

## REGIONAL PRESS RELEASE

9 July 2020

**Lowell to win Fortum as a servicing client across the Nordics and to acquire Fortum's credit servicing platform Solvencia AS**

Leading energy company Fortum and Europe's second largest credit management company Lowell, today announced that Lowell will handle collection claims on behalf of Fortum's electricity sales in Finland, Norway and Sweden. As part of this agreement, Lowell will acquire the credit management company Solvencia AS. The third-party collections (3PC) collaboration will come into effect over the coming months.

In addition to the servicing agreement Lowell acquires Fortum's wholly owned Norwegian credit management company, Solvencia AS. Solvencia is a small in-house debt collection agency in Norway, which today employs 75 people. The transaction is not subject to any formal approvals and the ambition is to close the transaction in September. The overall partnership with Fortum is expected to contribute strongly to Lowell's 3PC earnings growth in the Nordics as it almost doubles the 3PC placement volumes in its Norwegian business and increases the overall volumes across Lowell's Nordic platform by c.50%. Lowell expects the transaction to be leverage-neutral upon closing and leverage-accretive over the medium term.

"We are excited to partner with such a leading energy provider as Fortum. We believe that our focus on high performance, excellent customer experience, data and analytics, in combination with market leading stands on ethics and compliance, is a winning concept in a highly competitive market space," said Johan Agerman, CEO of Lowell Nordics.

"The partnership with Fortum and the Solvencia acquisition are a testament to Lowell's group strategy to bolster its capital-light servicing business and to build sustainably successful and leading platforms in all its markets. Solvencia not only significantly strengthens Lowell's presence in Norway but also helps to drive profitability through synergies and scale benefits. We are excited to welcome Fortum as a Lowell client and the Solvencia colleagues as part of the Lowell family," commented Colin Storrar, Group CEO of Lowell.

According to Lowell's own estimates, Lowell Nordics now becomes the second largest credit management company within the electricity sector in Sweden and Finland and number three in Norway. This in addition to already being the market leader within the financial services sector in Finland, Sweden and Denmark will further diversify Lowell's product and business mix in the Nordics as well as in the Group.

In this transaction Lowell have been advised by EY and Advokatfirmaet Selmer.

**For further information please contact:**

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## **About Lowell**

Lowell is one of Europe's largest credit management companies with a mission to make credit work better for all. It operates in the UK, Germany, Austria, Switzerland, Denmark, Norway, Finland and Sweden. Lowell's unparalleled combination of data analytics 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 always looks for the most appropriate, sustainable and fair 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: <http://www.lowell.com>