyer income | 860   | 445   | 121  |
|                       | <b>41,728</b>                                 | <b>40,175</b>                                 | <b>154,625</b>                                 |

### 3. Finance costs

| £000   | 3 months to<br>30 June<br>2025<br>(unaudited) | 3 months to<br>30 June<br>2024<br>(unaudited) | Year ended<br>31 December<br>2024<br>(audited) |
|--|---|---|--|
| Interest payable on the Senior Secured Notes           | 31,919  | 33,624  | 132,508  |
| Fees payable on borrowings                             | 4,918   | 1,857   | 9,899  |
| Interest and fees payable on Revolving credit facility | 5,753   | 10,670  | 25,244   |
| Interest payable on shareholder loan                   | 15,549  | 14,123  | 57,988   |
| Net foreign exchange loss                              | -   | 11,559  | 9,200  |
| Net FV loss on derivative instruments                  | -   | 3,634   | 5,834  |
| Interest payable on securitisation                     | 22,367  | 9,792   | 46,423   |
| Other finance cost                                     | 1,695   | 3,890   | 4,842  |
| Interest expense from lease liabilities                | 740   | 600   | 3,476  |
|  | <b>82,941</b>                                 | <b>89,749</b>                                 | <b>295,414</b>                                 |

## Garfunkelux Holdco 2 S.A.

### 4. Portfolio investments

| £000         | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|--------------|--------------------------------|--------------------------------|----------------------------------|
| Non-current  | 1,307,569                      | 1,135,685                      | 1,251,953                        |
| Current      | 508,220                        | 545,946                        | 492,861                          |
| <b>Total</b> | <b>1,815,789</b>               | <b>1,681,631</b>               | <b>1,744,814</b>                 |

The movements in amortised cost portfolios were as follows:

| £000                                   | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|--|--------------------------------|--------------------------------|----------------------------------|
| <b>At start of the period</b>          | <b>1,801,998</b>               | <b>1,675,300</b>               | <b>1,635,895</b>                 |
| Portfolios acquired during the period  | 102,574                        | 85,027                         | 383,078                          |
| Portfolios classified as Held for Sale | -                              | 141,980                        | -                                |
| Collections in the period              | (185,167)                      | (323,198) <sup>(2)</sup>       | (712,616)                        |
| Income from portfolio investments      | 104,474                        | 102,395                        | 416,173                          |
| Net portfolio write up <sup>(1)</sup>  | (13,790)                       | 12,247                         | 38,089                           |
| Net foreign exchange movement          | 15,359                         | (12,120)                       | (15,805)                         |
| Other costs                            | (9,659)                        | -                              | -                                |
| <b>At end of the period</b>            | <b>1,815,789</b>               | <b>1,681,631</b>               | <b>1,744,814</b>                 |

(1) Income Statement credit includes a gain on disposal in relation to Portfolios previously re-classified as held for sale.

(2) Collections include amounts related to the DACH backbook sale

### 5. Asset backed securities

| £000                           | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|--------------------------------|--------------------------------|--------------------------------|----------------------------------|
| <b>Non-current</b>             |                                |                                |                                  |
| Amortised cost                 | 2,137                          | 5,976                          | 2,429                            |
| Fair value through PL (FVTPL)  | 15,065                         | 30,060                         | 17,185                           |
| Fair value through OCI (FVOCI) | -                              | 8,250                          | 6,491                            |
| <b>Current</b>                 |                                |                                |                                  |
| Amortised cost                 | 1,271                          | -                              | 1,692                            |
| Fair value through PL (FVTPL)  | -                              | -                              | 18,680                           |
| Fair value through OCI (FVOCI) | 5,285                          | -                              | -                                |
| <b>Total</b>                   | <b>23,758</b>                  | <b>44,286</b>                  | <b>46,477</b>                    |

## Garfunkelux Holdco 2 S.A.

### ***Amortised cost:***

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

| £000                       | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|----------------------------|--------------------------------|--------------------------------|----------------------------------|
| <b>At start of period</b>  | <b>3,667</b>                   | <b>5,976</b>                   | <b>5,975</b>                     |
| Income from ABS investment | 76                             | -                              | 416                              |
| Collections in the period  | (335)                          | -                              | (2,270)                          |
| <b>At end of period</b>    | <b>3,408</b>                   | <b>5,976</b>                   | <b>4,121</b>                     |

