Intrum AB (publ)

Information Notice

Nominal Amount: €75,000,000

Maturity: March 15, 2025

The date of this Information Notice is January 15, 2020

Application has been made for the admission on the Securities Official List held by the Luxembourg Stock Exchange (the "**LuxSE SOL**") of the Intrum AB (publ) €75,000,000 3.000% Senior Notes due 2025.

The listing of the bonds on LuxSE SOL without admission to trading on one of the securities markets operated by the Luxembourg Stock Exchange will become effective on January 15, 2020.

Luxembourg Stock Exchange takes no responsibility for the contents of this Information Notice, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the contents of this document.

The date of this Information Notice is January 15, 2020.

IMPORTANT NOTICE

This Information Notice as well as all information contained herein (the "Information Notice") is meant to provide details on the securities and the issuer in relation to the admission of the securities onto the securities official list held by the Luxembourg Stock Exchange without admission to trading on one of the securities markets operated by LuxSE (LuxSE SOL). The Information Notice has been prepared for the sole goal of being admitted and displayed on LuxSE SOL. It does not provide any key information to be used for making investment decisions.

The Information Notice is provided for information purposes only. It does not constitute and is not construed as any advice, solicitation, offer, endorsement, commitment or recommendation to invest in the securities described herein. The provision of the Information Notice is not and shall not be a substitute for your own researches, investigations, verifications, checks or consultation for professional or investment advice. You are using the Information Notice at your own risks.

The Issuer accepts responsibility for the information contained in this Information Notice which must be read in conjunction with the official documentation that is available on this Issuer's webpage: https://www.intrum.com/investors/.

To the best knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), this information is in accordance with the facts and does not omit anything likely to significantly affect its content.

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1. ISSUER INFORMATION AND ACTIVITY

Intrum AB (publ) (formerly Intrum Justitia AB (publ)) is a public limited liability company organized under the laws of Sweden, under the Swedish Companies Act of 2005 (aktiebolagslagen (2005:551))(as amended). Intrum AB (publ) (the "**Issuer**") is a holding company sitting at the top of the Intrum Group, which includes subsidiaries in 24 European counties and Brazil. The Issuer is a holding company with no independent business operations or significant assets other than investments in its subsidiaries. The Issuer depends upon receipt of sufficient funds from its subsidiaries to meet its obligations.

Overview

We are the largest European credit management company, providing a complete service offering, by revenue, EBITDA and ERC, with operations in 24 European countries. Based on internal estimates, we believe we hold a leading position in a majority of those countries. We provide our clients with a balanced and integrated mix of services across the entire credit management value chain, including credit management services and financial services, building upon our longstanding commitment to fair collection. The economies of scale that we are able to leverage due to our size and our focus on digitization and information analysis, combined with significant recent strategic transactions, has allowed us to maintain our strategic focus on both growth and increased efficiency. Our entry in 2018 into a strategic partnership with Banca Intesa Sanpaolo established us as a leading player in late payments in Italy, one of Europe's most attractive markets, and our purchase of a real estate portfolio from Ibercaja Banco SA ("Ibercaja") along with our acquisition of Solvia Servicios Inmobiliaros ("Solvia"), a leading supplier of real estate services in Spain, has cemented our leading position in Spain in real estate servicing ("RES"), which involves servicing of loans related to properties and other services related to the security/property owned by clients. In 2018, we also implemented our first minor acquisition in Brazil, allowing us to further expand geographically and to explore the Brazilian market.

We provide two services to customers through our Credit Management Services ("CMS") service line and Portfolio Investments service line to ensure that companies that sell products, services or credit are paid:

CMS service line

We employ tailored debt collection strategies and solutions to maximize cash flow streams from loans and other overdue receivables for clients who have decided to outsource their debt collection function. For the twelve months ended June 30, 2019, we generated net revenue of SEK 7,443 million (€712 million equivalent) from CMS, excluding revenue generated from portfolios of loans and other overdue receivables that we own. We also provide leading capabilities in alternative solutions, such as carve-outs, which involves taking over the in-house collection platform of financial institutions clients and conducting debt collection on behalf of the financial institutions under a long-term contract as well as RES.

In addition to, and generally in combination with, collection services, we provide clients with a wide range of value-added services, prior to loans and receivables becoming overdue, including customer and credit information and analysis on individuals and companies across Europe to help our clients assess their potential customers' payment capacity, data extraction and modelling, selection and scoring of potential customers, and a full suite of services relating to accounts receivable, including invoicing, reminders and account ledger services.

Portfolio Investments service line

We offer a range of portfolio investment financial services, including relating to real estate acquisitions and debt servicing. In particular, we purchase portfolios of secured and unsecured loans and other overdue receivables from our clients for a portion of the nominal value, which we then service using our in-house debt collection function, with a few exceptions. Following the purchase of the defaulted receivables, our long-term debt collection measures commence, aimed at helping consumers become debt-free as we help them reduce their debt in a respectful manner, for example through instalment plans that take account of each consumer's payment capacity. We also, either in the course of recovery activities for secured loans (or, infrequently, in relation to unsecured loans with personal guarantees) or as a standalone investment strategy, directly or indirectly and independently or alongside co-investors, hold title to real estate that we expect to eventually resell. We arrange for the sale of such real estate using internal and external resources and networks. Our real estate exposure is concentrated in Spain, Italy, Portugal and Hungary and, together with properties held by joint ventures in which we participate along with our co-investors, totals approximately 6,000 properties with a book value of €259 million as of June 30, 2019. For the twelve months ended June 30, 2019, we generated revenue of SEK 6,790 million (€650 million equivalent) from our Portfolio Investments service line. As of June 30, 2019, the ERC of our portfolios of loans and overdue receivables was SEK 60,896 million (€5,768 million equivalent). As part of our Portfolio Investments service line, we also provide factoring, payment guarantees and e-commerce services.

We believe that the combination of portfolio investments and debt collection has been and will continue to be key to our success. Our range of services helps attract and retain clients and increases the breadth 114 and depth of collectible data, in turn supporting the creation of tailored collection strategies and development of analytical capabilities to enable more accurate pricing of portfolios. Operating across Europe and with a balanced business model also gives us investment optionality as we can allocate resources across our platform and jurisdictions to the opportunities that we find most attractive. For the twelve months ended June 30, 2019, our revenue was SEK 14,233 million (€1,362 million equivalent) and Pro Forma Cash EBITDA was SEK 10,370 million (€993 million equivalent).

Principal Shareholders

Intrum AB (publ) (formerly Intrum Justitia AB (publ) has been listed on the Nasdaq Stockholm exchange since June 2002 and was listed on the Nasdaq Stockholm, Large Cap list in 2016. As of June 30, 2019, the Intrum AB (publ) (formerly Intrum Justitia AB (publ)) significant shareholders were as follows: Nordic Capital, Sampo Oyj, NN Investment Partners, Handelsbanken Fonder, Swedbank Robur Fonder, Lannebo Fonder, AMG Försäkring & Fonder, Jupiter Asset Management, Vanguard, Odin Fonder, BNP Paribas Asset Management, AFA Försäkring, TIAA—Teachers Advisors, Investment AB Öresund and Nordnet Pensionsförsäkring. The aforementioned shareholders collectively controlled 73.8% of the Issuer's voting stock. The remaining voting stock was held by other public shareholder.

2. RISK FACTORS

2.1 Risks related to our industry and business

The economic conditions in the markets in which we operate affect our business.

We are exposed to the economic, market and fiscal conditions in the markets in which we operate and any positive or negative developments regarding these conditions. Should any such negative developments occur, we may not be able to perform debt collection at levels consistent with our historic levels due to the inability of customers to make payments, at the same levels or at all, as was the case during the 2008-2010 economic downturn. Adverse economic conditions may also reduce the propensity of debt originators to sell overdue receivables as sale prices may be unfavorable during such periods. Furthermore, a material and adverse economic downturn could result in increased unemployment rates or materially impact interest rates and the availability of credit resulting in decreased demand for our payment services. Each of these developments could have a negative effect on our financial results. In addition, should the level of inflation increase, the real-term carrying value of

our portfolio investments may decrease.

There can be no assurances that economic conditions will improve in the markets in which we operate or that the net effect of any change in economic conditions will be positive. An improvement in the economic conditions in the markets in which we operate could impact our business and performance in various ways, including reducing the number of attractive portfolio opportunities that are available for purchase or increasing the competitiveness of the pricing for portfolios that we purchase and debt collection services that we offer. There can be no assurances that our business and results of operations will develop positively in an improved economic environment. Conversely, while adverse economic conditions and increased levels of unemployment may lead to higher default rates on claims, which in turn may increase the stock of portfolios available for us to purchase and may increase the amount of loans and other overdue receivables possessed by our debt collection clients, there can be no assurances that such increases in the amount of debt available to purchase and service will compensate for the adverse effects that an economic downturn may otherwise have on our business, results of operations or financial condition. Accordingly, any of these developments could have a material adverse effect on our business, results of operations or financial condition.

We are active in competitive markets and may be unable to continue to successfully compete with businesses that may offer more attractive prices, benefit from less expensive funding, have greater funding resources or pursue lower return requirements than us.

The European credit management industry is fragmented and consists of several thousand companies with varying profiles. We face competition from new and existing debt collection providers, other purchasers of portfolios of overdue loans and other overdue receivables (including financial investors) and debt originators that manage their own portfolios rather than outsourcing or selling them. This competition includes, but is not limited to, competition on the basis of price. New market entrants and existing competitors may offer more attractive pricing levels, both for debt collection contracts and for debt portfolio purchases, and accept lower returns in order to gain or increase market share. There can be no assurances that this price competition will not result in us paying higher prices for portfolios that we purchase or charging less for our debt collection or other payment services, each of which could decrease our margins and have a material adverse effect on our business, results of operations or financial condition.

We face bidding competition in our acquisition of debt portfolios. We believe that successful bids are awarded based on price as well as a range of other factors, including service, compliance, reputation and relationships with the sellers of debt portfolios. Some of our current and potential competitors may have more effective pricing and collection models, greater adaptability to changing market needs or more established relationships in our industry and geographic markets than we do. Moreover, our competitors may elect to pay prices for debt portfolios that we determine are not economically sustainable and, in that event, our volume of debt portfolio purchases may be diminished. There can be no assurances that our existing or potential sources of debt portfolios will continue to sell their portfolios at historic levels or at all or that we will continue to offer competitive bids for debt portfolios.

We experience competition from financial investors with respect to purchases of debt portfolios. Some of our current and potential competitors, including financial investors, may have greater access to financial resources to undertake portfolio investments and may have less expensive funding or lower return requirements than we have. Additionally, in the future we may not have the financial resources to offer competitive bids for portfolio purchases and debt collection contracts. There can be no assurances that we will be able to develop and expand our business or adapt to changing market needs as well as our current or future competitors. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

There may be insufficient supply of debt available for our credit management and portfolio investments or debt available may not be appropriately priced for our needs or capacities. Any decrease in our ability to purchase debt portfolios or provide credit management services could materially and adversely affect our business.

The demand for our credit optimization, payment and collection services and the availability of debt portfolios at prices that allow us to generate profits depends on a number of factors, some of which are outside of our control, including:

- the level of consumer spending;
- the availability of credit to consumers and consumers' borrowing appetite, which is driven by a number of factors including heightened regulation of the credit card and consumer lending industry, changing credit origination strategies, tighter lending criteria introduced by consumer credit providers, changing cultural attitudes to funding spending with borrowing and general economic conditions, including increased interest rates;
- the level of non-performance on consumer debt portfolios and the proportion of such portfolios that are written off by originators, which also in turn may affect the availability of credit to consumers identified above;
- sales of debt portfolios by originators, which could be jeopardized by a change in accounting policies or practices, the consolidation of credit card issuers or increased sophistication in internal collection efforts;
- potential concerns that the value received for defaulted debt portfolios as a percentage of their total collectible value may not outweigh the potential reputational risks or required management attention associated with selling defaulted debt portfolios;
- negative publicity or a loss of trust in our industry due to our failure, or the failure of one or more of our competitors to meet legal or regulatory obligations or otherwise;
- increased government regulation of the circumstances in which originators, especially regulated entities, have a right to collect on debt; and
- the macroeconomic environments of the countries in which we operate.

Originators may develop technological tools that could override the advantages we believe we currently possess in terms of tracing technology and customer profile development. If originators choose to perform more of their credit optimization, invoicing and debt collections internally as a result of these data quality improvements, the demand for our credit management services and the volume of debt portfolio sales or the quality of underlying debt sold could decrease and, consequently, we may not be able to buy the type and quantity of receivables at prices consistent with our historical return targets. In addition, the industry could experience a reduction in the availability of debt portfolios sold early in the financial difficulty cycle and that have had little or no exposure to collections activity. This "fresh" debt typically has higher collection expectations as less work has been applied to the assets to obtain customer payments and a reduction in this type of debt portfolio could result in a corresponding increase in the total share of more mature debt, which is typically more challenging and expensive to collect.

If we are unable to purchase portfolios from originators at appropriate prices or lack the resources to

purchase portfolios, or if one or more originators stop or decrease their demand for our credit management services or their sales of portfolios due to one of the factors listed above or any other factors, we could lose a source of income which could have a material adverse effect on our business, results of operations or financial condition.

A significant amount of our revenue is generated from clients active within the financial services industry.

We derive a significant portion of our revenue from clients active within the financial services industry. Concerns exist within the Eurozone with respect to individual macro fundamentals on a country by country basis. Adverse economic conditions and uncertainties, including any fines or penalties on European financial institutions and any potential resulting failures or consolidations of financial institutions may adversely affect us by significantly reducing our client engagements. Additionally, adverse economic conditions could lead to a reduction in the propensity of financial institutions to lend to customers in the markets in which we operate as was the case during the global financial crisis (2008-2010). Adverse economic conditions may lead to a reduced supply of debt available for us to collect on or fewer opportunities for us to enter into forward flow agreements, as well as negatively affecting customers by reducing disposable income levels or otherwise impairing their ability to fulfil their payment obligations. Any changes in the volume of business derived from clients active within the financial services industry could have a material adverse effect on our business, results of operations or financial condition.

The United Kingdom's exit from the European Union may adversely impact our business, results of operations and financial condition.

On June 23, 2016 the United Kingdom held a public referendum on its membership within the EU, the result of which favored the exit of the United Kingdom from the EU ("**Brexit**"). The United Kingdom triggered Article 50 of the Treaty of Lisbon on March 29, 2017 and was expected to officially leave the EU on March 29, 2019. On March 21, 2019, the EU agreed to an extension until at least April 12, 2019 and on April 11, 2019 the EU again agreed to an extension until October 31, 2019. A further extension was agreed on October 28, 2019 until January 31, 2020. The form of the United Kingdom's expected withdrawal from, and future relations with, the EU is highly uncertain.

If the United Kingdom and the EU are unable to negotiate acceptable withdrawal terms or if other EU member states pursue withdrawal, barrier-free access between the United Kingdom and other EU member states or among the European economic area overall could be diminished or eliminated. Depending on the final terms of Brexit, the United Kingdom could lose access to the single European Market, which could result, among other things, in the disruption of free movement of goods, services and people between the United Kingdom and the EU, undermine bilateral cooperation in key geographic areas and significantly disrupt trade between the United Kingdom and the EU or other nations as the United Kingdom pursues independent trade relations.

The exit of the United Kingdom or any other member state from the EU, or the departure from the euro by one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the euro entirely, could lead to a reduction in market confidence and a weakening of European financial institutions. A deterioration in political and economic conditions could result in increased unemployment rates, increased short- and long-term interest rates, consumer and commercial bankruptcy filings and a decline in the strength of national and local economies.

In addition, Brexit may lead to an economic down-turn in the United Kingdom and the EU generally. Any reduction in consumers' willingness or ability to pay their debts due to Brexit-related changes in the economic environment of the United Kingdom or the EU could materially affect our revenue and our

ability to perform debt collection in a manner consistent with our past practice.

