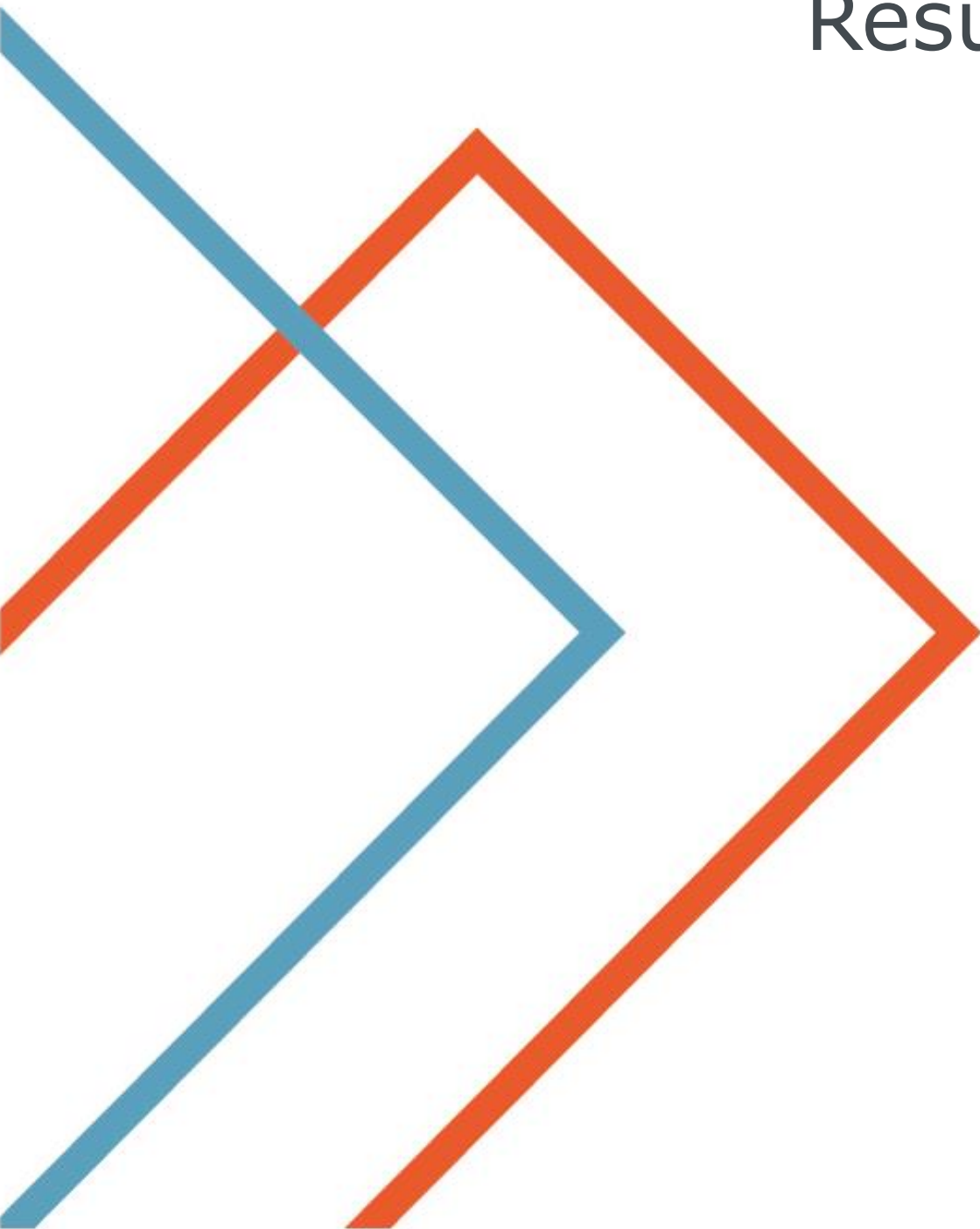


**Garfunkelux Holdco 2 S.A.**  
**QE 31 March 2025**  
**Results**



# 1. Highlights

- **120 Month Estimated Remaining Collections** ("ERC") at £3,642m<sup>(1)</sup> as of 31 March 2025, down 1.4% since 31 March 2024.
- **Portfolio investments acquired** for the three months ending 31 March 2025 total £110.0m, an increase of £8.7m compared with the three months ending 31 March 2024.
- **Debt Purchase gross cash collections** of £187.1m in the three months ending 31 March 2025, a decrease of 17.0% on the three months ending 31 March 2024.
- **Cash income** of £226.2m in the three months ending 31 March 2025, a decrease of 14.1% compared to the three-month period ending 31 March 2024.
- **Cash EBITDA**<sup>(2)</sup> for the three months ended 31 March 2025 of £118.3m, a 22.9% decrease on the three month period ending 31 March 2024, with Last Twelve Months ("LTM") Cash EBITDA to 31 March 2025 of £566.0m.
- **Net debt to LTM Pro forma Cash EBITDA**<sup>(3)</sup> is at 4.4x as at 31 March 2025.
- **Net secured debt to LTM Pro forma Cash EBITDA**<sup>(3)</sup> is at 3.3x as at 31 March 2025.

(1) ERC reduction reflects impact of Balance Sheet Velocity ("BSV") transactions across LTM period resulting in accelerated collections in the region of £128m. The BSV programme commenced in 2022, diversifying the Group's sources of funding by crystallising returns earlier in their lifecycle through the acceleration of cashflows.

(2) 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.

(3) Pro forma LTM Cash EBITDA as quoted is defined as Group Cash EBITDA for the twelve months ended 31 March 2025, adjusted for Pro forma cost adjustments.

## 1. Highlights (continued)

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

*"This quarter has been defined by nearing the completion of our full balance sheet refinancing which will provide the foundations for the business to move forward on our sustainable growth strategy across our core markets. With that in place, the consistent positive underlying performance of the business and strong outlook on collections, we are well placed to deliver for the year."*