The movements in fair value ABS investments were as follows:

### ***Fair value through P&L:***

| £000                                  | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|---------------------------------------|--------------------------------|--------------------------------|----------------------------------|
| <b>At start of period</b>             | <b>33,632</b>                  | <b>28,519</b>                  | <b>27,207</b>                    |
| Portfolios acquired during the period | 5,102                          | -                              | 7,393                            |
| Collections in the period             | (1,583)                        | -                              | (7,275)                          |
| Fair value gain                       | 28,234                         | 1,541                          | 6,586                            |
| Foreign exchange movement             | (659)                          | -                              | 1,954                            |
| Disposals                             | (49,661)                       | -                              | -                                |
| <b>At end of period</b>               | <b>15,065</b>                  | <b>30,060</b>                  | <b>35,865</b>                    |

### ***Fair value through OCI:***

| £000                      | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|---------------------------|--------------------------------|--------------------------------|----------------------------------|
| <b>At start of period</b> | <b>5,867</b>                   | <b>8,250</b>                   | <b>8,250</b>                     |
| Collections in the period | (571)                          | -                              | (3,178)                          |
| Fair value gain           | (11)                           | -                              | 1,419                            |
| <b>At end of period</b>   | <b>5,285</b>                   | <b>8,250</b>                   | <b>6,491</b>                     |

## Garfunkelux Holdco 2 S.A.

### 6. Trade and other receivables

| £000                           | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|--------------------------------|--------------------------------|--------------------------------|----------------------------------|
| Trade receivables              | 37,324                         | 54,538                         | 23,550                           |
| Prepayments and accrued income | 4,261                          | 17,912                         | 7,484                            |
| Other receivables              | 93,882                         | 30,544                         | 73,695                           |
| Tax receivable                 | 8,695                          | 3,281                          | 4,879                            |
|                                | <b>144,162</b>                 | <b>106,275</b>                 | <b>109,608</b>                   |

### 7. Trade and other payables

| £000                            | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|---------------------------------|--------------------------------|--------------------------------|----------------------------------|
| Trade payables                  | 28,900                         | 19,187                         | 10,205                           |
| Other taxes and social security | 4,306                          | 4,026                          | 3,691                            |
| Accruals and deferred income    | 38,369                         | 48,102                         | 54,750                           |
| Other payables                  | 47,571                         | 25,209                         | 40,973                           |
|                                 | <b>119,146</b>                 | <b>96,524</b>                  | <b>109,619</b>                   |

Other payables includes amounts due of £5.6m in respect of portfolios purchased but not yet paid for as at 30 June 2025 (30 June 2024: £5.0m).