Any fundamental shift in the macroeconomic environment in the United Kingdom or other parts of Europe in which we operate could adversely affect the accuracy of our predictions regarding the expected returns from the debt portfolios we purchase and service. See"—*There may be insufficient supply of, debt available for our credit management and portfolio investments or debt available may not be appropriately priced for our needs or capacities. Any decrease in our ability to purchase debt portfolios or provide credit management services could materially and adversely affect our business.*" Lack of clarity about future United Kingdom laws and regulations as the United Kingdom determines which EU laws to replace or replicate in the event of a withdrawal, including financial laws and regulations, data privacy and collection laws and regulations and tax and free trade agreements, may increase the costs associated with operating in either or both the United Kingdom or other EU jurisdictions, depress economic activity and restrict our access to capital. Additionally, any substantive change in the regulations applicable to our United Kingdom business could jeopardize our ability to continue to operate in a manner consistent with our past practice.

Errors in our collection process or other operational matters or negative attention relating to the credit management industry in general, or to us in particular, could have a negative effect on our business and reputation.

Our ability to accurately collect debt and treat customers fairly is critical to our business and our reputation. Our reputation is important to maintaining our relationships with current and potential clients, in particular financial institutions, and regulators. The following events, among others, may have a negative effect on our reputation and our financial results: (i) negative media publicity relating either to us or the wider credit management industry; (ii) allegations of unethical or improper behavior by us or third parties we use in the collection process; (iii) inability to collect debts on an accurate and timely basis; (iv) failure to respect and treat customers fairly; (v) failures in our collection and data protection processes; (vi) the actions of third parties that we engage in the debt collection process; (vii) IT platform, in particular IT security, failure; or (viii) other operational issues, litigation, regulatory restrictions, investigations, fines or enforcement actions.

The collection of debt, particularly historic debt, involves complex interpretations and calculations of contractual terms that may vary by client and country and which may impact the calculation of customers' resulting payment obligations and the collection strategies we employ. There can be no assurances that the inherent complexity of debt calculation and historical inaccuracies will not result in any issues in the future.

We are a party to a number of co-investment arrangements related to the purchase of debt portfolios with financial investors or other financial institutions, and we may continue to enter such arrangements in the future. In certain cases the co-investor may retain a majority of the investment and, as a result, control over the investment venture. We may have limited insight into and ability to control the governance of such co-investments or joint ventures and, even where we retain control, are therefore subject to reputational and other risks related to the actions of the co-investors or co-venture partners, as applicable, that are beyond our control.

Any of the foregoing events could result in financial liability or reputational damage, which could, in turn, jeopardize our relationships with our clients or our ability to establish new client relationships, have a negative impact on a customer's willingness to pay a debt owed to us or to our clients, diminish our attractiveness as a counterparty or lead to increased regulations of the credit management industry. Any of which could have a material adverse effect on our business, results of operations or financial condition.

We depend on the continued willingness and ability of our clients to offer their portfolios for sale

and outsource their credit management services.

We depend on the willingness and ability of our clients to continue to engage us to provide credit management and financial services. Some factors that may influence the willingness and ability of our clients to engage us to provide such services include, but are not limited to, the strength of our reputation, regulatory pressures our clients face and the value proposition that we offer. Our business could be adversely affected if our clients decide to reduce or discontinue the outsourcing of their credit optimization, invoicing and debt collection or sales of portfolios or if the actual growth of levels of outsourcing and sales is lower than we expect. In addition, our future revenue may be limited if companies that do not currently outsource their debt collection or sell portfolios continue to manage their portfolios in-house. There can be no assurances that the demand for our services will increase or remain the same and a decrease in demand for our services could have a material adverse effect on our business, results of operations or financial condition.

We operate in a variety of jurisdictions and must comply with applicable laws, regulations, licenses and codes of practice across these jurisdictions. Changes to the regulatory or political environments in which we operate may negatively affect ourbusiness.

General

We are subject to regulations in the jurisdictions in which we operate, including laws and regulations regarding our listing on Nasdaq Stockholm, data protection, debt collection, debt purchasing, consumer credits, payment services, enhanced consumer protection and anti-money laundering and terrorist financing at the national and supranational level. As we increase our focus on certain business areas, such as secured loans or offering credit rescheduling agreements (installment plans), we become subject to additional regulatory requirements, including with respect to anti-money laundering and verifying ownership of underlying assets. There can be no assurances that our policies and procedures will prevent breaches of applicable laws and regulations or that our investigations will identify such breaches in a timely manner or at all. Any such delay or failure could have a material adverse effect on our business, results of operations or financial condition. Adverse regulatory developments under the laws and regulations to which we are subject could expose us to a number of risks. In addition, from time to time we identify weaknesses in our internal policies, procedures and controls. We cannot assure you that in the future we will identify such weaknesses or, where we do, remedy any such weaknesses in a timely manner or at all. Any such delay or failure could have a material adverse effect on our business, results of operations or financial condition.

In a number of the markets in which we operate, including, in particular, the Czech Republic, Hungary, Italy, Norway, Poland, Slovakia, and the United Kingdom, the regulation of financial undertakings is in all material respects similar to the rules applicable for banks (including in respect of capital adequacy requirements). As a consequence, these financial undertakings may be subject to new or amended legislation from the EU or relevant jurisdictions applicable to banks, including new or amended capital requirements and liquidity requirements. Such new or amended legislation and amended interpretation could, under certain circumstances, have a material adverse effect on our business, results of operations or financial conditions.

Supervisory authorities in each country in which we operate may determine that we do not fully comply with, are currently in violation of or in the past have violated applicable rules, regulations or administrative guidelines. Any such determination could have a material adverse effect on our business, results of operations or financial condition.

Non-performing loan directive

In March 2018, the European Commission (the "**EC**") proposed a comprehensive package as part of the EU Action Plan to tackle NPLs. The EC believes one of the key areas for reducing risk in the European

banking sector is to further decrease the number of NPLs on banks' balance sheets. The package put forward by the EC contains policy actions in four areas: (i) increased bank supervision and regulation, (ii) further reforms of national restructuring, insolvency and debt recovery frameworks, (iii) developing secondary markets for distressed assets and (iv) fostering, as appropriate and necessary, the restructuring of banks. Continued efforts by the EU to reduce the number of NPLs on the balance sheets of banks could lead to a reduction in the number of debt portfolios available for purchase and could increase competition for those portfolios which are available. There can be no assurance that the impact of these regulations or others like them enacted or imposed in other jurisdictions will not impede our ability to conduct our operations, result in further litigation or have a negative impact on our business.

Data protection

We are subject to various regulatory requirements regarding data protection in the jurisdictions in which we operate. Such regulatory requirements differ from country to country. In the past, regulatory authorities have imposed fines on certain of our subsidiaries for non-compliance with data protection regulations and we cannot assure you that similar fines will not be imposed in the future. The imposition of any such fines or any other sanctions by regulatory authorities may have negative consequences that could have a material adverse effect on our business, results of operations or financial condition. In particular, if it turns out that any business activity we conduct is non-compliant, we may be ordered to cease such business activity until the breach is cured. Changes to data protection laws and regulations or changes to their interpretation by data protection authorities and courts may reduce our operational flexibility and limit our ability to collect, retain or use our customer data to price portfolios and create efficient debt collection strategies. On April 27, 2016, the regulation on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation, the "**GDPR**") was adopted by the European Parliament and the European Council. The GDPR became directly applicable in all EU Member States on May 25, 2018, and replaced Directive 95/46/EC and existing national data protection legislation and was also implemented in EEA countries with effect from the same date. The GDPR significantly changed the EU/EEA data protection landscape, including strengthening of individuals' rights, stricter requirements on companies processing personal data and stricter sanctions with substantial administrative fines. The GDPR also offers data subjects the option to let a privacy organization litigate on their behalf, including collecting the potential damages. The GDPR regime imposes a substantially higher compliance burden on the credit management industry, including on our operations. While we have put in place rules, policies and procedures to ensure compliance with the GDPR there can be no assurance that such rules, policies and procedures will be successful in ensuring compliance with GDPR. Any failure to comply with the GDPR could result in sanctions, penalties or other negative consequences which could have a material adverse effect on our business, results of operations or financial condition. In addition, we could lose a competitive advantage and our business could be negatively affected if current governmental regulations were to change such that certain of the information or customer data that we use becomes public, the countries where we operate introduce measures that have the effect of facilitating the tracing of customers or allowing credit market participants direct access to credit information before the purchase of portfolios or to prohibit us from using customer data in the manner or to the extent currently used.

Statutes of limitation

In most of the countries in which we currently have local operations, we are able to extend the statutes of limitation on historic debt claims by taking legal action, notifying the customer or otherwise interrupting the limitation period. Some of the countries in which we operate have in recent years changed the statutes of limitation for certain debt including by limiting the ability to extend or interrupt the limitation period, or have discussed such changes. There can be no assurances that we would be successful in adjusting our operations to these or other similar regulatory changes.

Consumer protection

The credit management industry could be subject to increased scrutiny due to local political factors and developments, which could in turn lead to changes in laws and regulations. The area of consumer credit has recently come under increased regulatory focus by national governments. For instance, caps on interest rate and penalties or sanctions for defaulted loans or total cost of credit have been introduced in several of the countries in which we operate. Such legislation may also be introduced in other jurisdictions and such restrictions can materially affect the consumer credit market since lenders derive a large portion of their profits from credit costs.

Stricter regulations regarding installment plans have also been or in the future may be enacted or imposed by court ruling in countries in which we operate. For example, a March 2019 ruling by the Court of Justice of the European Union held, in a case originating from Spain, that certain accelerated repayment clauses of mortgages found to be unfair cannot be maintained in part, with those elements which make it unfair are removed, where removing those elements would amount to altering the substance of the clause. Further, the ruling empowers national courts of EU Member States to replace those terms found unfair with legislative provisions where their inclusion is necessary for the continued existence of the loan contract and annulment of such contract would make expose the consumer to unfavorable consequences. As a result of this ruling, increased uncertainty exists on our ability to enforce collection terms on business to consumer secured loans. There can be no assurance that the impact of these regulations or others like them enacted or imposed in other jurisdictions will not impede our ability to conduct our operations, result in further litigation or have a negative impact on our business.

Debt collection

Licensing requirements for debt collection services differ from market to market. Many markets have a licensing requirement and supervision of compliance. In December 2016, the European Court of Justice (Third Chamber) ruled that a debt collection agency which concludes a rescheduling agreement for an unpaid credit on behalf of a lender but which acts as a credit intermediary only in an ancillary capacity must be regarded as being a credit intermediary and is not subject to the obligation to provide the consumer with pre-contractual information. Following the ruling, some countries in the EU have required debt collection companies that offer installment plans to hold a consumer credit license so as to be bound by the relevant EU directive. Such license requirements have already been imposed in some countries. Although large incumbent credit management providers tend to be better placed to comply with a high regulatory burden, stricter regulations in general may increase our compliance burden and operating costs. Any temporary or permanent revocation of our debt collection licenses by the licensing authorities in the jurisdictions in which we operate may have a material adverse effect on our business, results of operations or financial condition. Many of the countries in which we operate have also implemented regulations providing limitations on costs for debt collection and duties of disclosure to consumer customers.

Customers may become subject to insolvency or debt reorganization proceedings which may delay or prevent the enforcement of the claims transferred to us. Collection of unsecured debt claims in the event of bankruptcy or insolvency is generally limited by means of the funds available for distribution from the insolvent estate.

A failure by the Company to comply with applicable laws, regulations, licenses and codes of practice or failure of any of our employees to comply with our internal policies and procedures may negatively affect our business.

From time to time we may receive inquiries from regulatory authorities and it is our practice to cooperate

with such inquiries. We are also subject to regular audits by the regulatory authorities in various countries where we operate. An adverse outcome of any such investigation or other inquiries from regulatory authorities may result in:

- the institution of administrative, civil or criminal proceedings;
- sanctions and the payment of administrative fines and penalties, including potential suspension or revocation of regulatory licenses depending on the severity and scale of any regulatory issues;
- changes in personnel, management or board of directors;
- our inability to conduct business due to the loss of our regulatory license or restrictions or conditions being placed on our activities;
- increased review and scrutiny of our services by our clients, regulatory authorities and others; and
- negative media publicity and reputational damage.

Individual employees may act against our policies or instructions and either inadvertently or deliberately violate applicable law and regulations, including competition, anti-corruption and anti-money-laundering laws and regulations by engaging in prohibited activities such as price fixing or colluding with competitors or breaching our internal policies. In addition, because we delegate a number of operational responsibilities to our subsidiaries and our local managers retain substantial autonomy regarding the management of our operations in their markets, we may face an increased likelihood of some or all of the risks described above occurring. Our internal governance policies and instructions may prove to be ineffective and, even if they are effective, there can be no assurance that we will not experience incidents of accounting or operating irregularities, accounting misstatements or any of the risks described above. Such actions have occurred in the past and if they were to occur in the future they may harm our reputation and, if we are held responsible, the resulting administrative fines and other sanctions (civil or criminal) could be substantial. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

Furthermore, any companies we seek to acquire in the future or the employees of such companies may not operate in accordance with the law, and there can be no assurance that we will be able to detect or remedy any such non-compliance before such acquisition is complete or thereafter. Acquiring other businesses is a core component of our business strategy and we have incurred expenses associated with investigating and remedying legal non-compliance among companies that we have acquired in the past. The foregoing risks are particularly relevant in the cases of acquisitions of companies, operations or employees in non-traditional and emerging markets and jurisdictions.

Compliance with the regulatory framework requires dedicated time and resources. Failure to comply with applicable laws, regulations and rules or with contractual compliance obligations could result in investigations and enforcement actions, requisite licenses being revoked, not being renewed or being made subject to more onerous or disadvantageous conditions, fines or the suspension or termination of our ability to conduct collections. In addition, such failure to comply or revocation of a license, or other actions by the Company may damage the reputation of our clients. Damage to our reputation, whether because of a failure to comply with applicable laws, regulations or internal rules, or revocation of a license or any other regulatory action or our failure to comply with a contractual compliance obligation, could deter vendors, particularly large financial institutions, which represent a significant proportion of our clients and vendors, from choosing us as their debt purchasing provider. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

Our operations in multiple markets expose us to local risks in a number of markets.

We have local operations in Austria, Belgium, Brazil, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland, and the United Kingdom. Our business is subject to local risks due to our operations in multiple European markets and Brazil, including risks relating to multiple national and local regulatory and compliance requirements, labor, licensing requirements, consumer credit, data protection, anti-corruption, anti-money laundering and terrorist financing and other regulatory regimes, potential adverse tax consequences, antitrust regulations, an inability to enforce remedies in certain jurisdictions and geopolitical and social conditions in certain sectors of relevant markets. While entering new markets, we could face additional risks, including incurring start-up losses for several years due to lower levels of business, ramp-up and training costs, the lack of expertise and loss of key employees in such markets, differences in business cultures and practices, the lack of adequate and available management teams to monitor and integrate these operations, unfavorable commercial terms and difficulties in maintaining uniform standards, control procedures and policies. Any negative impact caused by the foregoing risks could have a material adverse effect on our business, results of operations or financial condition. In addition, as we expand into new jurisdictions, our business will be subject to applicable laws, regulations and licensing requirements in those new jurisdictions, which may be different or more stringent than the jurisdictions in which we currently operate. Moreover, our recent expansion of our operations to Brazil, and any future expansion into other emerging markets, subjects us to additional risks, including political, economic and legal and compliance risks and conditions being generally less predictable or robust than in countries with more developed institutional structures.

We are subject to risks associated with our contracts for debt collection services, including our ability to correctly assess pricing terms, early termination potential and reductions in the volume of claims we service.

The profitability of our debt collection services will generally depend upon our ability to successfully calculate prices and our ability to manage day-to-day operations under these contracts. Under most of our debt collection contracts we do not get paid unless a customer begins paying on a claim and we may be unable to accurately predict the costs or identify the risks associated with these contracts or the complexity of the services which may result in lower than expected margins, losses under these contracts or even the loss of clients. Our contracts for debt collection services also subject us to penalty clauses, benchmark clauses, extraordinary termination clauses and change of control provisions. If we are unable to satisfy the terms of our contracts, the contracts may be terminated and we may lose clients and revenue. A number of our long-term debt service agreements are subject to early termination rights on the part of the customer that, if exercised, could have a material adverse effect on our business, results of operations or financial condition. In addition, our contracts for debt collection may be terminated by the client for reasons unrelated to our performance (for example in the event of a change of control in its ownership or sale of the underlying portfolio, as occurred in Spain and Italy in 2018 and 2019). In such circumstances we may be entitled to compensation, but there can be no assurance that such compensation will fully reflect all losses suffered.