### **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 31 March 2025 and 31 March 2024.

<b>(£ in millions unless otherwise noted)</b>	<b>Three months ended or as at 31 March 2025</b>	<b>Three months ended or as at 31 March 2024</b>
Portfolio investments acquired	110.0	101.5
3PC income	39.1	37.9
Cash income	226.2	263.1
Cash EBITDA <sup>(1)</sup>	118.3	154.4
120-month ERC <sup>(2)</sup>	3,642	3,694
180-month ERC <sup>(2)</sup>	4,280	4,233

(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) ERC reduction reflects impact of Balance Sheet Velocity transactions across LTM period resulting in accelerated collections in the region of £128m.

## 2. Operating & financial review (continued)

### Collections

DP Collections were £187.1m in the three months ending 31 March 2025, a decrease of £38m on the three-month period ending 31 March 2024.

### Income

Total income of £148.1m was generated in the three months ending 31 March 2025, a decrease of £9.2m on the three-month period ending 31 March 2024.

Total income includes income from portfolio investments of £103.9m in the three months to 31 March 2025 (three months to 31 March 2024: £106.1m) and net portfolio write-up of £2.8m in the three months to 31 March 2025 (three months to 31 March 2024 net portfolio write-up: £11m).

Service revenue in the three months to 31 March 2025 of £40.0m included 3PC income of £39.1m (three months to 31 March 2024: Service revenue of £38.4m included 3PC income of £37.9m).

### Operating expenses

Operating expenses were £131.5m for the period (three months to 31 March 2024: £126.9m), of which £67.3m were collection activity costs, (three months to 31 March 2024: £70.5m).

### Finance costs

Finance costs totalled £75.6m for the three months ended 31 March 2025 reflecting the impact of consolidating the new co-investment structure in the UK and the two Nordic securitisations, an increase of £14.5m compared to the same three months to 31 March 2024 at £61.1m. Refer to note 3 for further details.

### Cash flow

Net cash generated from operating activities after portfolio purchases and exceptional costs totalled £(2)m in the three months to 31 March 2025. Net cash generated from operating activities before portfolio acquisitions totalled £104.9m in the three months to 31 March 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 31 March 2025 is shown below.