## Garfunkelux Holdco 2 S.A.

### 8. Borrowings

| £000  | 30 June<br>2025<br>(unaudited) | 30 June<br>2024<br>(unaudited) | 31 December<br>2024<br>(audited) |
|---|--------------------------------|--------------------------------|----------------------------------|
| <b>Non-current</b>  |                                |                                |                                  |
| <b>Unsecured borrowing at amortised cost</b>                |                                |                                |                                  |
| Shareholder loan owed to Garfunkelux Holdco 1 S.à r.l.      | 686,838                        | 626,141                        | 657,759                          |
| <b>Total unsecured</b>                                      | <b>686,838</b>                 | <b>626,141</b>                 | <b>657,759</b>                   |
| <b>Secured borrowing at amortised cost</b>                  |                                |                                |                                  |
| Senior Secured Notes  | 1,510,235                      | 1,629,875                      | 521,336                          |
| Prepaid costs on secured borrowings                         | (47,961)                       | (6,348)                        | (1,972)                          |
| Securitisation loans  | 653,252                        | 195,402                        | 63,296                           |
| <b>Total secured</b>  | <b>2,115,526</b>               | <b>1,818,929</b>               | <b>582,660</b>                   |
| <b>Total borrowings due for settlement after 12 months</b>  | <b>2,802,364</b>               | <b>2,445,070</b>               | <b>1,240,419</b>                 |
| <b>Current</b>  |                                |                                |                                  |
| <b>Unsecured borrowing at amortised cost</b>                |                                |                                |                                  |
| Other interest payable                                      | 1,116                          | 6,269                          | 3,656                            |
| <b>Total unsecured</b>                                      | <b>1,116</b>                   | <b>6,269</b>                   | <b>3,656</b>                     |
| <b>Secured borrowing at amortised cost</b>                  |                                |                                |                                  |
| Senior Secured Notes  | -                              | -                              | 1,076,484                        |
| Interest on Senior Secured Notes                            | -                              | 21,511                         | 28,232                           |
| Prepaid costs on secured borrowings                         | (350)                          | (7,960)                        | (4,656)                          |
| Revolving credit facility                                   | 303,233                        | 374,601                        | 371,823                          |
| Term Loan   | 50,000                         | -                              | -                                |
| Securitisation loans  | 151,027                        | 348,759                        | 508,832                          |
| <b>Total secured</b>  | <b>503,910</b>                 | <b>736,911</b>                 | <b>1,980,715</b>                 |
| <b>Total borrowings due for settlement before 12 months</b> | <b>505,026</b>                 | <b>743,180</b>                 | <b>1,984,371</b>                 |
| <b>Total borrowings</b>                                     | <b>3,307,390</b>               | <b>3,188,250</b>               | <b>3,224,790</b>                 |

On 25th June, the group completed a comprehensive recapitalisation transaction. The group repaid £200,000,000 Notes and RCF and reinstated a portion of the existing Notes into new subordinated €292,000,000 10.5% Holdco PIK Notes due 1 May 2030 issued by Garfunkelux Holdco 4 S.A., a new holding company. The remaining Notes were reinstated into €967,562,961 at 9.5% Senior Secured Notes due 1 November 2028 and €466,931,106 at Euribor+7.446% Senior Secured Floating Rate Notes due 1 May 2029 (together the "New Opco Notes").

There was an amendment and restatement of the existing super senior RCF into two super senior facilities consisting of a £50,000,000 revolving facility and a €355,516,000 term facility due 1 August 2028 and Issuance of €250,000,000 at 9.0% New Money Notes due 1 September 2028 ranking senior to the New Opco Notes and junior to the amended RCF proceeds of which shall be used for the purposes of debt management, including potentially one or multiple tender offers to purchase New Opco Notes, and result in positive to neutral impact on the Group's leverage.

## Garfunkelux Holdco 2 S.A.

### 9. Note to the statement of cashflows

| £000  | Note | 3 months to 30<br>June<br>2025<br>(unaudited) | 3 months to 30<br>June<br>2024<br>(unaudited) | Year ended 31<br>December<br>2024<br>(audited) <sup>(1)</sup> |
|---|------|---|---|---|
| <b>Loss for the period before tax</b>                                       |      | <b>(38,738)</b>                               | <b>(60,476)</b>                               | <b>(291,576)</b>  |
| <b>Adjustments for:</b>   |      |   |   |   |
| Income from portfolio investments   | 4    | (104,474)                                     | (102,395)                                     | (416,173)   |
| Income from ABS investments   | 5    | (76)  | -   | (416)   |
| Net portfolio write (up)  | 4    | 13,790  | (12,247)                                      | (38,089)  |
| Fair value gain from ABS investments  | 5    | (28,234)                                      | (1,541)                                       | (6,586)   |
| Collections on owned portfolio investments                                  | 4    | 197,316                                       | 296,298                                       | 897,458   |
| Depreciation and amortisation   |      | 11,266  | 11,699  | 58,638  |
| Impairment of goodwill and right of use asset                               |      | -   | -   | 74,068  |
| Loss on disposal of PPE and intangible assets                               |      | -   | -   | 102   |
| Finance income  |      | (8,285)                                       | (2,171)                                       | (1,684)   |
| Finance costs   | 3    | 82,941  | 89,749  | 295,414   |
| Unrealised (gain)/loss from foreign exchange                                |      | (26,090)                                      | 8,624   | 54,248  |
| Decrease/(Increase) in trade and other receivables                          |      | (33,461)                                      | 3,293   | (8,210)   |
| (Increase)/Decrease in trade and other payables                             |      | 7,527   | (5,815)                                       | (10,516)  |
| Movement in other net assets <sup>(3)</sup>                                 |      | (30,665)                                      | (10,371)                                      | (66,756)  |
| <b>Cash generated by operating activities before portfolio acquisitions</b> |      | <b>42,817</b>                                 | <b>214,648</b>                                | <b>539,922</b>  |
| Portfolios acquired <sup>(2)</sup>  |      | (102,574)                                     | (82,955)                                      | (390,471)   |
| Asset backed securities disposals   |      | 49,661  | -   | -   |
| Income taxes (paid)   |      | (1,615)                                       | (510)   | (24,540)  |
| <b>Net cash generated by operating activities</b>                           |      | <b>(11,711)</b>                               | <b>131,183</b>                                | <b>124,911<sup>(6)</sup></b>                                  |