Many of our debt collection contracts have a stated term, typically one to two years, and, in some cases, termination clauses permitting the client to cancel the contract at the client's discretion following the expiration of an agreed notice period. There can be no assurances that our clients will not exercise their rights to terminate their contracts prior to expiration or that we will be successful in negotiating new contracts with clients when such contracts expire. In addition, we are also exposed to unforeseen changes in the scope of existing contracts, including changes in prices or volumes due to changes in the general business or political landscape of our clients. Most of our debt collection contracts do not have volume commitments and a client can eliminate or reduce the volume of claims they outsource to us for debt collection without formally terminating the contract. We may have disputes or disagreements with our clients as to contract terms or the level of services we have agreed to provide. The potential impact of these risks may increase as we enter into larger contracts. If we are unable to fulfil our obligations

under our contracts for any reason, we risk the loss of revenue and fees under that contract, the potential loss of a client and significant harm to our reputation. Any of our contracts could become more costly than initially anticipated and as a result we may experience significant increases in our operating costs or potential litigation. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

The value of our existing portfolios may deteriorate or we may not be able to collect sufficient amounts on our portfolios to take advantage of opportunities for portfolio purchases as they arise in the market.

As the length of time involved in collecting on our existing portfolios may be extensive and the factors affecting debt collection rates may be volatile and outside our control, we may be unable to identify or cope with adverse economic trends, prevent the negative effects of changes in legislation (including tax) as previously stated or make changes in our purchasing strategies in a timely manner. If the assumptions we use in our models are incorrect, including but not limited to our assumptions that claims are not time barred, that the age and balances of purchased claims are correctly stated by the sellers, that customers are alive and that the claim is not a result of fraud, money laundering or financing of terrorist activities or if some of the accounts in a portfolio behave differently from the way we expect, the relevant portfolio could lose value and could result in subsequent negative revaluations in our statement of financial position and a continuing deterioration in value over time as actual collections may deviate significantly from the collection estimates produced by our pricing model as accounts age.

We purchase loans at significant discount to total collectible value on portfolio investments. These are typically loans that customers have failed to repay and, in many cases, that the client has deemed uncollectable. It is crucial for our business that we are able to identify portfolios that are of sufficient quality for us to determine that we are likely to collect on the claims. Clients generally make numerous attempts to recover on their overdue loans and other overdue receivables before selling them, often using a combination of in-house recovery efforts and third-party collection agencies. These overdue claims are difficult to collect and we may not collect a sufficient amount to cover the investment associated with purchasing the portfolios of overdue receivables and the costs of running our business. There can be no assurances that any of the claims contained in our purchased portfolios will eventually be collected. Many of our claims are unsecured and an increase in bankruptcy filings involving customers could impact our ability to collect on those claims. Further, limitations imposed on us by debt originators of debt portfolios may adversely impact our operational flexibility. Contracts entered into with our clients for the purchase of debt portfolios may impose various restrictions on our realization of value from the debt portfolios and may restrict our flexibility in pursuing certain enforcement and collection activities. If the cash flows from our existing portfolios and the debt portfolios we purchase in the future are less than anticipated, we may not have sufficient funds to purchase new portfolios, may have to pay a higher interest rate to finance the purchase of new portfolios or may have to accept lower returns on new portfolios. Any of the above could have a material adverse effect on our business, results of operations or financial condition.

The statistical models and data analysis tools that we use in our business may prove to be inaccurate, preventing us from achieving anticipated levels of returns, and we may be unable to appropriately identify and address underperforming portfolios.

We use internally developed models and other data analysis tools extensively in our operations. For example, we use our experience-driven models to estimate collection curves in relation to potential portfolio purchases. At the time of purchase, however, we are likely to have imperfect information about the precise age of the debt, the ability of the customer to pay, the time at which the customer is like to pay and the cost required to service and collect on such debts. Moreover, our historical information about portfolios may not be indicative of the characteristics of subsequent portfolios purchased from the same client or within the same industry due to changes in business practices or economic

developments. Further, the availability of relevant data varies from market to market. In addition, certain assets, such as secured loans, have different risk and collection profiles than the unsecured loans and receivables that have historically been our main focus. There is a significant amount of management judgment and estimation involved in purchasing and valuing portfolios and there can be no assurances that management judgments and estimations will prove to be accurate. Furthermore, there can be no assurances that we will be able to appropriately identify and address underperforming portfolios.

In addition, our ability to properly price portfolios may be adversely affected in instances in which we purchase types of portfolios with which we have limited experience, portfolios in regions in which we have limited experience or portfolios from clients with whom we have no prior dealings,. Lack of reliable information or incorrect assumptions can lead to mispricing of purchased portfolios which may have an adverse effect on the financial returns from such portfolios. Our statistical models and analysis tools assess information provided by third parties, such as credit information suppliers and other mainstream or public sources, or generated by software products. We have no control over the accuracy or sufficiency of information received from such third parties. If such information is not accurate or sufficient, we could incorrectly price new or incorrectly value existing portfolios, set client prices or performance goals inaccurately or experience lower liquidation rates or larger operating expenses.

Similarly, due to the nature of our business, we are not able to independently verify the quality of all the debt claims we purchase, in particular in forward flow debt purchase agreements, and we rely on representations made by our debt purchase clients. The inaccuracy of any of such representations, including in relation to the validity of the debt claims, may result in a loss of revenue and we may not always be successful in recovering such losses from our customers.

There can be no assurances that any of the current or future loans contained in our portfolio investments will eventually be collected. If we are not able to achieve forecasted levels of collection, valuation impairments may be recognized, amortization may increase and revenue and returns on purchases of portfolios may be reduced. This may in turn impact our modeling for future collections, which is less reliable if we are not able to accurately predict the quantity and identity of customers who reduce their debt payments, or the magnitude of such reductions. Furthermore, some of our contracts contain guaranteed solution rate commitments pursuant to which we guarantee a minimum level of collections to our clients. If we fail to reach these collection requirements, as has occurred in the past, we may have to make significant payments to such clients or such clients may reduce the amount of overdue loans and receivables that we are entitled to collect under these contracts. Any of the foregoing factors could have a material adverse effect on our business, results of operations or financial condition.

We may not be able to purchase portfolios at appropriate prices or of sufficient quality.

Portfolios do not become available for purchase on a consistent basis through the year. The availability of portfolios at prices that generate an appropriate return depends on a number of factors both within and outside of our control, such as the levels of overdue loans and other receivables, volumes of portfolio sales by clients and competitive factors affecting potential purchasers and debt originators. Additionally, an increase in demand for portfolios among competitors, including financial investors, could result in portfolios being sold to competitors.

There can be no assurances that we will be able to identify a sufficient volume of portfolios at appropriate prices. If we are unable to identify portfolios at appropriate prices or of sufficient quality, we may have to purchase loans of asset types or in industries in which we have little or no experience, or in industries where it is more difficult to collect on overdue receivables because of secrecy requirements, for example the healthcare or legal sector. Purchases in these asset types or industries may impair our ability to collect on these claims and consequently we may not generate a profit from these debt purchases. A potential inconsistency in the availability of portfolios for purchase may mean that during certain financial reporting periods we may make few or no purchases of debt.

If we are unable to identify sufficient levels of attractive portfolios and generate an appropriate return on portfolio investments, we may experience difficulties covering such expenses and may, as a consequence, have to reduce the number of our collection personnel or take other measures to reduce costs. These developments could lead to disruptions in our operations, loss of efficiency, low employee morale and retention, fewer experienced employees and excess costs. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

Failure to renew existing debt collection contracts or win new debt collection contracts may adversely affect our revenue.

We obtain many of our debt collection contracts through a competitive bidding process and the debt collection contracts that we expect to seek in the foreseeable future likely will be subject to a competitive bidding process. We may be required to compete to renew existing debt collection contracts that have in the past been awarded to us without competition or as to which we have historically been the incumbent provider of debt collection services. We may also be required to enter into debt collection contracts at price levels or with margins that are lower than we find acceptable. We may not be afforded the opportunity in the future to bid on debt collection contracts that are held by other companies and are scheduled to expire if the existing contract is extended. In addition, we cannot be certain that all our existing customers will continue to use our debt collection services in the future, as occurred in our Spanish businesses in 2018 and 2019 which had a material effect on CMS revenue in those jurisdictions. Our inability to renew contracts with existing customers or to find suitable replacements could have and has in the past had a material adverse effect on our business, financial condition and results of operations.

Failure to replace terminated forward flow agreements or successfully manage our commitments under forward flow agreements may adversely affect our revenue.

For the year ended December 31, 2018, 24% of our aggregate debt purchased involved forward flow agreements. A forward flow agreement is an arrangement in which we agree to purchase claims based on specific parameters from a third-party supplier on a periodic basis at a set price over a specified time period. We could lose a potential source of income if we are unable to renew or replace any volume represented by our forward flow agreements upon termination or expiration. Forward flow agreements are typically not long-term contracts in nature and typically do not provide medium- to long-term assurance on purchasing levels.

Commitments under forward flow contracts are typically not more than 12 months. However, depending upon the length of the contractual arrangements, forward flow agreements typically contain termination clauses that allow the arrangement to be terminated in certain circumstances. We may be required to purchase debt under a forward flow agreement for an amount higher than we would otherwise have agreed at the time of purchase, which could result in reduced returns. In a more competitive environment, we could be faced with a decision to either decrease our purchasing volume or agree to forward flow agreements at increased prices or with less contractual protections, any of which could have a material and adverse effect on our results of operations. We generally contemplate future fluctuations in the value of the debt that we purchase through forward flow agreements, but such fluctuations in value may exceed our expectations. If we are unable to contractually terminate an agreement we may have to accept claims that are of a lower quality than what we intended to purchase, which could result in lower returns. If the quality of debt purchased varies from our pricing assumptions, we may also price the contract improperly. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

We may not be able to procure sufficient funding at favorable terms to purchase further portfolios as they become available.

Historically, we have funded purchases of portfolios through borrowings, capital injections by our shareholders and cash generated by our operations and, in certain cases, through partnerships with co-investors. Our ability to obtain funding in the future from these sources will therefore depend on our performance and prospects, as well as factors over which we do not exercise control. Such factors may include weak economic and capital market conditions during or prior to periods in which attractive portfolios are available for purchase, the ability and willingness of banks to lend to our industry generally or to us in particular, and changes in fiscal, monetary and other government policies, among others. There can be no assurances that the terms of our existing or future indebtedness will not limit our ability to incur additional indebtedness to fund such portfolio purchases. An inability to procure sufficient funding or co-investments at favorable terms to purchase portfolios as they become available could have a material adverse effect on our business, results of operations or financial condition.

A material failure in banking systems could negatively affect our business.

We depend on banking systems to execute payment transactions in connection with our business. A systematic shutdown of the banking industry would impede our ability to process funds on behalf of clients and to collect on claims. As such, any material failure in banking systems could have a material adverse effect on our business, results of operations or financial condition.

As we increase our focus on certain business areas and move into new business areas, our operations will become increasingly complex.

In recent years we have increased our focus on certain business areas, such as SME loans, secured loans and RES (which involves the servicing, maintenance and sale of real estate owned by our clients) on behalf of third-party clients. We may also expand these operations into other jurisdictions. This will likely result in our operations becoming increasingly complex and we must maintain and increase our competence within these areas in order to remain competitive and profitable. For example, SME loans have different pricing and collection profiles, RES on behalf of third-party clients is connected with and exposed to real estate prices and secured loans have different risk and collection profiles than unsecured loans and receivables. Secured loans and RES on behalf of third-party clients require different competence and data capabilities in order to price, service and manage such portfolios efficiently. Our ability to properly price and collect on SME, secured and real estate loans and receivables may be adversely affected by our limited experience in these areas, when compared to our more in depth experience in unsecured loans and receivables, which could have a material adverse effect on our business, results of operations or financial condition.

Acquisitions or carve-out transactions may prove unsuccessful or strain or divert our resources and we may not be able to manage our growth effectively.

During the periods under review, we have made a number of substantial business acquisitions, including the Merger, the April 2018 agreement with Banca Intesa Sanpaolo to form a new joint venture, the December 2018 acquisition of properties from Ibercaja, the April 2019 acquisition of Solvia from Banco Sababell and the June 2019 partnership with Piraeus Bank, as well as carve-out transactions. The success of such acquisitions, strategic transactions and carve-out transactions is dependent upon, *inter alia*, appropriate due diligence having been conducted, on the negotiation of favorable terms and the successful integration of the acquired businesses. It may take longer than anticipated to realize anticipated benefits from such acquisitions, carve-out transactions and other strategic transactions and there can be no assurances that we will be able to extract any anticipated synergies or that such potential benefits will outweigh the associated costs. In addition, we may experience delays in integrating with our existing operations any businesses that we acquire or carve-out transactions involving collection units that we complete. Further, such acquisitions, carve-out transactions, and other strategic transactions may place additional constraints on our resources, including diverting the

attention of our management from existing business operations to such integration processes.

As part of the Merger, we were required by the EU Commission to divest certain of Lindorff and Intrum Justitia's businesses in Finland, Sweden, Denmark and Estonia and Norway respectively (the "**Divestment**"). As part of the sale of Lindorff's operations in Denmark, Estonia, Finland and Sweden as well as Intrum Justitia's historic operations in Norway (the "**Carveout Business**") to the Lowell Group in March 2018 in accordance with the European Commission's terms for permitting the Merger we were required to enter into three-year brand licensing agreements with the purchaser for the "Lindorff" brand in Finland, Sweden, Denmark and Estonia and the "Intrum Justitia" brand in Norway. Following the Divestment, we no longer control the use of such brands in the jurisdictions subject to the licensing agreements and cannot assure you that the licensee under such agreement will refrain from operating the Carveout Business in a manner that would cause reputational damage to the Company. Any of the risks associated with our lack of control over such licensee, or their use of the Lindorff and Intrum Justitia brands, could have a material adverse effect on our business, financial position or results of operations.

We have historically expanded through both external and organic growth and we plan to continue to grow by selectively identifying potential acquisitions of portfolios and businesses as well as carve-out opportunities with respect to collection units. If we do acquire other businesses or complete other carve-out transactions, we may not be able to successfully integrate these businesses and assets with our own and we may be unable to maintain our standards, controls and policies which may result in compliance issues, goodwill write-offs and damage to our reputation. For example, when integrating new businesses and collection units, we face costs and security risks due to the need to integrate the IT platform of the purchased company or carved-out operations into our existing IT platform. Additionally, if we purchase a large portfolio we may be unable to successfully integrate it into our existing operations, the successful integration of the portfolio may take longer than anticipated or the costs associated with successfully integrating it may be higher than anticipated. Further, we are subject to the risks associated with write-downs and impairments of goodwill in connection with acquisitions.

Our growth strategy includes opportunistically entering into new geographies or new business areas through selective acquisitions and carve-outs that we believe will complement and enhance our pan-European service offering. For instance, in June 2016 Lindorff acquired Aktua and in October 2016 we acquired a portfolio of receivables from Erste Bank Hungary. These acquisitions represented our first major entry into the secured loans market. In February 2017, we completed our acquisition of 1st Credit Limited and its subsidiaries ("**1st Credit**"), an acquisition which marked our re-establishment of operations in the United Kingdom market ("**1st Credit Acquisition**"), in October 2017 we entered the Greek market by acquiring a debt portfolio from Eurobank and in July 2018 we expanded into Brazil when we acquired a majority shareholding position in the credit management company iPlatform. Integrating recently acquired business and achieving the expected operational synergies will require the dedication of management resources that may temporarily divert attention from our day-to-day operations and we may face unforeseen challenges in operating within unfamiliar commercial, cultural and regulatory environments. For example, following the acquisition of the portfolio of receivables from Erste Bank Hungary, amendments to local legislation affected the process through which collections on assets may be achieved and we were required to adapt our expectations to account for this change accordingly. The failure to successfully integrate recently acquired business or to manage our entry into new geographies or business areas generally could have an adverse impact on our business, financial condition and results of operations.

There can be no assurances that we will be able to manage our growth effectively and that our infrastructure, facilities and personnel will be adequate to support our future operations or to effectively adapt to future growth. Any of these developments could lead to operational risks or have a material adverse effect on our business, results of operations or financial condition.