UK As at 31 March 2025		DACH As at 31 March 2025		Nordics As at 31 March 2025	
Invested (£ millions)	Gross Money Multiple <sup>(1)</sup>	Invested (£ millions)	Gross Money Multiple <sup>(1)</sup>	Invested (£ millions)	Gross Money Multiple <sup>(1)</sup>
3.204	2.5x	924	2.4x	1.418	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 31 March 2025 (unaudited)	3 months to 31 March 2024 (unaudited)	Year ended 31 December 2024 (audited) <sup>(1)</sup>
<b>Continuing operations</b>				
<b>Income</b>				
Income from portfolio investments	4	103,882	106,110	416,173
Income from ABS investments	5	83	1	416
Net portfolio write up/(down)	4	2,794	10,974	38,089
Fair value gain from ABS investments	5	1,206	1,473	6,586
Service revenue	2	40,008	38,350	154,625
Other revenue		172	421	4,784
<b>Total income</b>		<b>148,145</b>	<b>157,329</b>	<b>620,673</b>
<b>Operating expenses</b>				
Collection activity costs <sup>(2)</sup>		(67,292)	(70,530)	(263,975)
Other expenses <sup>(2)</sup>		(64,162)	(56,392)	(280,476)
Goodwill impairment		-	-	(74,068)
<b>Total operating expenses</b>		<b>(131,454)</b>	<b>(126,922)</b>	<b>(618,519)</b>
<b>Operating profit</b>		<b>16,691</b>	<b>30,407</b>	<b>2,154</b>
Finance income		828	2,319	1,684
Finance costs	3	(75,621)	(61,128)	(295,414)
<b>Loss for the period before tax</b>		<b>(58,102)</b>	<b>(28,402)</b>	<b>(291,576)</b>
Tax charge		(2,164)	(1,404)	(66,919)
<b>Loss for the period</b>		<b>(60,266)</b>	<b>(29,806)</b>	<b>(358,495)</b>
<b>Other comprehensive expenditure</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Actuarial gains/(losses) on pension plans		-	-	316
Deferred tax on actuarial losses on pension plans		-	-	-
		-	-	<b>316</b>
<b>Items that will or may be reclassified subsequently to profit or loss</b>				
Foreign operations – foreign currency translation differences		(3,957)	(18,017)	26,919
Fair value gain on Asset backed securities		-	-	1,419
<b>Other comprehensive (expenditure) / income, net of tax</b>		<b>(3,957)</b>	<b>(18,017)</b>	<b>28,654</b>
<b>Total comprehensive expenditure for the period</b>		<b>(64,223)</b>	<b>(47,823)</b>	<b>(329,841)</b>

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

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

(2) The 31 March 2024 figures were adjusted with the aim to achieve a more relevant presentation

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

£000	Note	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited) <sup>(1)</sup>
<b>Assets</b>				
<b>Non-current assets</b>				
Goodwill		779,014	857,122	779,014
Intangible assets		64,663	100,444	69,513
Property, plant and equipment		69,668	47,454	73,498
Portfolio investments	4	1,297,951	1,186,155	1,251,953
Asset backed securities	5	24,372	39,415	26,105
Other financial assets		3,459	22,839	1,204
Deferred tax assets		85,176	147,244	84,776
<b>Total non-current assets</b>		<b>2,324,303</b>	<b>2,400,673</b>	<b>2,286,063</b>
<b>Current assets</b>				
Portfolio investments	4	504,047	489,145	492,861
Asset backed securities	5	18,794	3,330	20,372
Assets classified as held for sale		-	141,980	9,623
Trade and other receivables	6	110,701	91,294	109,608
Other financial assets		14,057	15,188	22,249
Derivatives		2,281	5,791	1,390
Assets for current tax		17,910	2,422	22,121
Cash and cash equivalents		205,400	201,738	216,003
<b>Total current assets</b>		<b>873,190</b>	<b>950,888</b>	<b>894,227</b>
<b>Total assets</b>		<b>3,197,493</b>	<b>3,351,561</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		(111,473)	(154,187)	(107,516)
Retained deficit		(1,404,773)	(1,015,818)	(1,344,507)
<b>Total equity</b>		<b>(402,275)</b>	<b>(56,034)</b>	<b>(338,052)</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	8	1,330,535	2,649,209	1,240,419
Provisions for pension		5,258	7,075	5,300
Provisions		4,890	6,803	4,903
Other financial liabilities		61,185	38,067	60,157
Deferred tax liabilities		30,259	29,702	30,069
<b>Total non-current liabilities</b>		<b>1,432,127</b>	<b>2,730,856</b>	<b>1,340,848</b>
<b>Current liabilities</b>				
Trade and other payables	7	111,619	104,107	109,619
Provisions		7,340	10,740	6,865
Borrowings	8	1,973,492	508,909	1,984,371
Other financial liabilities		55,655	34,935	58,325
Current tax liabilities		19,535	18,048	18,314
<b>Total current liabilities</b>		<b>2,167,641</b>	<b>676,739</b>	<b>2,177,494</b>
<b>Total equity and liabilities</b>		<b>3,197,493</b>	<b>3,351,561</b>	<b>3,180,290</b>