(1) Extracted from the Group Consolidated Financial Statements for the Year Ended 31 December 2024.

(2) Portfolios acquired represents the amount paid for portfolio purchases in the period, after considering timing differences.

(3) Movement in other net assets has been restated from the figure reported for the Year Ended 31 December 2024.

### 10. Subsequent events

On 15 July 2025, the Group completed and settled its tender of the OpCo bonds, acquiring €228.1m of notional value of bonds, for proceeds of €194.9m. The transaction utilised the New Money Notes that were available following the refinancing in June 2025 for debt management purposes.

In August 2025, Lowell entered into a Co-Invest structure with a listed 3rd party for the joint purchase of assets in Finland. The Co-Invest structure is an open-ended revolving transaction, which structurally supports continued acquisition of assets. Lowell is the servicer of the assets and retains 51% of notes with the 3rd party holding the remaining 49% of Notes.



## Garfunkelux Holdco 2 S.A.

### Cash EBITDA reconciliations

The three walks below show reconciliations from the IFRS balances in the accounts to the Group's Cash EBITDA number and are unaudited.

#### Profit to Cash EBITDA

**3 months to 30  
June  
2025  
£000**

|  |                |
|--|----------------|
| Loss for the period  | (37,453)       |
| Net finance costs  | 74,657         |
| Taxation credit  | (1,285)        |
| <b>Operating profit</b>  | <b>35,919</b>  |
| Portfolio amortisation   | 80,617         |
| Net portfolio write-up   | 13,790         |
| Portfolio fair value gain  | (28,234)       |
| Non-recurring costs / exceptional items, net of exceptional income | 7,808          |
| Depreciation and amortisation                                      | 11,606         |
| <b>Cash EBITDA</b>   | <b>121,506</b> |

#### Cash collections to Cash EBITDA

**3 months to 30  
June  
2025  
£000**

|  |                |
|--|----------------|
| Cash collections (DP)  | 185,167        |
| Other income   | 41,864         |
| Operating expenses   | (124,939)      |
| Non-recurring costs / exceptional items, net of exceptional income | 7,808          |
| Depreciation and amortisation                                      | 11,606         |
| <b>Cash EBITDA</b>   | <b>121,506</b> |

#### Net cash flow to Cash EBITDA

**3 months to 30  
June  
2025  
£000**

|   |                |
|---|----------------|
| Decrease in cash in the period  | (104,036)      |
| Repayment of borrowings   | 1,769,516      |
| Proceeds from borrowings  | (1,809,716)    |
| Transaction costs relating to borrowings  | 49,541         |
| Portfolios acquired   | 102,574        |
| Disposal of loan portfolios   | (49,661)       |
| Interest paid   | 74,497         |
| Tax paid  | (1,615)        |
| Other comprehensive expenditure   | 26,528         |
| Payment of lease liabilities  | (541)          |
| <b>Cash flow before interest, portfolio purchases, tax expenses and capital expenditure</b> | <b>57,088</b>  |
| Other cashflows (incl. working capital changes)   | 56,610         |
| Non-recurring costs / exceptional items, net of exceptional income                          | 7,808          |
| <b>Cash EBITDA</b>  | <b>121,506</b> |