Joint ventures, business alliances or consortia arrangements present financial, legal, operational

and/or compliance risks similar to those involved in acquisitions of control and may incur substantial indebtedness.

We are currently party to, and may in the future enter into further, joint ventures, business alliances or consortia to acquire assets or other types of investments (whether under instruments, participations or sub-participations, a total return or pass-through contracts or any other similar arrangements) which could involve the same or similar risks and uncertainties as are involved in acquisitions of control. Moreover, to the extent we subsequently increase our level of participation in the interests in the assets of any of these joint ventures, business alliances or consortia, we may be required to pay deferred consideration. As part of our participation in joint ventures, business alliances or consortia, we may be subject to partnership or other forms of shareholder agreements that may restrict our ability to control or direct the actions of such joint ventures, business alliances or consortia. Any arrangement in which we do not fully control business operations has in the past presented, and may in the future present, greater financial, legal, operational and/or compliance risks. In addition, certain of our existing joint ventures have, and any future joint ventures, business alliances or consortia may, incur substantial indebtedness which is only reflected on our balance sheet to the extent of our proportionate interest in such entity. As such, the Issuer's Financial Statements do not, and may not, present the full extent of such indebtedness.

Certain of our joint venture arrangements and majority-owned subsidiaries include put options in favor of our joint venture partners and minority co-investors on pre-agreed terms. If such put options are exercised, we could be required to purchase joint venture partners' or minority co-investors' interests even if the value of the interests is less than the purchase price. We may need to procure additional funding to meet such obligations and there can be no assurances that we will be able to incur such additional funding on favorable terms or at all.

Anticipated synergies from the Merger or operational efficiency improvements from continued efficiency improvements programs may not materialize.

As of June 30, 2019, we estimate that 90% of the synergies that we originally estimated we would achieve in connection with the Merger have been successfully implemented. Among the synergies that we expected to realize as a result of with the Merger are operational synergies from optimization of operations centers, consolidation of administrative and support functions, harmonization of IT systems and application development/maintenance and increased scale in procurement. Our ability to realize additional or the full amount of the anticipated synergies of the Merger depends on a variety of factors including, among others, our ability to fully integrate Lindorff into our existing business, as well as other legal, regulatory and contractual restrictions.

External factors beyond our control, such as systemic failures in our industry or the industry sectors of our clients and changes in fiscal and monetary policies, may impact our ability to realize the expected synergies in connection with the Merger. Our estimated synergies from the Merger are subject to a number of assumptions about the timing, execution and costs associated with realizing the synergies. There can be no assurance that such assumptions turn out to be correct and, as a result, the amount of synergies that we will actually realize over time may differ significantly from the ones that we currently estimate. We may also continue to incur significant costs in integrating Intrum and Lindorff. Such integration and disposal costs, as applicable, may be higher than expected. In addition, to the extent we determine that actions required to be taken to achieve any such synergies could disrupt or otherwise harm the ongoing operation of our business, or the costs associated with realizing any such synergies outweigh the anticipated benefits, we may decide to take alternative actions or forego the achievement of those synergies. Failure to achieve the expected synergies as currently anticipated may have a material adverse effect on our business, financial condition or results of operations.

In addition, as part of our efforts to further increase our operational efficiency, and building on the largely

completed merger synergies from the Merger, we are targeting further efficiency improvements in our bottom-line earnings in 2020. This will include activities such as fully integrating Solvia into our existing operations and carefully prioritizing key projects within IT to ensure we benefit from the size and scale of our organization.

Our ability to realize such operational efficiency improvements depends on a variety of factors including, among others, legal, regulatory and contractual restrictions. External factors beyond our control, such as systemic failures in our industry or the industry sectors of our clients and changes in fiscal and monetary policies, may impact our ability to realize such operational efficiency improvements. Our estimated operational efficiency improvements are subject to a number of assumptions about the timing, execution and costs associated with realizing such operational efficiency improvements. There can be no assurance that such assumptions turn out to be correct and, as a result, the amount of operational efficiency improvements that we will actually realize over time may differ significantly from the ones that we currently estimate. We may also continue to incur significant costs achieving such operational efficiency improvements, which may be higher than expected. In addition, to the extent we determine that actions required to be taken to achieve any such operational efficiency improvements could disrupt or otherwise harm the ongoing operation of our business, or the costs associated with realizing any such operational efficiency improvements outweigh the anticipated benefits, we may decide to take alternative actions or forego their achievement. Failure to achieve the operational efficiency improvements as currently anticipated may have a material adverse effect on our business, financial condition or results of operations.

The continued integration of Intrum Justitia and Lindorff could result in operating difficulties and other adverse consequences.

The continued integration of Intrum and Lindorff may create unforeseen operating difficulties and expenditures and pose significant management, administrative and financial challenges to our business. These challenges include:

- integration of Lindorff's and Intrum's businesses in a cost effective manner, including operations centers, IT infrastructure, data analytic capacities, management information and financial control systems, procurement, marketing, branding, customer service and product offerings;

- increased pressure on central Group practices, such as human resources or Group finance, or as a result of Group size and complexity;

- any revenue disynergies due to the overlapping client base and service offerings of Intrum and Lindorff;

- outstanding or unforeseen legal, regulatory, contractual, labor or other issues arising from the Merger and the disposal of the Carveout Business;

- integration of different company and management cultures;

- restrictions on our ability to solicit key personnel, sales and customer relations employees, account managers, portfolio investments analysts and other important personnel that were employees of the Carveout Business on June 12, 2017, due to non-solicitation clauses in the commitments agreed with the European Commission, which will apply for a period of 30 months after the divestment of the Carveout Business; and

- retention, hiring and training of key personnel.

In such circumstances, our failure to effectively integrate Intrum and Lindorff could have a material adverse effect on our business, financial condition or results of operations. In addition, the Merger may generate higher than expected integration, or disposal, costs, as applicable, as a result of unforeseen risks or liabilities or as a result of delays, or other financial and operational difficulties. Moreover, the Merger has required, and will likely continue to require, substantial amounts of certain of our management's time and focus, which could potentially affect their ability to operate the business. Any difficulties encountered in the integration of Intrum and Lindorff could result in higher implementation costs and/or lower benefits or revenue than anticipated, which could have a material adverse effect on our business, financial condition or result of operations.

Negative real estate market trends may have a negative impact on our business.

We have a limited number of real estate investments that are subject to real estate market terms, which may impact both price and liquidity. The real estate market is cyclical and depends on a number of macroeconomic factors. In particular, market supply and demand are influenced by general conditions of the economy, interest rate variations, inflation trends, the tax and regulatory systems applicable and market liquidity. An imbalance in supply, such as occurred in Spain from 2008 to 2015, could have a significant impact on the fees we receive. In addition, conditions making it unfavorable for buyers to purchase real estate owned ("**REO**") could result in lower recovery volumes and/or a prolonged period may pass before we are able to successfully recover loans. Purchasers of REOs are often dependent on financing and unfavorable market conditions may result in such financing becoming unavailable. In addition, certain of our clients have undertaken to extend credit to buyers of REOs from their portfolios, however, there is no guarantee that such financing will continue to be available to prospective buyers at acceptable terms, which could impeded our ability to perform under our contracts. Any of the foregoing situations would delay and/or make it more difficult for us to recover debt or commercialize REOs and therefore maynegatively affect this segment of our business operations.

We may not be able to successfully maintain, manage and develop our IT infrastructure platform or data analysis systems, anticipate, manage or adopt technological advances within our industry or prevent a breach or disruption of the security of our IT infrastructure platform and data analysis systems.

We rely on our IT infrastructure platform and data analysis systems. The importance of our IT infrastructure and data analytics to our business subjects us to inherent costs and risks associated with integrating, maintaining, upgrading, replacing and changing these systems, including impairment of our information technology, substantial capital expenditures and demands on management time. For example, the purchase of existing collection operations through acquisitions or carve-out transactions in order to expand into a new country may force us to upgrade the IT platform and data analysis systems of the newly acquired operations to meet our standards, causing increased capital expenditures and demands on management time.

IT and telecommunications technologies are evolving rapidly and are characterized by short product life cycles. We may not be successful in anticipating, managing or adopting technological changes on a timely basis. We may not be successful in implementing improvements of our IT or data analysis systems, including reducing the number of our collection systems and improving operation efficiency through further IT development, which could result in additional costs. The cost of these improvements could be higher than anticipated or result in management not being able to devote sufficient attention to other areas of our business. We depend on having the capital resources necessary to invest in new technologies to purchase and service claims and there can be no assurances that adequate capital resources will be available to us at the appropriate time. Furthermore, if we become unable to continue to acquire, aggregate or use such information and data in the manner or to the extent in which it is

currently acquired, aggregated and used, due to lack of resources, regulatory restrictions or any other reason, we may lose a significant competitive advantage.

Our operations could suffer from operational process capacity issues or other potential disruptions, including and in particular telecommunications or technology downtime or data center failures.

Our success depends on sophisticated telecommunications and computer equipment, as well as software systems. In the normal course of business, we must record and process significant amount of data quickly and accurately to access, maintain and expand the databases we use for our pricing and collection activities. We also use these systems to identify and contact large numbers of consumers and record results of our collection efforts. These systems could be interrupted by terrorist attacks, natural disasters, power losses, computer viruses or other similar events. Any failure of our systems, especially if it impacts our backup and disaster recovery systems, would disrupt our operations and materially affect our business. Any temporary or permanent loss of our ability to use our telecommunications or computer equipment and software systems could disrupt our operations and have a material adverse effect on our financial condition, financial returns or results of operations.

Unauthorized disclosure of data, whether through cyber security breaches, computer viruses or otherwise, or illegal storage or use of customer data by us could expose us to liability, protracted and costly litigation, affect our operations and damage our reputation.

We process sensitive personal consumer data and merchant customer data as part of our business and therefore must comply with strict data protection and privacy laws in the EU. These laws and rules impose certain standards of protection and safeguarding on our ability to collect and use personal information relating to customers and end-consumers, and could make us liable in the event of a loss of control of such data or as a result of unauthorized third-party access. Unauthorized data disclosure could occur through cyber security breaches as a result of human error, external hacking, malware infection, malicious or accidental user activity, internal security breaches and physical security breaches due to unauthorized personnel gaining physical access.

Any security breach in our IT infrastructure platform and data analysis systems or any temporary or permanent failure in these systems could cause significant disruptions to our operations. We may need to further enhance capabilities and resilience and we may be subject to future attempts to gain unauthorized access to confidential or sensitive information. Our websites could potentially suffer cyber-attacks that could disrupt our IT infrastructure platform, payment services platform and data analysis systems and impair our ability to provide online services. In addition, in the event of a catastrophic occurrence, our ability to protect our infrastructure and maintain ongoing operations could be significantly impaired. Our business continuity and disaster recovery plans may not be successful in mitigating the effects of a catastrophic occurrence, such as fire, flood, tornado, power loss or telecommunications failures for some or all of our IT infrastructure platform and data analysis systems. Any of these developments or any failure to remedy material weaknesses identified in our IT systems could hinder or prevent us from using our IT infrastructure platform or data analysis systems as part of our business and could have a material adverse effect on our business, results of operations or financial condition.

We rely on publicly available data provided by third-party sources and an increase in the cost of, or a failure to receive, the available data could negatively affect our business.

We rely partly on publicly available data provided by multiple credit information suppliers and other sources in order to operate our business. Our business, along with the businesses of our competitors, could be negatively affected if any third-party sources were to stop providing this data for any reason, including a change in laws or regulations, or if they were to considerably raise the price of their services. Any of these developments could hinder or prevent us from using our data analysis as part of our

business and could have a material adverse effect on our business, results of operations or financial condition.

Improper disclosure of our clients' sensitive data, customer data or a breach of data protection laws could negatively affect our business or reputation.

We collect, handle, process and retain large amounts of potentially sensitive or confidential information such as personal information of customers, including names and account numbers, locations, contact information and other account specific data. Any security or privacy breaches of these databases could expose us to liability, increase our expenses relating to resolution of these breaches, harm our reputation and deter clients from conducting business with us. We rely on our data analysis system to record and process data quickly and accurately to access, maintain and expand the databases we use for our debt collection and for our analysis of potential debt purchases. Our ability to conduct our business, such as the ability to price the purchase of portfolios, trace customers and develop tailored repayment plans, depends on our ability to use customer data in our data analysis system. Our ability to obtain, retain, share and otherwise process customer data is governed by data protection laws, privacy requirements and other regulatory restrictions, including, for example, that personal data may only be collected for specified, explicit and legitimate purposes, and may only be processed in a manner consistent with these purposes. Further, the collected personal data must be adequate, relevant and not excessive in relation to the purposes for which it is collected and processed, and it must not be kept in a form that permits identification of customers for a longer period of time than necessary for the purposes of the collection. It is possible that our security controls over personal customer data, our training of employees and partners on data protection, and other data protection practices we follow may not prevent the improper collection, retention, disclosure or processing of such sensitive information in breach of contract and applicable law, which may vary across the jurisdictions in which we operate. Any failure to collect, retain, use or process customer data in compliance with applicable laws could result in the revocation of our licenses in the jurisdictions in which we operate, our licenses being made subject to more onerous or disadvantageous terms, monetary fines, criminal charges and breach of contractual arrangements.

The data protection laws in each of the countries in which we operate are extensive and our data collection systems may not be in compliance with such laws from time to time or we may not change or be able to change our data analysis systems to adapt to any changes in law in a timely manner. A significant violation of data protection laws could have a material adverse effect on our business, results of operations or financial condition.

Failure to protect our customer data from unauthorized use could negatively affect our business.

Failure to protect, monitor and control the use of our customer data could cause us to lose a competitive advantage. We rely on a combination of contractual provisions and confidentiality procedures to protect our customer data and our customer data is stored and protected in our IT infrastructure platform with access limitations. These measures afford only limited protection and competitors or others may gain access to our customer data. Our customer data could be subject to unauthorized use, misappropriation, or disclosure, despite having required our employees, consultants, debt collection partners and clients to enter into confidentiality agreements. There can be no assurances that such confidentiality agreements will not be breached or will be of sufficient duration and that adequate remedies will be available in the event of an unauthorized use or disclosure. Policing unauthorized use of such rights can be difficult and expensive and adequate remedies may not be available or available in an acceptable time frame. A failure to protect our customer data from unauthorized use, or to comply with current applicable or future laws or regulations, could have a material adverse effect on our business, results of operations or financial condition.

Our senior management team is important to our continued success. Demand in our industry for

personnel with the relevant capabilities and experience is high and the loss of, or negative publicity in connection with, one or more members of senior management could negatively affect our business.

Our future success partially depends on the skills, experience and efforts of our senior management and other key personnel and our ability to retain such members of the management team and other key employees. Our senior management possesses significant experience in the industry and our ability to retain their industry knowledge is a key driver of our success. The demand in our industry for personnel with the relevant capabilities and experience is high and our success in attracting and retaining employees is not guaranteed. There can be no assurances that we will be able to retain our executive officers and key personnel or attract additional qualified management in the future.

As announced in our press release dated May 7, 2019, we are aware of an ongoing Danish criminal investigation regarding money laundering at Danske Bank's branch in Estonia which involves a large number of current and former employees at Danske Bank, including Mikael Ericson, our CEO. When our CEO took on the role as Head of International Banking at Danske Bank in March 2014, the problems regarding money laundering in Danske Bank's branch in Estonia were already known and his assignment included leading the closure of the related business in Estonia. The possible infringements involving our CEO do not entail money laundering, but rather are connected with possible shortcomings in the routines for preventing money laundering during the time when the closure of Danske Bank's business in Estonia was ongoing. Such shortcomings are not punishable under Swedish criminal law. Our CEO left Danske Bank in March 2016. Our CEO will continue to contribute to the criminal and regulatory investigations and be available to Danish and potentially Swedish authorities. Our board is fully aware of the ongoing investigation and has publicly confirmed our support of our CEO. While we do not currently anticipate any penalties will be imposed on him, there can, however, be no assurances that formal proceedings will not be brought in connection with this matter in Denmark, Estonia or elsewhere, including against our CEO. In addition, the investigation or any related proceedings may result in the diversion of our CEO's time.