The notes on pages 11 to 18 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 Capital	Share premium & similar premiums	Capital Reserve	Translation reserve	Valuation reserve	Retained deficit	Total
<b>£000</b>							
<b>Balance at 31 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 pension	-	-	-	-	316	-	316
Exchange differences	-	-	-	26,919	-	-	26,919
Fair value movement on ABS	-	-	-	-	1,419	-	1,419
<b>Total comprehensive income/(expendi ture) 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 December 2024</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 year	-	-	-	-	-	(60,226)	(60,226)
Exchange differences	-	-	-	(3,957)	-	-	(3,957)
<b>Total comprehensive expenditure for the year</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 March 2025 (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>

The notes on pages 11 to 18 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 31 March 2025 (unaudited)	3 months to 31 March 2024 (unaudited)	Year ended 31 December 2024 (audited) <sup>(1)</sup>
<b>Net cash generated from operating activities</b>	<b>9</b>	<b>(2,041)</b>	<b>38,369</b>	<b>124,911<sup>(2)</sup></b>
<b>Investing activities</b>				
Purchase of property, plant and equipment		(127)	(5,927)	(2,962)
Purchase of intangible assets		(3,495)	(2,041)	(15,127)
Proceeds from disposal of property, plant and equipment		-	-	913
<b>Net cash used in investing activities</b>		<b>(3,622)</b>	<b>(7,968)</b>	<b>(17,176)</b>
<b>Financing activities</b>				
Proceeds from loans and borrowings		169,664	408,416	3,062,995
Repayment of borrowings		(140,892)	(343,707)	(2,885,170)
Payment of lease liabilities		(2,863)	(4,102)	(3,476) <sup>(2)</sup>
Derivative settlement		(891)	-	6,367
Interest paid		(29,545)	(30,622)	(215,872)
<b>Net cash generated from/(used in) financing activities</b>		<b>(4,527)</b>	<b>29,985</b>	<b>(35,156)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(10,190)</b>	<b>60,386</b>	<b>72,579</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>216,003</b>	<b>143,083</b>	<b>143,083</b>
Effect of movements in exchange rates on cash held		(413)	(1,731)	341
<b>Cash and cash equivalents at end of period</b>		<b>205,400</b>	<b>201,738</b>	<b>216,003</b>

The notes on pages 11 to 18 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 31 March 2025.

### 2. Service revenue

£000	3 months to 31 March 2025 (unaudited)	3 months to 31 March 2024 (unaudited)	Year ended 31 December 2024 (audited)
3PC income	39,097	37,934	154,504
Dunning Lawyer income	911	416	121
	<b>40,008</b>	<b>38,350</b>	<b>154,625</b>

### 3. Finance costs

£000	3 months to 31 March 2025 (unaudited)	3 months to 31 March 2024 (unaudited)	Year ended 31 December 2024 (audited)
Interest payable on the Senior Secured Notes	31,619	33,525	132,508
Fees payable on borrowings	1,453	1,856	9,899
Interest and fees payable on Revolving credit facility	6,817	3,285	25,244
Interest payable on shareholder loan	15,321	14,131	57,988
Net foreign exchange loss	2,163	-	9,200
Net FV loss on derivative instruments	-	-	5,834
Interest payable on securitisation	17,027	7,508	46,423
Other finance cost	-	158	4,842
Interest expense from lease liabilities	1,221	665	3,476
	<b>75,621</b>	<b>61,128</b>	<b>295,414</b>

## Garfunkelux Holdco 2 S.A.

### 4. Portfolio investments

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
Non-current	1,297,951	1,186,155	1,251,953
Current	504,047	489,145	492,861
<b>Total</b>	<b>1,801,998</b>	<b>1,675,300</b>	<b>1,744,814</b>

The movements in amortised cost portfolios were as follows:

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
<b>At start of the period</b>	<b>1,744,814</b>	<b>1,635,895</b>	<b>1,635,895</b>
Portfolios acquired during the period	110,026	101,457	383,078
Collections in the period	(170,871)	(185,150)	(712,616)
Income from portfolio investments	103,882	106,110	416,173
Net portfolio write up <sup>(1)</sup>	248	10,974	38,089
Net foreign exchange movement	4,240	6,014	(15,805)
Other costs	9,659	-	-
<b>At end of the period</b>	<b>1,801,998</b>	<b>1,675,300</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.

