ANALYST PRESENTATION

November 2013

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INTRODUCTION TO TODAY'S SPEAKERS

Tom Drury
Chief Executive Officer

- 17 years of MD/CEO leadership roles
- Joined Arrow Global from Shanks Group PLC (then a FTSE 250 company) where he served as Group Chief Executive
- Previously served as Founding Managing Director of Vertex, a leading firm in the UK's business process outsourcing sector

Robert Memmott
Group Chief Financial Officer

- 12 years of experience as a CFO and 17 years in senior leadership roles
- Previously CFO of Leeds Bradford International Airport Ltd as well as with Alfred McAlpine and Servisair plc
- Qualified Chartered Accountant with KPMG

Zachary Lewy
Founder and Executive Director

- Established Arrow Global in 2005
- Co-head of Origination and Head of Corporate Development
- 15 years of experience in debt purchase, debt collection and call centre management
- Chairman of the Debt Buyers and Sellers Group (DBSG) of the Credit Services Association (CSA)

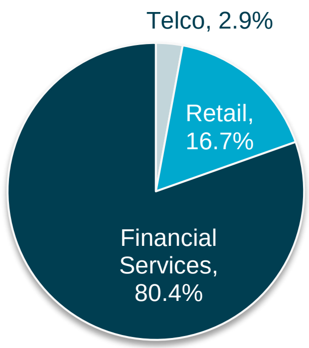
Agenda
I. Arrow Global Overview
II. Investment Highlights
III. Financials and Key Targets
Appendix A: Data & Analytics
Appendix B: Origination Capabilities
Appendix C: Underwriting
Appendix D: Regulatory Environment & Compliance Framework
Appendix E: Arrow Global Glossary

I. ARROW GLOBAL OVERVIEW

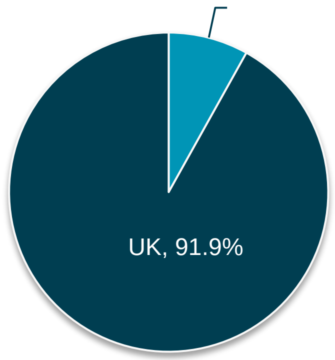
ARROW GLOBAL OVERVIEW

- Regulated business using sophisticated data analytics to **identify, acquire and manage defaulted consumer credit portfolios,** primarily from banks and other financial institutions (e.g. credit card companies)
- **Leading player in a structurally high growth market,** with over £10bn of debt (by face value) expected to be sold per annum in the UK from 2013[1]
  - Own and manage defaulted debt portfolios with an **aggregate face value of £8.6bn** (including £6.9bn of purchased loan portfolios) **and c.5m individual purchased accounts** as at Sep -2013
  - Market is expected to grow at a CAGR of c.12% from 2012 to 2017E[2]
- Delivering strong growth
  - **Adjusted EBITDA growth of c.40% in 2012[3]**
- Strong Profitability and Returns
  - **Adjusted EBITDA Margin** to Core Cash Collections **of c.70%**
  - **84-Month Net IRR** on portfolios **of 20%**
- High degree of earnings visibility with **120-Month Estimated Remaining Collections (ERC) of £627m** on existing purchased loan portfolios (as of Sep -2013)
  - Only c.£45m of debt purchases required annually to maintain current ERC[4]
- **Well-funded balance sheet** to support future growth and opportunity to add incremental leverage
  - Successful 7-year £220m bond issue at 7.875% coupon
  - Successful IPO raising net proceeds of £42m

Portfolio Split by Asset Class – Purchase Cost (to Sep-2013)



Portfolio Split by Geography – Purchase Cost (to Sep-2013)



1. *Source: Report by OC&C Strategy Consultants Jul-2013, prepared for Arrow Global (referred to as the "OC&C 2013 Report" hereafter) . The OC&C 2013 Report is the updated version of certain sections of a report produced in Sep-2012 for Arrow Global (referred to as the "OC&C 2012 report" hereafter).*
2. *Source: OC&C 2013 Report*
3. *Adjusted EBITDA represents Core Cash Collections, which include income from purchased loan portfolios, adding back portfolio amortisation, and excluding the effects of income from asset management, other income, operating expenses, depreciation and amortisation, foreign exchange (gains)/losses, amortisation of acquisition and bank facility fees and exceptional costs.*
4. *Arrow Global estimate; assumes that portfolios are purchased at the target money multiples/IRRs.*