The loss of the services of, or negative publicity in connection with, our senior management and other key personnel could seriously impair our ability to continue to purchase portfolios or collect on claims, to deliver on our strategies and to manage and expand our business, which could have a material adverse effect on our business, results of operations or financial condition.

We may not be able to hire and retain enough sufficiently trained personnel to support our operations.

The debt collection industry is labor intensive and we compete for qualified personnel with companies in our industry and in other industries. There can be no assurances that we will be able to continue to hire, train and retain a sufficient number of qualified personnel or be flexible enough to react to changing market environments. Our growth requires that we continually hire and train new debt collectors. A higher turnover rate among our debt collectors will increase our recruiting and training costs and limit the number of experienced debt collection personnel available to service our and our clients' portfolios. If this were to occur, we would not be able to service such portfolios effectively and this would reduce our ability to continue our growth and to operate profitability. We also have a number of employees that possess critical knowledge about our IT infrastructure platform, data analysis systems and our debt purchasing operations and an inability to retain these employees could negatively impact our business. For example, if we were to lose the head of debt purchasing in any of the countries where we operate, we would need to shift resources from the Company-level to the specific country and could experience a reduction in purchasing levels until we find a suitable, locally-based replacement. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

Increases in labor costs, potential labor disputes and work stoppages could negatively affect our business.

Our financial performance is affected by the availability of qualified personnel and the cost of labor. For the twelve months ended December 31, 2018, we had an average of 8,000 full-time employees including temporary employees. There are currently collective bargaining agreements in place with certain unions. If we are unable to maintain satisfactory labor agreements with our unionized employees and works councils, we could experience a disruption of our operations, which could impede our ability to provide services to our clients. In addition, an increased number of unionized employees could cause us to incur additional labor costs and increase the related risks we face. Potential labor disputes could disrupt our operations. Further, an increased demand for our employees from competitors could increase costs associated with employee compensation. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

Litigation, investigations and proceedings may negatively affect our business.

We may be adversely affected by judgments, settlements, unanticipated costs or other effects of legal and administrative proceedings now pending or that may be instituted in the future or from investigations by regulatory bodies or administrative agencies. Tax audits are regularly performed in most of the jurisdictions where we operate and we are currently party to a number of ordinary tax audits. Depending on the outcome of such tax litigations, audits and investigations, tax authorities may launch tax audits or investigations relating to subsequent periods. We may become subject to claims and a number of judicial and administrative proceedings considered normal in the course of our operations, including consumer credit disputes with customers, labor disputes, contract disputes, intellectual property disputes, government audits and proceedings, client disputes and tort claims. In some proceedings, the claimant may seek damages as well as other remedies, which, if granted, would require expenditures on our part and we may ultimately incur costs relating to these proceedings that exceed our present or future financial accruals or insurance coverage. Even if we or our directors, officers and employees, as applicable, are not ultimately found to be liable, defending claims or lawsuits could be expensive and time consuming, divert management resources, damage our reputation and attract regulatory inquiries. Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

Our effective tax rate may increase.

As a multinational company, we are subject to taxation in numerous foreign jurisdictions. Our effective tax rate is subject to fluctuation from one period to the next because the income tax rates for each year are a function of many factors, including: (i) taxable income levels and the effects of a mix of profits (losses) earned by the Company in numerous tax jurisdictions with a broad range of income tax rates; (ii) our ability to utilize deferred tax assets; (iii) taxes, refunds, interest or penalties resulting from tax audits; (iv) the magnitude of various credits and deductions as a percentage of total taxable income; and (v) changes in tax laws, the interpretation of such tax laws or changes to national corporate income tax rates, including with respect to interest deductibility on intragroup loans. Changes in the mix of these items may cause our effective tax rate to fluctuate between periods, which could have a material adverse effect on our business, results of operations or financial condition.

Tax structuring within international groups has become increasingly a corporate social responsibility issue and there is currently strong political pressure to change the international tax environment. In 2015, the Organization for Economic Co-operation and Development (the "**OECD**") released various reports under its Base Erosion and Profit Shifting ("**BEPS**") action plan to reform international tax systems and prevent tax avoidance and aggressive tax planning. These actions aim to standardize and modernize global corporate tax policy, including cross-border taxes, transfer-pricing documentation rules and nexus-based tax incentive practices. The reports have a very broad scope including, but not

limited to, neutralizing the effects of hybrid mismatch arrangements, limiting base erosion involving interest deductions and other financial payments, countering harmful tax practices, preventing the granting of treaty benefits in inappropriate circumstances and imposing mandatory disclosure rules. It is the responsibility of OECD members to consider how the BEPS recommendations should be reflected in their national legislation. In light of the BEPS action plan, launched by the OECD and supported by the EU, and its rapid development, there are indications that there is support for global tax coordination among jurisdictions which could have a significant impact on the international taxation landscape in which we operate.

We depend on certain third parties as part of the supply chain to provide our services.

Our business is dependent on a number of key relationships with third parties as part of the supply chain to provide our services. We outsource certain IT functions, and the success of this depends on our ability to organize the outsourcing effectively and to share certain data with such third parties. We also rely on third-party partners to collect on claims located outside of the geographic markets in which we have local debt collection operations. The third parties that we engage to carry out such international debt collection services are subject to more limited supervision by us than our own local operations, which may make us subject to additional risks in relation to these services, such as potential non- compliance and business integrity issues which could significantly harm our reputation. We also contract field collectors to carry out debt collection on our behalf and some of our entities also outsource their amicable collection services to call centers, some of which are located in countries in which we do not otherwise have operations. Additionally, we typically utilize bailiffs to assist with seizure of property, garnishments and other court ordered solutions and to enforce certain successfully resolved legal claims. There can be no assurances that we will successfully eliminate the risk that a third party or bailiff may act outside of the applicable frameworks or our own policies and procedures. Our reputation and relationships with our clients could be adversely affected if these bailiffs do not act in accordance with applicable legal frameworks.

If any of these third-party providers do not meet the agreed service levels, or if there were to be any breach in the data protection of any of these third-party providers who may have access to the confidential information of our clients, this could adversely affect our reputation and our relationships with our clients. Any of the foregoing factors could have a material adverse effect on our business, results of operations or financial condition or potentially lead to administrative fines or sanctions.

Recent and future changes in Swedish tax legislation could affect our tax position.

Sweden has, like several other countries where we operate, tax limitation deductions rules for interest on costs. On June 14, 2018, the Swedish parliament enacted new and additional interest deduction limitation rules. The law contains, *inter alia*, a general limitation of interest deductions in the corporate sector where the cap for a deduction of net interest expenses is calculated as 30% of tax EBITDA, with certain exceptions. The rules entered into force on January 1, 2019 and are applied for the first time in the financial year beginning after December 31, 2018. If the Company or its Swedish subsidiaries' net interest expenses represent a substantial portion in relation to its tax EBITDA, or if any other additional restriction on the deductibility of interest expenses is introduced in Sweden, the Group's tax burden could increase, and this could have a material adverse effect on our business, results of operations or financial condition.

Sweden also has tax legislation regulating taxation of income from foreign controlled companies ("**CFC**") in low tax jurisdictions. On January 1, 2019 new and amended Swedish CFC-legislation entered into force, generally broadening the applicability of the rules. The amendments have been undertaken in order to comply with the EU anti-tax avoidance directive (EU 2016/1164). The new and stricter rules include, *inter alia*, a lowered threshold for the qualifying interest stake in companies covered by the CFC-legislation, and a wider scope of companies considered subject to CFC-taxation. Within the EU/EEA entities in several jurisdictions, including *inter alia* Malta and corporations acting within the

banking, finance, and insurance industry in several member states may, as a result of the amended legislation, be subject to the Swedish CFC-legislation. If the Company directly or indirectly holds participations in foreign companies qualifying for CFC-taxation, the Group's tax burden could increase, and this could have a material adverse effect on our business, results of operations or financial condition.

Recent changes in Norwegian tax law may limit or prevent us from applying tax deductions arising from certain loans and future changes in Norwegian tax law, regulations and their application may impact our tax liability, possibly with retroactive effect.

Norwegian tax law imposes rules concerning limitations on interest which could imply limitations on the rights to deduct interest for our Norwegian subsidiaries.

Under the new rules introduced with effect on January 1, 2019, interest deductions on all loans are limited to 25% of a specifically defined profit ("**taxable EBITDA**") for companies with tax liability to Norway that are deemed part of a group. The right to deduct interest is, however, not limited if the total net interest costs of the group companies with tax liability to Norway (independently or combined) are NOK 25 million or lower. The borrower may nevertheless maintain a right to deduct all interest expenses if the equity ratio of the Norwegian borrower or alternatively the average of all Norwegian entities in the group (provided that they deliver a consolidated balance that includes all group companies subject to Norwegian taxes), is equal to or higher than the equity ratio for the group globally (subject to a safety margin). The calculation of the equity ratio is based on the situation at the year-end prior to the income year, i.e. the equity ratio for 2019 is based on the balance sheet as of December 31, 2018.

For companies that are not deemed part of a group, limitation on interest deduction rules may apply with regard to loans granted from certain related parties if the net interest paid on such a loan exceeds NOK 5 million.

Under the interest limitation rules, the intercompany lender (if taxable in Norway) will be taxed for its interest income even though the borrower's right to deduct interest costs will be limited under the rule.

The interest limitation rules also contain provisions under which external loans may in this respect in certain situations be regarded as internal loans. For example, where a parent company has provided a guarantee for its subsidiary's debt. The subsidiary's external loan will then be reclassified as an internal loan subject to the rules concerning limitations on interest deductions.

Our loans to applicable Norwegian subsidiaries are limited and interest limitation rules therefore have a limited impact on our current structure.

There may be also be changes in Norwegian tax law imposing withholding tax on interest. The Ministry of Finance has stated that a consultation paper relating to the introduction of withholding tax on interest payments will be submitted for consultation. It is however not clear if and when such consultation paper (and any subsequent tax bill) will be presented, the outcome of the parliamentary process or when the changes will be put into force (or whether any exemptions will apply). Many tax treaties limit Norway's ability to impose withholding tax on interest. A withholding tax will however, if implemented, take full effect in relation to states which Norway does not have a tax treaty.

Our tax expenses may increase due to ongoing and future tax audits and certain potential changes in current taxation rules.

We operate in 25 countries. The business, including the implementation of transactions between entities within the Company, is conducted in accordance with our interpretation and understanding of current tax legislation, tax treaties and other provisions, case law and claims from tax authorities. However,

there is a risk that our interpretation and application of mentioned tax rules, treaties and other regulations and requirements have not been or will not continue to be completely accurate in all respects. There is also a risk that the tax authorities in the countries concerned will issue decisions that deviate from our interpretation. Changes in tax law or practice could result in financial losses or increased expenses for the Company.

In relation to corporate income tax, the Company, as a multinational group with several types of transactions occurring between legal entities in different jurisdictions, must comply with the OECD requirements regarding transfer pricing and transfer pricing documentation, as well as with new legislation being implemented as a result of the BEPS framework. BEPS refers to tax avoidance strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations. These rules may, in practice and under certain circumstances, result in double taxation of income or in costs being non-deductible.

In relation to value-added tax ("**VAT**"), the application of, exemption from, or refund of VAT varies according to both the jurisdiction in which the service is being provided and the nature of the service itself. Financial services, including the portfolio investments component of the Company's Portfolio Investments service line, are treated in many jurisdictions as tax-exempt or out of scope for VAT purposes. This may result in different interpretations regarding the possibility to recover input VAT charged to the Company by external and internal suppliers. The treatment of VAT claims included in receivables purchased from external parties also varies between the jurisdictions. For example, in the Netherlands, a VAT receivable is incurred when purchasing overdue receivables. The VAT portion of the receivable can be recovered from the tax authorities if it is not collected from the debtor. In Sweden, the Supreme Court issued a judgment in December 2016 regarding a claim against a private individual that had been acquired by a financial company. The claim had originally arisen through the sale of goods to a company that was subsequently declared bankrupt, and where the private individual liable for the claim had been a member of the board of directors. The Supreme Court held that the private individual was not liable for the portion of the claim relating to VAT, since the company that originally sold the goods had recovered the VAT from the Swedish Tax Agency. We are currently assessing the judgment to consider whether this could have any impact on our portfolio investments operations. Changes in fiscal regulations or the interpretation of tax laws, and any consequent VAT payments, particularly given that a systematic error could cause a rapid build-up of large amounts, may have a material adverse effect on our business.

Spanish tax legislation may restrict the deductibility, for Spanish tax purposes, of all or a portion of the interest on our indebtedness, thus it may reduce the cash flow available to service our indebtedness.

Like many jurisdictions where we operate, Spanish Corporate Income Tax Law also contains a general limitation on the deductibility of certain net financial expenses incurred by a Spanish Corporate Income taxpayer (or by a Corporate Income Tax consolidated group to which such entity belongs) exceeding 30% of its annual operating profit (defined as EBITDA subject to certain adjustments), with €1 million being deductible in any case. Deductible interest after the application of the aforementioned limitations will be referred hereto as the "**Maximum Deductible Amount.**" The apportionment of non-deducted interest in a given fiscal year, may be deducted in the following fiscal years, subject to the Maximum Deductible Amount in each subsequent fiscal year. If the amount of net financial expenses in a given fiscal year is below the Maximum Deductible Amount, the difference between the net financial expenses deducted in that year and the Maximum Deductible Amount may increase such Maximum Deductible Amount in the immediate subsequent five years.

We have financed several acquisitions of companies and portfolios in Spain with internal group loans. In these situations the debt capacity is always considered and non-deductible interests costs from one year are typically carried forward and used in later years, if applicable.

The impact of the above rules on our ability to deduct interest paid on indebtedness could increase our tax burden and therefore negatively impact our cash-flows, financial condition and operating results and, potentially, our ability to serve our indebtedness.

We may experience volatility in our reported financial results due to the revaluation of our purchased portfolios and the timing of portfolio purchases during the financial year.

Our purchased portfolios are recorded at purchase cost at the time of their purchase and thereafter held at amortized cost through profit and loss. The performance of our portfolios is tested regularly. Any revaluation is charged through the profit and loss account as an adjustment to revenues. Accordingly, the value of our purchased portfolios as recorded on our statement of financial position and our revenues in our income statement may fluctuate each time management reassesses forecasted cash flows.

Our forecasted cash flows are based on a number of assumptions. Forecasts are generated by applying historically observed decay rates to the actual gross collections achieved in recent months and also accounting for macroeconomic conditions and operational improvements, among other things. These historically observed decay rates are linked to the underlying collection fundamentals applicable at the time, including, among others, general economic conditions, the collections strategy, collections legislation and customer behavior. Any changes to these assumptions could result in revaluations which change the value of the portfolios on our consolidated statement of financial position and lead to the inclusion of a revaluation in our consolidated profit and loss account. While revaluations are non-cash movements, they are derived from the actual collections achieved in each individual portfolio and so affect revenue and cost of sales as a percentage of revenue. This subsequently impacts other profit and loss account line items, including gross profit, operating profit and the amount of tax on ordinary activities and can also impact our cash outflows for tax payments.

There is generally a gap between the point in time when we purchase a portfolio and the point in time when we begin earning returns on the purchased portfolio as we do not always have control over when an agreement to purchase a portfolio will come into force and we need to locate customers, build a consolidated profile of each such customer's circumstances and formulate an appropriate repayment solution before we can start to collect on a purchased portfolio. As a result, we may experience uneven cash flows and delays in generating income from purchased portfolios. Any of the foregoing factors could have a material adverse effect on our business, results of operations or financial condition.

We may be forced to sell portfolio investments at prices below those we initially paid for them.

We may be forced to sell our portfolio investments at levels that will not provide us with sufficient compensation for the price we initially paid, for example to provide short-term liquidity or other funding requirements, due to regulatory requirements or otherwise. This may prevent us from reinvesting in portfolio investments that will provide sufficiently attractive returns to compensate for any shortfall, which could have a material adverse effect on our business, results of operations or financial condition.

The need to adapt to debtors' changing circumstances or circumstances impacting debtors may result in increased collection activity costs, reduced cash flow or imprecise forecasts.