### 5. Asset backed securities

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
<b>Non-current</b>			
Amortised cost	1,975	3,740	2,429
Fair value through PL (FVTPL)	16,530	27,425	17,185
Fair value through OCI (FVOCI)	5,867	8,250	6,491
<b>Current</b>			
Amortised cost	1,692	2,236	1,692
Fair value through PL (FVTPL)	17,102	1,094	18,680
<b>Total</b>	<b>43,166</b>	<b>42,725</b>	<b>46,477</b>

#### **Amortised cost:**

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

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
<b>At start of period</b>	<b>4,121</b>	<b>5,975</b>	<b>5,975</b>
Income from ABS investment	83	1	416
Collections in the period	(537)	-	(2,270)
<b>At end of period</b>	<b>3,667</b>	<b>5,976</b>	<b>4,121</b>

## Garfunkelux Holdco 2 S.A.

The movements in fair value ABS investments were as follows:

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

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
<b>At start of period</b>	<b>35,865</b>	<b>27,207</b>	<b>27,207</b>
Portfolios acquired during the period	-	-	7,393
Collections in the period	(2,940)	(161)	(7,275)
Fair value gain	1,206	1,473	6,586
Foreign exchange movement	(499)	-	1,954
<b>At end of period</b>	<b>33,632</b>	<b>28,519</b>	<b>35,865</b>

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

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
<b>At start of period</b>	<b>6,491</b>	<b>8,250</b>	<b>8,250</b>
Collections in the period	(635)	-	(3,178)
Fair value gain	11	-	1,419
<b>At end of period</b>	<b>5,867</b>	<b>8,250</b>	<b>6,491</b>

## Garfunkelux Holdco 2 S.A.

### 6. Trade and other receivables

<b>£000</b>	<b>31 March 2025 (unaudited)</b>	<b>31 March 2024 (unaudited)</b>	<b>31 December 2024 (audited)</b>
Trade receivables	30,231	30,829	23,550
Prepayments and accrued income	7,664	15,230	7,484
Other receivables	65,023	41,980	73,695
Tax receivable	7,783	3,255	4,879
	<b>110,701</b>	<b>91,294</b>	<b>109,608</b>

### 7. Trade and other payables

<b>£000</b>	<b>31 March 2025 (unaudited)</b>	<b>31 March 2024 (unaudited)</b>	<b>31 December 2024 (audited)</b>
Trade payables	13,463	11,879	10,205
Other taxes and social security	5,496	1,356	3,691
Accruals and deferred income	53,378	44,907	54,750
Other payables	39,282	45,965	40,973
	<b>111,619</b>	<b>104,107</b>	<b>109,619</b>

## Garfunkelux Holdco 2 S.A.

### 8. Borrowings

£000	31 March 2025 (unaudited)	31 March 2024 (unaudited)	31 December 2024 (audited)
<b>Non-current</b>			
<b>Unsecured borrowing at amortised cost</b>			
Shareholder loan owed to Garfunkelux Holdco 1 S.à r.l.	672,238	612,837	657,759
<b>Total unsecured</b>	<b>672,238</b>	<b>612,837</b>	<b>657,759</b>
<b>Secured borrowing at amortised cost</b>			
Senior Secured Notes	530,927	1,644,069	521,336
Prepaid costs on secured borrowings	(1,340)	(10,149)	(1,972)
Securitisation loans <sup>(1)</sup>	128,710	402,452	63,296
<b>Total secured</b>	<b>658,297</b>	<b>2,036,372</b>	<b>582,660</b>
<b>Total borrowings due for settlement after 12 months</b>	<b>1,330,535</b>	<b>2,649,209</b>	<b>1,240,419</b>
<b>Current</b>			
<b>Unsecured borrowing at amortised cost</b>			
Other interest payable	5,731	280	3,656
<b>Total unsecured</b>	<b>5,731</b>	<b>280</b>	<b>3,656</b>
<b>Secured borrowing at amortised cost</b>			
Senior Secured Notes	1,108,947	-	1,076,484
Interest on Senior Secured Notes	15,126	41,538	28,232
Prepaid costs on secured borrowings	(3,904)	(6,823)	(4,656)
Revolving credit facility	372,448	377,245	371,823
Securitisation loans <sup>(1)</sup>	475,144	96,669	508,832
<b>Total secured</b>	<b>1,967,761</b>	<b>508,629</b>	<b>1,980,715</b>
<b>Total borrowings due for settlement before 12 months</b>	<b>1,973,492</b>	<b>508,909</b>	<b>1,984,371</b>
<b>Total borrowings</b>	<b>3,304,027</b>	<b>3,158,118</b>	<b>3,224,790</b>

