These preliminary financial results for the three months ended September 30 2020 presented below have been derived from management accounts, are preliminary and are subject to our financial closing procedures, which have not yet been completed. While we believe these preliminary results and estimates to be reasonable, our actual results could vary from these estimates and these differences could be material. As such, you should not place undue reliance on this information and this information may not be indicative of our performance in the remainder of the financial year or any future period.

15 October 2020

LOWELL PRELIMINARY QUARTER 3 2020 TRADING UPDATE

Operations resilience and financial prudence: continued delivery and increasing efficiency

Lowell, a European leader in credit management services, today provides a preliminary trading update for the quarter ending 30 September 2020.

Financial highlights

- Resilient collections at 93% YTD vs Dec-19 static pool and ahead of Jun-20 static pool
- LTM Cash EBITDA margin expansion +600bps supported by strong cost control, efficiency initiatives and reduced litigation spend
- Leverage improved to 4.6x
- £180m capital deployed YTD on portfolio acquisitions; on track to deploy c£300m at c19% IRR in 2020
- Drawings under RCF reduced to £252m from £403m as at 30 June 2020
- Substantial available liquidity[1] of c£300 million

As at 30 September 2020	LTM Sep-19	LTM Sep-20	Change
Cash Income	£941m	£912m	(3)%
Cash EBITDA	£479m	£521m	+9%
Cash EBITDA Margin	51%	57%	+600bps
Portfolio Acquisitions	£366m	£302m	(17)%

Collections resilience continues

Collections have continued to demonstrate resilience with performance against our Dec-19 static pool at 93% YTD. Consistent with our Q2-20 update, our DACH and Nordics businesses continue to outperform our Dec-19 static pool. Our UK business has seen the largest impact on collections, principally driven by the management actions undertaken in Q2-20 to protect our customers during the

[1] *Calculated as unrestricted cash on balance sheet plus amounts available to draw on RCF and UK Securitisation.*

early stages of the COVID pandemic. UK management actions in Q2-20 temporarily reduced outbound customer contact activity and paused new litigation activity, accounting for approximately 90% of the impact to UK collections.

Since June 2020, our UK Division has increased outbound consumer contact activity to volumes more in line with Q1-20, prior to the outbreak of the COVID pandemic, and since August 2020 has resumed new legal collections, both of which have resulted in an improvement in the UK collections with performance against our static pool improving to 86% in September 2020 from 83% in July 2020.

Our UK collections continue to be underpinned by affordable repayment plans, which account for approximately 80% of UK collections, together with a stable paying base of customers that has performed at 96% of static pool expectations during 2020. In the three months ended September 30 2020, our UK collections performed at 102% of our June 2020 forecast.

Strong consumer engagement supported by remote working

We continue to be very pleased with our positive consumer feedback and response to our approach to customer care, which is reflected in our strong Trustpilot score of 4.4/5. Digital channels continue to perform well, supporting customer engagement and collections, and contributing to more efficient collections.

Remote working continues to be the focus of our operations and is well embedded within all of our businesses, providing a stable and robust operating environment.

Focus on efficiency drives seventh quarter of margin expansion

Focus on cost control remains at the heart of our business and has delivered a significant expansion in our Cash EBITDA margin across the LTM to 57%. Margin expansion has been driven by increased operational leverage of our indirect cost base together with improved collections efficiency. We estimate the temporary reduction on legal fees related to litigation activities to have contributed to short term margin expansion of approximately 2% in Q3-20. Additional cost initiatives have been enacted in Q3-20 which are principally focussed on further indirect cost efficiencies to support sustainable margin expansion of approximately 300bps across the next 24 months compared to the base at Q2-20.

Outperformance of ERC projection in quarter

As at June 30 2020, we recognised an £11m net portfolio write down, representing 0.7% of the Group's portfolio carrying value after completing a reforecasting exercise which was subject to review by our auditors. The net portfolio write down principally reflected the impact of the expected delay to a proportion of our UK collections as a result of the management actions described above. We do not expect the COVID pandemic to have a significant impact on our 120M ERC because we have treated collections as deferred rather than lost, and consequently we believe we will be able to achieve projected collections over the 120-month period.

In the three months ended September 30 2020, our UK collections performed at 102% of our June 2020 forecasts which underpins our expectations of the paying base performance together with the impact of increasing outbound activity and resuming litigation activities in Q3-20.

Strong liquidity and improving leverage

As at September 30 2020 we have available liquidity of approximately £300m comprising cash on balance sheet, available undrawn RCF capacity and amounts available under our securitisation facility. During September 2020 we repaid a substantial proportion of RCF drawings from cash on balance sheet. As at September 30 2020 amounts drawn under the RCF totalled £252m. In addition, during October we expect to draw down available capacity under our securitisation facility which stood at approximately £50m as at September 30 2020.

Leverage has improved to 4.6x as at September 30 2020 and we remain committed to our guidance of reducing leverage to 4.0x-3.5x by 2021/22. However, given the timing of purchases in the current year being skewed into Q4 we expect total net leverage to increase slightly during Q4 before returning to its downward trajectory. We continue to evaluate opportunities to optimise our capital structure, including through monitoring the capital markets.

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Forward-looking statements

This press release includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this press release, including, without limitation, those regarding the Group's or any of its affiliate's future financial position and results of operations, their strategy, plans, objectives, goals and targets, future developments in the markets in which they participate or are seeking to participate or anticipated regulatory changes in the markets *in which they operate or intend to operate. In some cases, these forward-looking statements can be identified by terminology such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "guidance," "intend," "may," "plan," "potential," "predict," "projected," "should," or "will" or the negative of such terms or other comparable terminology.*

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and are based on numerous assumptions and that the Group's or any of its affiliate's actual results of operations, financial condition and liquidity, and the development of the industries in which they operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this press release. In addition, even if the Group's or any of its affiliate's results of operations, financial condition and liquidity, and the development of the industries in which they operate, are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

Note to Editors

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: www.lowell.com