If there are adverse changes in the financial circumstances of our debtors after we have acquired their accounts, including as a result of any reduction in debtors' income or in government benefits received by debtors or indirectly as a result of further general deterioration in the macroeconomic environment, this could lead to reduced collections, increase collection costs and reduce portfolio returns. Such reduced collections could negatively affect our ERC, while higher collection costs and lower portfolio returns would impact our results of operations and cash flows. Our forecast for future collections may

be rendered less reliable if the quantity and identity of debtors who may reduce their debt payments, or the amounts of such reductions, cannot be accurately predicted. If actual collections with respect to debt portfolios are significantly lower than our own projections when we purchased such portfolios, our business and results of operations could be materially and adversely affected.

Our collections may decrease or the timing of collections may be delayed if the number of consumers becoming subject to personal insolvency procedures increases.

We recover on claims that may become subject to insolvency procedures under applicable laws and we also purchase portfolios containing claims that are currently subject to insolvency proceedings. Various economic trends and potential changes to existing legislation may contribute to an increase in the number of consumers subject to personal insolvency procedures. Under some insolvency procedures, a person's assets may be sold to repay creditors. While we have recently increased our focus on secured NPLs so that we may be in a position to collect on such portfolios under insolvency procedures, the majority of portfolios that we service are unsecured meaning we are generally unable to collect on such portfolios under insolvency procedures involving the sale of a person's assets. Therefore, our ability to successfully collect on portfolios may decline or the timing on when we collect on portfolios may be delayed if there is an increase in personal insolvency procedures, which could have a material adverse effect on our business, results of operations or financial condition.

We may be unable to obtain account documents for some of the accounts that we purchase or we may purchase portfolios that contain accounts that are not eligible to be collected and this may affect our ability to operate the portfolio according to the business plan envisaged when purchasing the portfolio.

When we commence enforcement actions through legal proceedings, courts may require a copy of the account statements or applications to be attached to the pleadings in order to obtain a judgment against a particular customer. Where we are unable to produce account documents in response to a customer's request, that account would be legally unenforceable. Furthermore, if any of the account documents we do have were found to be legally unenforceable, courts may deny our claims. Any changes to laws, regulations or rules that affect the manner in which we initiate enforcement proceedings, including rules affecting documentation, could result in increased administration costs or limit the availability of litigation as a collection tool, which could have a material adverse effect on our business and results of operations. Additionally, our ability to collect by means other than legal proceedings may be impacted by laws that require that certain types of account documentation be in our possession prior to the institution of any collection activities.

In the normal course of our debt portfolio purchases, and in the management of any forward flow agreements that we may enter into from time to time, some individual accounts may be included in the portfolios that fail to conform to the terms of the purchase contracts, or the legal existence of the debt may be in doubt due to lack of documentation either at the time the debt was incurred or at discharge. Accounts that would be eligible for recourse if discovered in a timely fashion, but that we do not discover in time for such recourse, are likely to yield no return.

If we purchase debt portfolios containing too many accounts that do not conform to the terms of the purchase contracts or contain accounts that are otherwise uncontrollable or unenforceable, we may be unable to recover a sufficient amount, or anything at all, and such a portfolio purchase could be unprofitable. This could lead to adverse accounting and financial consequences, such as the need to make substantial provisions against the acquired assets or write down acquired assets.

Any of the foregoing could materially and adversely affect our financial condition, financial returns and results of operations.

We are exposed to the risk of currency fluctuations.

We have local operations in 25 countries.

The results of operations and the financial position of our subsidiaries are reported in the relevant local currencies and then translated into Swedish kronor at the applicable exchange rates for inclusion in our consolidated financial statements, which are stated in Swedish kronor. For the year ended December 31, 2018, 94% of our revenue was reported by entities whose functional currencies were different than Swedish kronor, primarily the euro and Norwegian krone, which accounted for 58% and 12%, respectively, of our revenue in 2018.

The exchange rates between some of these currencies and the Swedish kronor and the euro, respectively, in recent years have fluctuated significantly and our local currencies may in the future fluctuate significantly. Consequently, to the extent that foreign exchange rate exposures are not hedged, fluctuations in currencies may adversely affect our financial results in ways unrelated to our operations.

Any of these developments could have a material adverse effect on our business, results of operations or financial condition.

We may not be successful in achieving our strategic plan and 2020 ambitions.

We may not be successful in developing and implementing our strategic plan and 2020 ambitions, which include growing portfolio investments, growing Credit Management Services, enhancing digitalization and data analytics, continuing and improving operational excellence and recognizing the anticipated benefits of the Merger.

If the development or implementation of such plans is not successful we may not produce the revenue, margins, earnings or synergies that we need to be successful and to offset the impact of adverse economic conditions that may exist currently or develop in the future. We may also face delays or difficulties in implementing process and system improvements, which could adversely affect our ability to successfully compete in the markets we serve. In addition, the costs associated with implementing such plans may exceed anticipated amounts and we may not have sufficient financial resources to fund all of the desired or necessary investments required in connection with our plans, including one-time costs associated with our business consolidation and operating improvement plans.

As part of our growth strategy, we seek acquisition opportunities and invest significant resources in making acquisition bids, which we may not win, or entering into partnership agreements. Even if we do enter into binding acquisition or partnership agreements, the consummation of such acquisition or partnership agreements may be subject to various conditions, including regulatory approvals, which may not be achieved. We may not recover allocated resources, costs or expenses associated with failed bids, which could adversely impact our liquidity and cash flows. The existing and future execution of our strategic and operating plans will, to some extent, also be dependent on external factors that we cannot control such as legislative changes, systemic failures in our industry or the industry sectors of our clients and changes in fiscal and monetary policies. In addition, these strategic and operational plans need to be continually reassessed to meet the challenges and needs of our businesses in order for us to remain competitive. The failure to implement and execute our strategic and operating plans in a timely manner or at all, to realize the cost savings or other benefits or improvements associated with such plans, to have the financial resources necessary to fund the costs associated with such plans or incur costs in excess of anticipated amounts or to sufficiently assess and reassess these plans could have a material adverse effect on our business, results of operations or financial condition.

Our purchasing patterns and the seasonality of our business may lead to volatility in our cash flow.

Our business depends on the ability to collect on our debt portfolios and purchase portfolios of debt. Debt collection is highly affected by seasonal factors, including the number of work days in a given month, the propensity of customers to take holidays at particular times of the year and annual cycles in disposable income. Accordingly, collections within portfolios tend to have high seasonal variances, while our costs are more evenly spread out over the year, resulting in high variances of margins and profitability between quarters. Furthermore, our debt portfolio purchases are likely to be uneven during the year due to fluctuating supply and demand within the market. The combination of seasonal collections and costs and uneven purchases may result in low cash flow at a time when attractive debt portfolios become available. There can be no assurances that in the future we will be able to obtain interim funding from our shareholders, by making other borrowings or by partnering with co-investors or co-venture partners. A lack of cash flow could prevent us from purchasing otherwise desirable debt portfolios or prevent us from meeting our obligations under any forward flow agreements we may enter, either of which could materially and adversely affect our business.

Our risk management procedures may fail to identify or anticipate future risks.

We continually review our risk management policies and procedures and will continue to do so in the future. Although we believe that our risk management procedures are adequate, many of our methods of managing risk and exposures are based upon observed historical market behavior and statistic- based historical models. As a result, these methods may not accurately predict future exposures, which could be significantly greater than historical measures indicate. Other risk management methods depend on the evaluation of information regarding markets, debt originators, debt collection agencies, customers or other matters that are publicly available or otherwise accessible to us. In certain countries, we rely on intermediaries such as debt collection agencies and we may be held liable for the acts of intermediaries if we cannot demonstrate that we have adequate procedures in place to prevent risks such as bribery. For example, debt originators typically require us to assume responsibility for the acts of their respective third-party intermediaries in relation to ongoing compliance matters. Further, we keep track of employee misconduct and have policies and procedures in place to minimize its impact, but these procedures may not prove sufficient (for example, to avoid employee fraud). Failure (or the perception that we have failed) to develop, implement, monitor and, when necessary, preemptively upgrade our risk management policies and procedures could, at the very least, give rise to reputational issues for both us and any associated debt originators and may result in breaches of contractual obligations for which we may incur substantial losses and face removal from debt originators' purchasing panels. Risks that we fail to anticipate or adequately address could have a material adverse effect on our business, prospects, results of operations and financial condition.

A significant amount of our book value consists of intangible assets that may not generate cash in the event of a voluntary or involuntary sale.

Our consolidated total assets as of June 30, 2019 were SEK 81,884 million, of which SEK 40,513 million were intangible.. Intangible assets primarily include IT systems, goodwill, customer relationships and trade names. While we believe that the carrying values of our intangible assets are recoverable, you should not assume that we would receive any cash from the voluntary or involuntary sale of these intangible assets, particularly if we were not continuing as an operating business. Further, the Merger, other recent acquisitions and any future acquisitions expose us to the risks associated with write-downs and impairments to goodwill. We encourage you to read the Issuer's Financial Statements carefully as they provide more detailed information about these intangible assets.

2.2 Risks related to our financial profile

Risks related to our financial profile

Our substantial leverage and debt service obligations could adversely affect our business and prevent us from fulfilling our obligations with respect to the Notes. We may incur substantially more debt in the future, including debt in connection with future acquisitions, which may make it more difficult for us to service our debt, including the Notes, and impair our ability to operate our business.

After the consummation of the Transactions, we will have a significant amount of outstanding debt with substantial debt service requirements.

Our significant leverage could have important consequences for our business and operations and for holders of the Notes, including, but not limited to:

- making it difficult for us to satisfy our obligations with respect to the Notes and our other debts and liabilities;
- increasing our vulnerability to, and reducing our flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of our cash flow from operations to the payment of principal of, and interest on, indebtedness, thereby reducing the availability of such cash flow
- to fund working capital, capital expenditures, acquisitions, joint ventures or other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business and the competitive environment and the industry in which we operate;
- placing us at a disadvantage to our competitors, to the extent that they are not as highly leveraged;
- restricting us from pursuing strategic acquisitions or exploiting certain business opportunities;
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing; and
- making it difficult for us to comply with regulatory capital requirements.

In addition, we may incur substantial additional debt in the future. Although the Indenture will contain restrictions on the incurrence of additional debt, these restrictions will be subject to a number of significant qualifications and exceptions and, under certain circumstances, the amount of debt that could be incurred in compliance with these restrictions could be substantial. The terms of the Indenture will permit us to incur future debt that may have substantially the same covenants as, or covenants that are more restrictive than, those of the Indenture. Moreover, some of the debt we may incur in the future could be structurally senior to the Notes or may be secured by collateral that does not secure the Notes. In addition, the Indenture will not prevent us from incurring obligations that do not constitute debt under those agreements. The incurrence of additional debt would increase the leverage-related risks described in this Offering Memorandum. Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations including the Notes. Our ability to make payments on and refinance our debt and to fund acquisitions, working capital expenditures and other expenses will depend on our future operating performance and ability to generate cash from operations. Our ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond our control. Therefore, we may not be able to generate sufficient cash flow from operations or obtain enough capital to service our debt or to

fund our future acquisitions or other working capital expenditures.

Any inability to comply with the terms of our existing debt and to refinance any existing debt as it comes due and payable or an increase in interest rate levels may have a negative effect on our financial condition.

Our existing financing arrangements require us to dedicate a portion of our cash flow to service interest and to make principal repayments. Furthermore, we are subject to certain restrictive covenants under our debt arrangements, which may limit our ability to engage in other transactions or otherwise place us at a competitive disadvantage to our competitors that have less debt. In addition, non-compliance with the terms of our debt arrangements could have a negative effect on our business. Further, certain of our debt arrangements are subject to floating interest rates and our finance cost will accordingly be affected by an increase in interest rate levels. Any of these developments could have a material adverse effect on our business, financial condition or results of operations.

We are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities.

The Revolving Credit Facility Agreement, the Backstop Revolving Credit Facility Agreement, the Existing Notes Indentures, and the Intercreditor Agreement restrict, and, the Indenture will restrict, among other things, our ability to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- pay dividends on, redeem or repurchase our capital stock;
- make certain restricted payments (including dividends and distribution with respect to shares of the Issuer) and investments;
- prepay or redeem subordinated debt or equity;
- create or incur certain liens;
- impose restrictions on the ability of subsidiaries to pay dividends or other payments to us;
- transfer, lease or sell assets;
- merge or consolidate with other entities;
- enter into certain transactions with affiliates; and
- amend certain documents.

All of these limitations are subject to significant exceptions and qualifications. In addition, the Issuer's other debt arrangements that will remain in place after the Transactions contain certain customary restrictions. The covenants to which we are subject could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be in our interest.

In addition, we are subject to the affirmative and negative covenants contained in the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility Agreement. In particular, the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility Agreement require us

to maintain a specified financial ratio under certain circumstances. Our ability to meet this financial ratio can be affected by events beyond our control, and we cannot assure you that we will meet them. A breach of any of those covenants, ratios or restrictions could result in an event of default under the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility Agreement. Upon the occurrence of any event of default under the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility Agreement, subject to applicable cure periods and other limitations on acceleration or enforcement, the relevant creditors could cancel the availability of the Revolving Credit Facility and the Backstop Revolving Credit Facility and elect to declare all amounts outstanding under the Revolving Credit Facility and the Backstop Revolving Credit Facility, together with accrued interest, immediately due and payable. In addition, any default under the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility Agreement could lead to an event of default and acceleration under other debt instruments that contain cross-default or cross-acceleration provisions, including the Existing Notes Indenture and the Indenture. If our creditors, including the creditors under the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility Agreement, accelerate the payment of those amounts, we cannot assure you that our assets and the assets of our subsidiaries would be sufficient to repay in full those amounts, to satisfy all other liabilities of our subsidiaries which would be due and payable and to make payments to enable the Issuer to repay the Notes, in full or in part. In addition, if we are unable to repay those amounts, our creditors could proceed against any collateral granted to them to secure repayment of those amounts.

We will require a significant amount of cash to meet our obligations under our indebtedness, a substantial amount of which will mature prior to the Notes, and to sustain our operations, which we may not be able to generate or raise.

Our ability to make principal or interest payments when due on our indebtedness, a substantial amount of which will mature prior to the Notes, and to fund our ongoing operations, will depend on our future performance and our ability to generate cash, which is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors discussed in these "*Risk Factors*," many of which are beyond our control. Under the Intrum Existing MTN Program, as of June 30, 2019, SEK 1,000 million of Intrum Existing MTNs mature on July 6, 2020 and SEK 2,900 million, after giving effect to the 2019 MTN Transactions, of Intrum Existing MTNs, mature on July 3, 2023. The June 2017 Fixed Rate Euro 2022 Notes mature on July 15, 2022. The June 2017 Fixed Rate Euro 2024 Notes mature on July 15, 2024. The Intrum Existing Private Placement Notes mature in June 2023. At the maturity of the Notes or any other debt which we may incur, if we do not have sufficient cash flows from operations and other capital resources to pay our debt obligations, or to fund our other liquidity needs, we may be required to refinance such indebtedness. Our ability to refinance our indebtedness, on favorable terms, or at all, will depend in part on our financial condition at the time of any contemplated refinancing. To the extent we are unable to access the capital, we may be forced to modify our financing strategy or bear an unattractive additional cost of capital, including through higher interest rates or more onerous financial and other covenants than our current indebtedness, or other financing markets on acceptable terms, which could decrease our profitability and reduce our financial and operational flexibility. If we are unable to refinance all or a portion of our indebtedness or obtain such refinancing on terms acceptable to us, we may be forced to sell assets, or raise additional equity financing in amounts that could be substantial. The type, timing and terms of any future financing will depend on our cash needs and the then prevailing conditions in the financial markets. We cannot assure you that we will be able to refinance our indebtedness as it comes due on commercially acceptable terms or at all and, in connection with the refinancing of our indebtedness, or otherwise, we may seek additional refinancing, dispose of certain assets, reduce or delay capital investments, or seek to raise additional capital. We cannot assure you that we will be able to accomplish any of these measures in a timely manner or on commercially reasonable terms, if at all. In addition, the terms of the agreements governing our existing indebtedness, including, among others, the Revolving Credit Facility Agreement the Backstop Revolving Credit Facility Agreement, the Existing Notes Indentures and the Indenture, may limit our ability to pursue any of these measures.