BUSINESS MODEL OVERVIEW

Illustrative Economics (£m)[1]	
Face Value of Purchased Balances Owed	100
Price Paid for the Portfolio	9.1
Gross Cash Collections (84 months)	17.1
Gross Cash-on-Cash Multiple (84 months)	**1.9x**
Months to Break-even on Investment	~32
Cost-to-Collect Ratio	16%
Net Cash Collections (84 months)	14.4
Net Cash-on-Cash Multiple (84 months)	**1.6x**
Months to Break-even on Investment	~40
Unlevered Net IRR (84 months)	**23%**

Defaulted debts purchased at a significant discount to face value

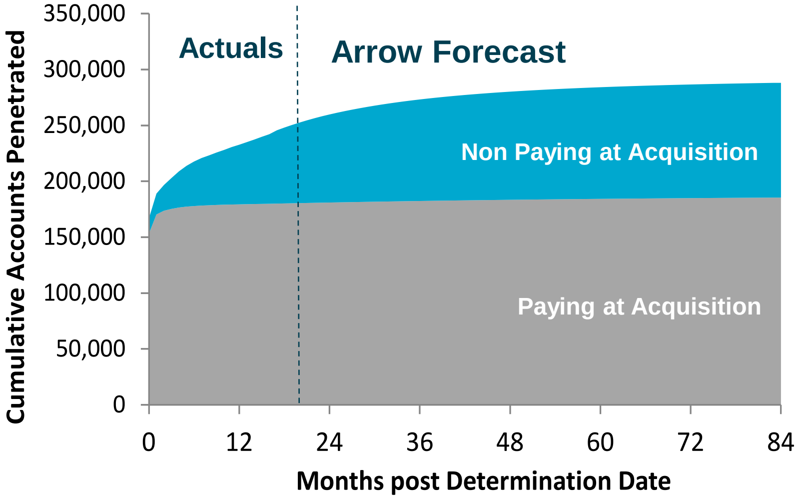
Affordable and compliant payment plans typically agreed:

- Defaulted debts converted into sustainable long term repayment plans
- Customers repay debts and repair their credit scores
- No additional interest or penalties charged by Arrow Global on defaulted accounts (excluding statutory interest)
- Underwriting to 23% unlevered net IRR in 2012 and 1H 2013
- Actual cash collected represents 103% of forecast at underwriting as of Sep-2013

1. *Illustration of the purchase of a hypothetical loan portfolio and is based on the group's 2012 purchased loan portfolios. The example above has been provided for illustrative purposes only and does not purport to represent what the Group's total loan portfolio returns have been in the past, nor does it purport to represent its total loan portfolio returns for any future date. In particular, the Cost-to-Collect Ratio of 16% that the Group assumes for purposes of the example above applied to Arrow Global's 2012 purchase vintage only, and is based on Collection Activity Costs excluding costs relating to PCB and is based on the Group's expectations at the point of acquisition, which takes into account the quality of the acquired portfolio and collection arrangements with DCAs in respect of the acquired portfolio. The Group's Cost-to-Collect Ratio for Q3 2013, 2012, 2011 and 2010 was 22.5%, 22.1%, 26.6% and 26.9%, respectively*

PURCHASED LOAN PORTFOLIOS UNDERPINNED BY EXISTING PAYERS AND PENETRATED NON-PAYERS – *2011 UK VINTAGE CASE STUDY*

Cumulative Account Penetration



Key Takeaways

- Paying accounts: higher purchase price, lower volatility, lower return
- Average headline price mainly reflects portfolio mix, expected return is important focus
- The business model drives returns from operational and technical processes that convert a proportion of Arrow's very large defaulted debt inventory into a significant population of customer repayment plans which deliver predictable long-term cash flows

2011 UK Vintage

Total Accounts Purchased	**2,021,369**
Of which Payers at Acquisition	*191,821*
Of which Non Payers at Acquisition	*1,829,548*
New Payers Created by Arrow Global	**102,644**