<sup>(1)</sup> Net increase in Securitisation loans due to the consolidation of co-investment in the Nordics

## Garfunkelux Holdco 2 S.A.

### 9. Note to the statement of cashflows

£000	Note	3 months to 31 March 2025 (unaudited)	3 months to 31 March 2024 (unaudited)	Year ended 31 December 2024 (audited) <sup>(1)</sup>
<b>Loss for the period before tax</b>		<b>(58,102)</b>	<b>(28,402)</b>	<b>(291,576)</b>
<b>Adjustments for:</b>				
Income from portfolio investments	4	(103,882)	(106,110)	(416,173)
Income from ABS investments	5	(83)	(1)	(416)
Net portfolio write (up) <sup>(5)</sup>	4	(259)	(10,974)	(38,089)
Fair value gain from ABS investments	5	(1,206)	(1,473)	(6,586)
Collections on owned portfolio investments <sup>(6)</sup>	4	187,119	225,074	897,458
Depreciation and amortisation		12,307	12,505	58,638
Impairment of goodwill and right of use asset		-	-	74,068
Loss on disposal of PPE and intangible assets		(5)	-	102
Finance income		(828)	(2,319)	(1,684)
Finance costs	3	75,621	61,128	295,414
Unrealised (gain)/loss from foreign exchange		(11,708)	(25,351)	54,248
Decrease/(Increase) in trade and other receivables		(1,095)	9,825	(8,210)
Decrease in trade and other payables		2,000	(31,480)	(10,516)
Movement in other net assets <sup>(3)</sup>		5,048	37,081	(66,756)
<b>Cash generated by operating activities before portfolio acquisitions</b>		<b>104,927</b>	<b>139,503</b>	<b>539,922</b>
Portfolios acquired <sup>(2)</sup>		(110,026)	(98,432)	(390,471)
Income taxes (paid)		3,058	(2,703)	(24,540)
<b>Net cash generated by operating activities</b>		<b>(2,041)</b>	<b>38,368</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.
- (4) Income Statement credit includes a gain on disposal in relation to Portfolios previously re-classified as held for sale.
- (5) Cashflow includes a gain on disposal in relation to Portfolios previously re-classified as held for sale.
- (6) Movement has been restated from the figure reported for the Year Ended 31 December 2024.



## 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 31  
March  
2025  
£000**

Loss for the period	(60,266)
Net finance costs	74,793
Taxation credit	2,164
<b>Operating profit</b>	<b>16,691</b>
Net portfolio write-up	(2,794)
Portfolio fair value gain	(1,206)
Portfolio amortisation	83,154
Non-recurring costs / exceptional items, net of exceptional income	10,353
Depreciation and amortisation	11,985
<b>Cash EBITDA</b>	<b>118,183</b>

#### Cash collections to Cash EBITDA

**3 months to 31  
March  
2025  
£000**

Cash collections	187,119
Other income	40,180
Operating expenses	(131,454)
Non-recurring costs / exceptional items, net of exceptional income	10,353
Depreciation and amortisation	11,985
<b>Cash EBITDA</b>	<b>118,183</b>

#### Net cash flow to Cash EBITDA

**3 months to 31  
March  
2025  
£000**

(Decrease)/Increase in cash in the period	(10,603)
Repayment of borrowings	(140,892)
Proceeds from borrowings	169,664
Portfolios acquired	110,026
Interest paid	29,545
Tax paid	(3,058)
Capital expenditure and other financial investment	7,249
Other comprehensive expenditure	(58,036)
Payment of lease liabilities	3,033
<b>Cash flow before interest, portfolio purchases, tax expenses and capital expenditure</b>	<b>106,928</b>
Other cashflows (incl. working capital changes)	902
Non-recurring costs / exceptional items, net of exceptional income	10,353
<b>Cash EBITDA</b>	<b>118,183</b>

## **Garfunkelux Holdco 2 S.A.**

### **10. Subsequent events**

The Group announced on 30 April 2025 that it had gained support from its RCF lenders for the Recapitalisation of its Balance Sheet. As a result, to formalise this agreement, it launched a solicitation for the formal consents (the "Consent Solicitation") required in connection with the implementation of the transaction.

The Consent Solicitation seeks consent from eligible holders of the Notes to approve an amendment to the Notes indenture (the "Amendment") as set out in the consent solicitation statement dated 5 May 2025 (the "Consent Solicitation Statement").

The current expiration time for the Consent Solicitation is 28 May 2025.