Certain of our debt instruments bear interest at floating rates that could rise significantly, increasing our interest expenses and reducing cash flows, and changes in any of the applicable IBOR calculation processes may adversely affect our finance cost.

A substantial portion of our indebtedness, the Intrum Existing MTNs and borrowings under the Revolving Credit Facility and the Backstop Revolving Credit Facility Agreement, will bear interest at *per annum* rates equal to applicable IBOR, adjusted periodically, plus a spread. These interest rates could rise significantly in the future, thereby increasing our interest expenses associated with these obligations, reducing cash flow available for capital expenditures and hindering the Issuer's ability to make payments on the Notes.

Following allegations of manipulation of LIBOR, STIBOR, EURIBOR and other interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory reform, including the implementation of the IOSCO Principles for Financial Market Benchmarks (July 2013) and the new European regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, which entered into force on June 30, 2016. Following the implementation of any such reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. Changes in the manner of administration of any benchmark, or actions by regulators or law enforcement agencies could result in changes to the manner in which EURIBOR or STIBOR is determined, which could require an adjustment to the terms and conditions, or result in other consequences, in respect of any debt linked to such benchmark. Any such change, as well as manipulative practices or the cessation thereof, may result in a sudden or prolonged increase in reported EURIBOR or STIBOR, which could have an adverse impact on our ability to service debt that bears interest at floating rates of interest.

Our hedging agreements may expose us to credit default risks and potential losses if our hedging counterparties fall into bankruptcy.

We are party to currency interest rate swaps and we may enter into additional interest hedging agreements to hedge our exposure to fluctuations in interest rates. We may also enter into foreign currency hedging arrangements to hedge our exposure to foreign currency fluctuations. Under any such agreements, we are exposed to credit risks of our counterparties. If one or more of our counterparties falls into bankruptcy, claims we have under the swap agreements or other hedging arrangements may become worthless. In addition, in the event that we refinance our debt or otherwise terminate hedging agreements, we may be required to make termination payments, which would result in a loss.

2.3 Risks related to the Notes

Risks related to the Notes

The Issuer is a holding company dependent upon cash flow from subsidiaries to meet its obligations on the Notes.

The Issuer is a holding company with no independent business operations or significant assets other than investments in its subsidiaries. The Issuer depends upon the receipt of sufficient funds from its subsidiaries to meet its obligations. We intend to provide funds to the Issuer in order to meet the obligations on the Notes through a combination of dividends and interest payments on intercompany loans. The obligations under intercompany loans will be junior obligations and will be subordinated in right of payment to all existing and future indebtedness of the Issuer or the relevant subsidiary, including obligations under, or guarantees of obligations under, the Revolving Credit Facility and the Backstop Revolving Credit Facility.

The amounts of dividends and distributions available to the Issuer will depend on the profitability and cash flow of its subsidiaries and the ability of those subsidiaries to issue dividends under applicable law. The subsidiaries of the Issuer, however, may not be able to, or may not be permitted under applicable law to, make distributions or advance upstream loans to the Issuer to make payments in respect of its indebtedness, including the Notes. Various agreements governing our debt may restrict, and in some cases, may actually prevent the ability of the subsidiaries to move cash within their restricted group. Applicable tax laws may also subject such payments to further taxation.

Claims of the secured creditors of the Issuer, such as lenders under the Revolving Credit Facility, the Backstop Revolving Credit Facility, the Intrum Existing Private Placement Notes and certain hedging agreements will have priority with respect to their collateral over the claims of unsecured creditors, such as the holders of the Notes, to the extent of the value of the assets securing such indebtedness.

The Notes will not be secured by any of the Issuer's or its subsidiaries' assets. In the event of any foreclosure, dissolution, winding up, liquidation, reorganization, administration or other bankruptcy or insolvency proceeding of the Issuer at a time when it has secured obligations, holders of secured indebtedness, including lenders under the Revolving Credit Facility, the Backstop Revolving Credit Facility, the Intrum Existing Private Placement Notes and certain hedging arrangements, will have priority claims to the assets of the Issuer that constitute their collateral (other than to the extent such assets in the future also secure the Notes on an equal and ratable or priority basis). The holders of the Notes will participate ratably with all holders of the unsecured indebtedness of the Issuer, and potentially with all its other general creditors, based upon the respective amounts owed to each holder or creditor, in the remaining assets of the Issuer. The claims of holders of the Notes and other unsecured creditors will also depend on whether there is any value left in the bankruptcy estate besides any secured assets. If any of the secured indebtedness of the Issuer becomes due or the creditors thereunder proceed against the operating assets that secure such indebtedness, our assets remaining after repayment of that secured indebtedness may not be sufficient to repay all amounts owing in respect of the Notes. As a result, holders of Notes may receive less, ratably, than holders of secured indebtedness of the Issuer and may not be able to recover the full or any amount of their investment in the Notes.

The Notes will be structurally subordinated to the liabilities and preference shares (if any) of our subsidiaries that do not guarantee the Notes.

Initially, none of our subsidiaries will guarantee or have any obligations to pay amounts due under the Notes or to make funds available for that purpose. Generally, claims of creditors of a subsidiary, including lenders under the Revolving Credit Facility Agreement and the Backstop Revolving Credit Facility, certain hedge providers, trade creditors, and claims of preference shareholders (if any) of the subsidiary will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of its parent entity, including, in the case of the Issuer, by holders of the Notes. In the event of any foreclosure, dissolution, winding-up, liquidation, reorganization, administration or other bankruptcy or insolvency proceeding of any of our subsidiaries, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to its parent entity. The creditors of the Issuer (including the holders of the Notes) will have no right to proceed against the assets of such subsidiary. As such, the Notes will be structurally subordinated to the creditors (including trade creditors) and preference shareholders (if any) of our subsidiaries. The Indenture will provide that, in the event that the Intrum Existing MTNs and certain Eligible MTN Replacement Indebtedness shall have been repaid in full, then, subject to certain exceptions, the Issuer will be required to cause certain of its subsidiaries to guarantee the Notes; however, this covenant will be subject to a number of exceptions and limitations including, amongst others, if there are any existing contractual obligations that prohibit such guarantees. The Intrum Existing Private Placement Notes and the Intrum Existing Commercial Paper Program currently prohibit the provision of such guarantees and therefore the Issuer will not be under

an obligation to cause any of its subsidiaries to guarantee the Notes until such indebtedness is refinanced and such refinancing indebtedness does not include a similar restriction. As a result, there can be no assurance that such subsidiaries will guarantee the Notes in a timely manner after any such repayment, or at all, and you should not rely on such potential guarantees as a basis of your investment decision. In the event any subsidiaries of the Issuer guarantee the Notes in the future, such guarantee will be limited to the maximum amount that can be guaranteed by the relevant guarantor, without rendering the relevant guarantee voidable or otherwise ineffective under applicable law or without resulting in a breach of any applicable law, and enforcement of each guarantee would be subject to certain generally available defenses. These laws and defenses include those that relate to corporate benefit, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally.

The Intercreditor Agreement provides that in certain circumstances payments in respect of the Notes may be blocked.

The Intercreditor Agreement will contain significant restrictions with respect to payments of the Notes. Subject to certain limitations, if there is a payment default under the Revolving Credit Facility Agreement, the Backstop Revolving Credit Facility, senior debt documents or the Indenture, or if a senior payment stop notice is issued following a non-payment event of default under the Revolving Credit Facility Agreement, the Backstop Revolving Credit Facility, senior debt documents or the Indenture, then payments under the Notes will not be permitted to be made unless the payment is funded directly or indirectly with amounts which have not been received from the Issuer or its restricted subsidiaries. In some circumstances, for instance where payments were received on the Notes in breach of the Intercreditor Agreement, holders would be required to turn over such payments to the Security Agent for redistribution. In addition, although the holders of the Notes are generally entitled to enforce their claims against the Issuer pursuant to the terms of the Indenture, nevertheless the Intercreditor Agreement places limits on enforcement to the extent it would prejudice the enforcement by senior creditors of their security granted by the Issuer.

The insolvency laws of Sweden and other jurisdictions may not be as favorable to you as the U.S. bankruptcy laws and may preclude holders of the Notes from recovering payments due on the Notes.

The Issuer is incorporated under the laws of Sweden. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in Sweden or another relevant jurisdiction. The bankruptcy, insolvency, administrative and other laws of Sweden may be materially different from, or in conflict with, those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of Swedish laws or laws of another relevant jurisdiction, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes in those jurisdictions, limit any amounts that you may receive or otherwise result in a less favorable outcome.

We may not have the ability to raise the funds necessary to finance an offer to repurchase the Notes upon the occurrence of certain events constituting a change of control as required by the Indenture.

Upon the occurrence of certain events constituting a "change of control," the Issuer would be required to offer to repurchase all outstanding Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest to the date of purchase. If a change of control were to occur, we cannot assure you that we would have sufficient funds available at such time to pay the purchase price of the outstanding Notes or that the restrictions in the Revolving Credit Facility Agreement, the Backstop Revolving Credit Facility Agreement, the Existing Notes Indentures, the Intercreditor Agreement or our other existing contractual obligations would allow us to

make such required repurchases. A change of control may result in an event of default under, acceleration of, or an obligation to mandatorily prepay the Revolving Credit Facility Agreement, the Backstop Revolving Credit Facility Agreement and/or other indebtedness. The repurchase of the Notes pursuant to such an offer could cause a default under such indebtedness, even if the change of control itself does not. The ability of the Issuer to receive cash from its subsidiaries to allow them to pay cash to the holders of the Notes following the occurrence of a change of control, may be limited by our then existing financial resources. If an event constituting a change of control occurs at a time when the Issuer is prohibited from repurchasing the Notes by the terms of its indebtedness (or the Issuer's subsidiaries are prohibited from providing funds to the Issuer for the purpose of repurchasing the Notes), we may seek the consent of the lenders under such indebtedness to the purchase of the Notes or may attempt to refinance the borrowings that contain such prohibition. If such consent to repay such borrowings is not obtained or such refinancing is not possible, the Issuer will remain prohibited from repurchasing any Notes. In addition, we expect that we would require third-party financing to make an offer to repurchase the Notes upon a change of control. We cannot assure you that we would be able to obtain such financing. Any failure by the Issuer to offer to purchase the Notes would constitute a default under the Indenture, which would, in turn, constitute a default under the Revolving Credit Facility Agreement, the Backstop Revolving Credit Facility Agreement, the Existing Notes Indentures and certain other indebtedness.

In certain circumstances, a Change of Control Offer will not be required to be made.

The change of control provisions contained in the Indenture may not necessarily afford you protection in the event of certain important corporate events, including a reorganization, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "Change of Control" as defined in the Indenture. Except as described under "*Description of the Notes—Change of control*," the Indenture will not contain provisions that would require the Issuer to offer to repurchase or redeem the Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction.

The definition of "Change of Control" in the Indenture will include a disposition of all or substantially all of the assets of the Issuer and its restricted subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the Issuer's and its restricted subsidiaries' assets taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

If the Notes are redeemed early, an investor may not be able to reinvest such proceeds in a comparable security.

In the event that the Notes are redeemed early in accordance with the optional redemption provisions contained in the Indenture and depending on prevailing market conditions at the time, an investor who receives proceeds due to such an early redemption may not be able to reinvest such proceeds in a comparable security at an effective interest rate as high as that carried by the Notes.

The transfer of the Notes is restricted, which may adversely affect their liquidity and the price at which they may be sold.

The Notes have not been registered under, and we are not obliged to register the Notes under, the U.S. Securities Act or the securities laws of any other jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration

requirements of the U.S. Securities Act and any other applicable laws. We have not agreed to or otherwise undertaken to register the Notes and we do not have any intention to do so.

The Notes will initially be held in book-entry form, and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

Unless and until the Notes are in definitive registered form, or definitive registered notes are issued in exchange for book-entry interests (which may occur only in very limited circumstances), owners of book-entry interests will not be considered owners or holders of the Notes. The common depositary (or its nominee) for Euroclear and Clearstream will be the sole registered holder of the global notes representing the applicable Notes. Payments of principal, interest and other amounts owing on or in respect of the relevant global notes representing the Notes will be made to Citibank, N.A., London Branch as Principal Paying Agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to participants' accounts that hold book-entry interests in the global notes representing the Notes and credited by such participants to indirect participants. After payment by the Principal Paying Agent to Euroclear and Clearstream, we will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest in the Notes, you must rely on the procedures of Euroclear and Clearstream, and if you are not a participant in Euroclear and/or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of the relevant Notes under the Indenture.

Unlike the holders of the Notes themselves, owners of book-entry interests will not have any direct rights to act upon any solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream, or, if applicable, from a participant. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any matters or on a timely basis.

Similarly, upon the occurrence of an event of default under the Indenture, unless and until the relevant definitive registered Notes are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear and Clearstream. We cannot assure you that the procedures to be implemented through Euroclear and Clearstream will be adequate to ensure the timely exercise of rights under the Notes.

There may not be an active trading market for the Notes, in which case your ability to sell the Notes may be limited.

We cannot assure you as to:

- the liquidity of any market in the Notes;
- your ability to sell your Notes; or
- the prices at which you would be able to sell your Notes.

Future trading prices for the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities and is subject to disruptions that may cause volatility in prices. The trading market for the Notes may attract different investors and this may affect the extent to which the Notes may trade. It is possible that the market for

the Notes will be subject to disruptions. Any such disruption may have a negative effect on you, as a holder of the Notes, regardless of our prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, you may not be able to resell your holding of the Notes at a fair value, if at all.

An application will be made for Notes to be listed on the Securities Official List of the Exchange, though we cannot assure you that Notes will become or remain listed. Although no assurance is made as to the liquidity of the Notes as a result of the Notes being listed on the Securities Official List of the Exchange, failure to be approved for listing or the delisting (whether or not for an alternative admission to listing on another stock exchange) of the Notes from the Exchange may have a material effect on a holder's ability to resell the Notes in the secondary market.

In addition, the Indenture will allow us to issue additional notes in the future which could adversely impact the liquidity of the Notes.

Investors may face foreign exchange risks by investing in the Notes.

The Notes will be denominated and payable in euro. If investors measure their investment returns by reference to a currency other than euro an investment in the Notes will entail foreign exchange-related risks due to, among other factors, possible significant changes in the values of the currency of the applicable Notes relative to the currency by reference to which investors measure the return on their investments because of economic, political and other factors over which we have no control. Depreciation of the currency of the applicable Notes against the currency by reference to which investors measure the return on their investments could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to investors when the return on the Notes is translated into the currency by reference to which the investors measure the return on their investments. Investments in the Notes by U.S. investors may also have important tax consequences as a result of foreign exchange gains or losses, if any.

You may not be able to recover in civil proceedings for U.S. securities law violations.

The Issuer and its subsidiaries are organized outside the United States, and our business is conducted entirely outside the United States. The directors, managers and/or executive officers of the Issuer are non-residents of the United States, and substantially all of their assets are located outside the United States. Although the Issuer will submit to the jurisdiction of certain New York courts in connection with any action under U.S. securities laws, you may be unable to effect service of process within the United States on these directors, managers and executive officers. In addition, as substantially all of the assets of the Issuer and its subsidiaries and those of their directors and executive officers are located outside of the United States, you may be unable to enforce judgments obtained in the U.S. courts against them. Moreover, in light of recent decisions of the U.S. Supreme Court, actions of the Issuer may not be subject to the provisions of the federal securities laws of the United States. The United States is not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters with Sweden. There is, therefore, doubt as to the enforceability in Sweden of U.S. securities laws in an action to enforce a U.S. judgment in such jurisdictions. In addition, the enforcement in Sweden of any judgment obtained in a U.S. court, whether or not predicated solely upon U.S. federal securities laws, will be subject to certain conditions. There is also doubt that a court in Sweden would have the requisite power or authority to grant remedies sought in an original action brought in such jurisdictions on the basis of U.S. securities laws violations.

Judgements entered against Swedish entities in the courts of a state which is not subject to the Brussels Regulations or the Lugano Convention may not be recognized or enforceable in Sweden.