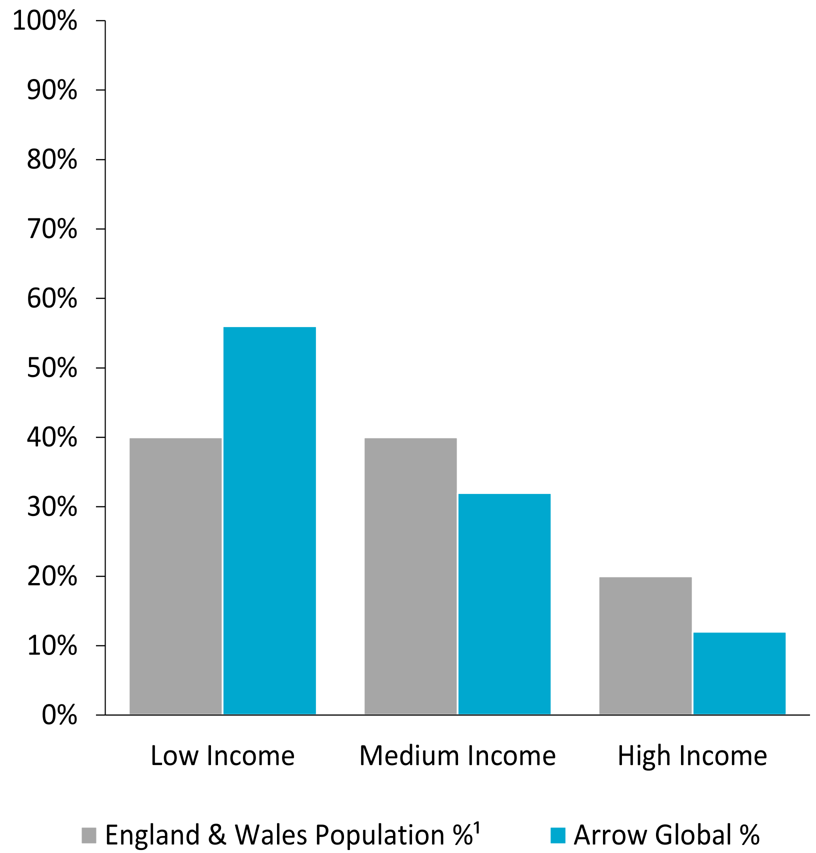
ARROW GLOBAL

WHO ARE ARROW GLOBAL'S CUSTOMERS?

Arrow Global Customer Base

- Arrow Global has 3.4m unique customers
- Majority of customers have been granted credit by mainstream lenders in the past
- Customers typically want to regain access to credit
  - Regular payments help repair credit score and avoid negative credit bureau markers
- 40% of customers fall into Medium or High Income bracket

Arrow Global Customer Income Distribution vs. General Population



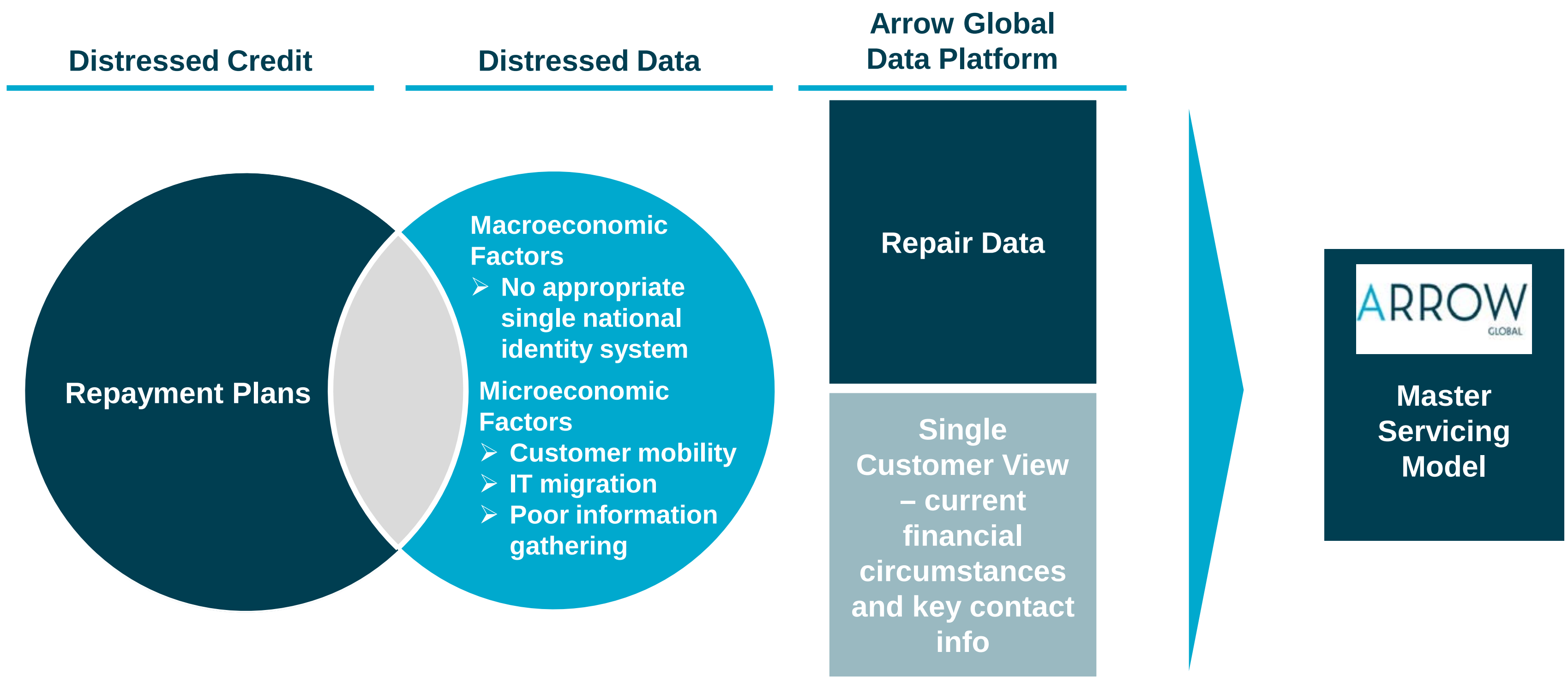
1. Source: Census 2011
Note: Income bands are bottom 40%, middle 40% and top 20% of population by postcode sector (England and Wales)