A judgement entered against a company incorporated in Sweden, such as the Issuer, in the courts of a

state which is not, under the terms of (i) Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of December 12, 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (the "**2012 Brussels Regulation**"), (ii) Council Regulation (EC) No. 44/2001 of December 22, 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the "**2000 Brussels Regulation**") or (iii) the Convention on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters made at Lugano on October 30, 2007 (the "**Lugano Convention**"), a Member State (as defined by the 2012 Brussels Regulation and the 2000 Brussels Regulation) or a Contracting State (as defined in the Lugano Convention), would not be recognized or enforceable in Sweden as a matter of law without a retrial on its merits (but will be of persuasive authority as a matter of evidence before the courts of law, administrative tribunals or executive or other public authorities of Sweden). As a result, when the United Kingdom leaves the EU, an English court judgement entered against the Issuer in relation to the Notes may not be recognized or enforceable in Sweden (absent any replacement arrangements being put in place).

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed herein and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect our access to capital, the cost and terms and conditions of our financings and the value and trading of the Notes, which could have a material adverse effect on our business, financial condition and results of operations.

The Notes may be issued with original issue discount for U.S. federal income tax purposes.

The Notes may be issued with original issue discount ("**OID**") for U.S. federal income tax purposes. If the Notes are issued with OID for U.S. federal income tax purposes, U.S. investors in such Notes will generally be required to include amounts representing OID in their gross income as it accrues in advance of the receipt of cash payments attributable to such income using the constant yield method.

3. Key Financial Data

3.1 Incorporation by Reference

Intrum AB (publ), the Issuer and parent company of the group, is subject to the information and reporting requirements of the Securities Market Act (2007:528), as amended from time to time, and, in accordance with the Securities Market Act, it files annual and other reports and other information with Finansinspektionen. We are incorporating by reference certain documents that have been filed with Finansinspektionen and are available at their website at https://www.fi.se/en/ or which have been made available on the website of Intrum AB (publ) at https://www.intrum.com/investors/reports-presentations/ as described below. You may also inspect such filings on the internet website maintained by Finansinspektionen at https://www.fi.se/en/. All documents incorporated by reference, together with this Information Notice, will be viewable at the website of the Luxembourg Stock Exchange at https://www.bourse.lu.

The information incorporated by reference is deemed to be part of this Information Notice. Any statement contained in a previously filed document incorporated by reference will be deemed to be modified or superseded for purposes of this Information Notice to the extent that a statement contained in this Information Notice modifies or replaces that statement.

This Information Notice incorporates by reference the documents set forth below that have been previously filed:

- our Annual Report for the year ended December 31, 2018, which was submitted for publication on April 4, 2019, including our audited consolidated financial statements as of the years ended December 31, 2018 and 2017 and for the two years ended December 31, 2018 and 2017; and

- our Annual Report for the year ended December 31, 2017, which was submitted for publication on April 4, 2018, including our audited consolidated financial statements as of the years ended December 31, 2017 and 2016 and for the two years ended December 31, 2017 and 2016.

This Information Notice also incorporates by reference certain financial information of the Issuer. The documents incorporated by reference herein are set forth below and have previously been uploaded to Intrum AB (publ)'s website:

- unaudited interim consolidated financial statements of Intrum AB (publ) as of and for the nine-month periods ended September 31, 2019 and 2018.

You should rely only upon the information provided in or incorporated by reference in this Information Notice. If information in incorporated documents conflicts with information contained in, or incorporated into, this Information Notice, you should rely on the most recent information. We have not authorized anyone to provide you with different information. You should not assume that the information in this Information Notice is accurate as of any date other than the date of this Information Notice. For the avoidance of doubt, unless expressly incorporated by reference, nothing in this Information Notice shall be deemed to incorporate by reference information furnished to, but not filed with, Finansinspektionen.

3.2 Material Adverse Change

Since the date of the most recent interim financial statements of the Issuer: (i) there has been no material adverse change, or any development that could reasonably be expected to result in a material adverse change, in the condition, financial or otherwise, or in the earnings, business, operations or prospects, whether or not arising from transactions in the ordinary course of business, of the Group, considered as one entity and (ii) the Group, considered as one entity, has not incurred any material

liability or obligation, indirect, direct or contingent, not in the ordinary course of business nor entered into any material transaction or agreement not in the ordinary course of business.

4. ISSUE INFORMATION

4.1 Issuer

The securities described in this Information Notice are issued by Intrum AB (publ), registered office Hesselmans Torg 14, Nacka, SE 105 24 Stockholm, Sweden, corporate identity 556608-7581.

4.2 Description, class and characteristics of the securities issued

- Name of Securities: €75 million 3% Senior Notes due 2025
- Currency: Euro
- ISIN Code: XS2093168115
- Common Code: 209316811
- Nominal: €75 million
- Issue Price: 99.635%
- Issue Date: December 13, 2019
- Payment Date: December 13, 2019
- Denomination: The Notes shall be issued in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.
- Interest Rate: 3% nominal, paid semi-annually.
- Interest Payment Dates: March 15 and September 15, from March 15, 2020.
- Redemption Date: March 15, 2025
- Early redemption option for issuer: Yes
- Redemption Price:
    - The Issuer may redeem the Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days prior notice, at a redemption price equal to 100% of the principal amount of such Notes plus the relevant Applicable Premium as of, and accrued and unpaid interest to the redemption date and Additional Amounts, if any.
    - At any time and from time to time on or after March 15, 2022, the Issuer may redeem the Notes in whole or in part, upon not less than 10 days nor more than 60 days prior notice, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to the redemption date:

Twelve month period commencing on March 15,	Percent
2022	101.500
2023	100.750
2024 and thereafter	100.000

- At any time and from time to time prior to March 15, 2022, the Issuer may redeem the Notes upon not less than 10 days nor more than 60 days prior notice with the net cash proceeds received by the Issuer from any Equity Offering at a redemption price equal to 103.000% plus accrued and unpaid interest to the redemption date and Additional Amounts, if any, in an aggregate principal amount for all such redemptions not to exceed 40% of the original aggregate principal amount of the Notes (including Additional Notes), *provided* that:
  - in each case the redemption takes place not later than 180 days after the closing of the related Equity Offering; and
  - not less than 50% of the original principal amount of the Notes being redeemed (including the principal amount of any Additional Notes) remain outstanding immediately thereafter.
- If the Issuer effects an optional redemption of the Notes, it will, for so long as the Notes are listed on the Securities Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, inform the Luxembourg Stock Exchange of such optional redemption and confirm the aggregate principal amount of the Notes that will remain outstanding immediately after such redemption.
- If the optional redemption date is on or after an interest record date and on or before the related Interest Payment Date, the accrued and unpaid interest will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Notes will be subject to redemption by the Issuer.

- Repayment Procedures:
  - Notice to Trustee: If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of paragraph 5 of the Notes, it must furnish to the Trustee and Principal Paying Agent, at least 10 days but not more than 60 days (or such shorter period agreed by the Trustee) before redemption, an Officer's Certificate setting forth:
    - the section of the Indenture pursuant to which the redemption shall occur;
    - the redemption date and the record date;
    - the principal amount of Notes to be redeemed;
    - the redemption price; and
    - the ISIN and Common Code numbers, as applicable.
  - Selection of Notes to be Redeemed or Purchased
    - If less than all of the Notes are to be redeemed at any time, the Trustee or the Registrar, as applicable, will select the Notes for redemption in compliance with the Applicable Procedures of Euroclear and Clearstream, or (i) if such Notes are not held through Euroclear or Clearstream, on a pro rata basis, or (ii) if Euroclear or Clearstream prescribe no method of selection, by use of a pool

factor; *provided, however*, that no Note in integral multiples of €1,000 will be redeemed. Neither the Trustee nor the Registrar will be liable for any selections made in accordance with Section 3.02(a) of the Indenture dated December 13, 2019.

- Notice of Redemption:

  - At least 10 days but not more than 60 days prior to the redemption date, the Issuer shall mail or at the expense of the Issuer, cause to be mailed (by first class mail, postage prepaid) or otherwise transmit, any notice of redemption in accordance with Section 12.01 of the Indenture dated December 13, 2019 and as provided below to Holders at their respective addresses as they appear on the registration books of the Registrar, except that redemption notices may be mailed or otherwise transmitted more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture dated December 13, 2019 pursuant to Articles 8 and 10 thereof. The Issuer shall publish a notice of redemption in accordance with the prevailing rules of the Luxembourg Stock Exchange applicable to the Securities Official List.

  - The notice of redemption will identify the Notes to be redeemed and will state:

    - the redemption date and the record date;

    - the redemption price and the amount of accrued interest, if any, and Additional Amounts, if any, to be paid;

    - the name and address of the Paying Agent to which the Notes are to be surrendered for redemption;

    - Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price, plus accrued and unpaid interest, if any, and Additional Amounts, if any;

    - that, unless the Issuer defaults in making such redemption payment, interest, and Additional Amounts, if any, on Notes called for redemption ceases to accrue on and after the redemption date;

    - the paragraph of the Notes and/or Section of the Indenture dated December 13, 2019 pursuant to which the Notes called for redemption are being redeemed; and

    - that no representation is made as to the correctness or accuracy of the ISIN and Common Code numbers, as applicable, listed in such notice or printed on the Notes.

  - If the Issuer elects to redeem the Notes or portions thereof and, in connection with a satisfaction and discharge of, or defeasance of, the Indenture dated December 13, 2019, requests that the Trustee distribute to the Holders amounts deposited in trust with the Trustee (which, for the avoidance of doubt, will include accrued and unpaid interest to the date fixed for redemption) prior to the date fixed for redemption in accordance with the provisions of Article 8 or Article 10 of the Indenture dated December 13, 2019, the applicable redemption notice will state (i) that Holders will receive such amounts deposited in trust with the Trustee prior to the date fixed for redemption and (ii) such earlier payment date.

- If any Note is to be redeemed in part only, the notice of redemption that related to the Note shall state the portion of the principal amount thereof to be redeemed, in which case the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. In the case of a Global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. On and after the redemption date, interest ceases to accrue on the Notes or portions of the Notes called for redemption.

- At the Issuer's request, the Trustee shall give the notice of redemption in the Issuer's name and at the Issuer's expense. In such event, the Issuer shall provide the Trustee with the information required at least three Business Days prior to the publication of the notice of redemption (or such shorter period as agreed by the Issuer and the Trustee).

- Neither the Trustee nor the Registrar will be liable for selection made as contemplated in Section 3.03 of the Indenture dated December 13, 2019. For the Notes which are represented by Global Notes held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear or Clearstream for communication to entitled account holders in substitution for the aforesaid mailing.

- Effect of Notice of Redemption:

  - Any redemption and notice may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent (including, without limitation, in the case of a redemption related to an Equity Offering, the consummation of such Equity Offering and, in the case of a refinancing of the Notes, the incurrence of Indebtedness the proceeds of which will be used to redeem the Notes). If such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied or waived (provided, however, that, in any case, such redemption date shall be no less than 10 days and no more than 60 days from the date on which such notice is first given), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the redemption date, or by the redemption date so delayed.

- Deposit of Redemption or Purchase Price

  - No later than 10:00 a.m., London time, on each date of redemption or purchase, the Issuer will deposit with each Paying Agent money sufficient to pay the redemption or purchase price of, accrued interest, the Applicable Premium, as applicable, if any, and Additional Amounts, if any, on all Notes to be redeemed or purchased on that date. The Paying Agent will promptly return to the Issuer any money deposited with the Paying Agent in excess of the amounts necessary to pay the redemption or purchase prices of, accrued interest, the Applicable Premium, as applicable, if any, and Additional Amounts, if any, on all of the Notes to be redeemed or purchased.

  - If the Issuer complies with the provisions of Section 3.05(a) of the Indenture dated December 13, 2019, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of the Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an

interest record date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Issuer to comply with Section 3.05(a) of the Indenture dated December 13, 2019, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 of the Indenture dated December 13, 2019.

- Notes Redeemed or Purchased in Part

  - If any Definitive Registered Note has been issued, upon surrender of such Note that is redeemed or purchased in part, the Issuer will issue and, upon receipt of an Authentication Order, the Trustee or the Authenticating Agent will authenticate for the Holder at the expense of the Issuer a new Definitive Registered Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered, provided that each such new Definitive Registered Note will be in an aggregate principal amount that is at least €100,000 and in integral multiples of €1,000 in excess thereof. If any Notes that are redeemed or purchased in part are issued in global form, the Registrar will make an appropriate notation on such Global Notes to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof, provided that any such Global Note will be in an aggregate principal amount that is at least €100,000 and in integral multiples of €1,000 in excess thereof.

- Paying Agent: Citibank N.A., London Branch, Canada Square, Canary Wharf, London E14 5LB.

- Trustee: Citibank N.A., London Branch, Canada Square, Canary Wharf, London E14 5LB.

- Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to the Securities Official List of the Exchange, in accordance with the rules and regulations of the Exchange.

- Ranking of the Securities: *Pari Passu Indebtedness*

- Limitation to the rights attached to the Securities: High-yield style restrictive covenants

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A")) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT ("REGULATION S") AND (2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS [RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY)] [REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S)] ONLY (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT, OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER: (I) PURSUANT TO CLAUSE (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM; AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE REVERSE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE, AND AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

BY ACCEPTING THIS SECURITY OR ANY INTEREST THEREIN EACH HOLDER AND EACH TRANSFEREE IS DEEMED TO REPRESENT, WARRANT AND AGREE THAT AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD THAT IT HOLDS THIS SECURITY OR ANY INTEREST THEREIN EITHER:

(X) IT IS NOT ACQUIRING THIS SECURITY OR ANY INTEREST THEREIN FOR OR ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS SECURITY WILL NOT BE AND WILL NOT BE ACTING ON BEHALF OF) (I) ANY "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED) THAT IS SUBJECT TO TITLE I OF ERISA, (II) ANY "PLAN" (AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")) THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (III) ANY ENTITY THE UNDERLYING ASSETS OF WHICH ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY PLANS DESCRIBED ABOVE IN SUBSECTIONS (I) OR (II) (WITHIN THE MEANING OF U.S. DEPARTMENT OF LABOR REGULATION 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA), OR (IV) ANY PLAN, SUCH AS A FOREIGN PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA), GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA) OR CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA OR SECTION 4975(G)(3) OF THE CODE) THAT IS NOT SUBJECT TO TITLE I OF ERISA, BUT THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO TITLE I OF ERISA OR SECTION 4975 OF THE CODE (A "SIMILAR LAW") (EACH A "PLAN"), OR (Y) (I) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS SECURITY OR ANY INTEREST THEREIN ARE EXEMPT FROM THE PROHIBITED TRANSACTION RESTRICTIONS OF SECTION 406 OF ERISA AND SECTION 4975 OF THE CODE (OR IN THE CASE OF A PLAN THAT IS SUBJECT TO A SIMILAR LAW, EXEMPT FROM THE ANALOGOUS PROVISIONS OF SUCH SIMILAR LAW), PURSUANT TO ONE OR MORE APPLICABLE STATUTORY OR ADMINISTRATIVE EXEMPTIONS AND (II) NONE OF THE ISSUER, THE INITIAL PURCHASERS OR THE GUARANTORS OR ANY OF THEIR RESPECTIVE AFFILIATES IS ACTING, OR WILL ACT, AS A FIDUCIARY TO ANY PLAN WITH RESPECT TO THE DECISION TO ACQUIRE OR HOLD THIS SECURITY OR IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR GIVE ADVICE IN A FIDUCIARY CAPACITY WITH RESPECT TO THE DECISION TO ACQUIRE OR HOLD THIS SECURITY.

The following legend shall also be included, if applicable:

THE FOLLOWING INFORMATION IS SUPPLIED SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES. THIS NOTE HAS BEEN ISSUED WITH "ORIGINAL ISSUE DISCOUNT" WITHIN THE MEANING OF SECTION 1273 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. FOR U.S. FEDERAL INCOME TAX PURPOSES. UPON WRITTEN REQUEST, THE ISSUER WILL PROMPTLY MAKE AVAILABLE TO ANY HOLDER OF THIS NOTE THE FOLLOWING INFORMATION: (1) THE ISSUE PRICE AND DATE OF THE NOTE, (2) THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THE NOTE AND (3) THE YIELD TO MATURITY OF THE NOTE. HOLDERS SHOULD CONTACT THE ISSUER AT HESSELMANS TORG 14, NACKA, SE 105 24 STOCKHOLM, SWEDEN, ATTENTION: TREASURER