ARROW GLOBAL

Proprietary and Confidential

A DATA DRIVEN BUSINESS

➢ The UK market offers attractive dynamics due to the high level of unsecured lending and the lack of an appropriate identification document giving identity and contact information



Arrow Global's model is built around using data to drive stronger collections and to create appropriate long-term solutions for its customers

MASTER SERVICING MODEL

Debt Originators

- Banks
- Credit card companies
- Building societies
- Telco
- Retailers
- Utility providers
- Public sector

Industry way: Bulk placement

The ARROW GLOBAL Way:

- Data enhancement to improve collection strategies
- Account level collections forecasts
- Lower servicing costs through value based placements
- Compliance enhanced collections
- Supported by:
  - C.5m purchased accounts
  - C.15.1m PCB records[1]

Servicers

Building on servicer specialisms:

- Asset type
- Geography
- Balance size
- Collection strategy

1. PCB (or Proprietary Collection Bureau) is a debt collection focused credit bureau developed by Arrow Global and Experian. PCB records include Arrow Global's records for own purchased accounts and contributed records from 24 partner data contributors

MASTER SERVICING MODEL BENEFITS

Improves Performance

- Stronger collections by targeting selection of servicers to match skill and expertise to each debt type and age
- Flexibility of cost structure and scalability of the business
- Lower collection costs

Reduces Risk

- Not compelled to purchase at any particular point in time
- Majority of capex requirement is borne by the servicing network
- Allows entry into new segments and markets

Fosters Partnership and Sustainability

- Strong deal flow from creditors and transaction referrals from servicing partners
- Servicing partners benefit from regular placements and high quality data

Vision	**To be the leading data-driven debt purchaser**

Strategy

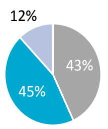
- Establishing Arrow as the most respected debt purchaser with a leading position in compliance, risk management and treating customers fairly
- Growing the business whilst maintaining rigorous underwriting discipline
- Optimising cost to collect whilst maintaining a flexible cost base
- Utilising data capability to invest in portfolios underpinned by paying accounts, with the opportunity to convert non-paying accounts
- Maintain a prudent balance sheet
- Maintaining a leading position in the UK and Portuguese debt purchase markets
- Pursuing a disciplined approach to expanding into new asset classes and geographies

FINANCIAL PERFORMANCE UPDATE – NINE MONTHS TO SEPTEMBER 2013

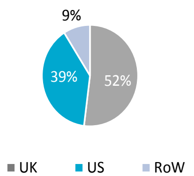
- Nine months to 30 September 2013 core collections up 45.6% to £93.3m (2012: £64.1m)
- Nine months to 30 September 2013 adjusted EBITDA up 44.7% to £64.7m (2012: £44.7m)
- Nine months to 30 September 2013 underlying net income up 156.9% to £18.5m (2012: £7.2m)
- Existing portfolios performed in line with original underwriting assumptions, with bias to outperformance
- Nine months to 30 September 2013 portfolio acquisition of £74.0m versus 2013 full year target of £100m
- Student loan investment completed in November 2013
- Actively reviewing specific opportunities in New European markets

RECENT DEVELOPMENTS
ARROW GLOBAL £208M INITIAL PUBLIC OFFERING

Demand By Geography



Allocations By Geography



Cumulative Account Penetration

- First ever UK IPO in the Debt Purchase and Collection industry
- Extensive investor education
  - Management roadshow in the UK, the US, and France meeting > 125 investors over 10 days
- Strong execution
  - Deal many times covered at offer price
  - Demand from early look accounts more than covered the deal
  - Supportive after market (shares +6% on first day of trading)

Valuation at IPO

P/E 2014E	11.9x
P/BV 2013E	3.6x
P/BV 2013 1H	3.9x
P/Net ERC 2013 1H	1.2x

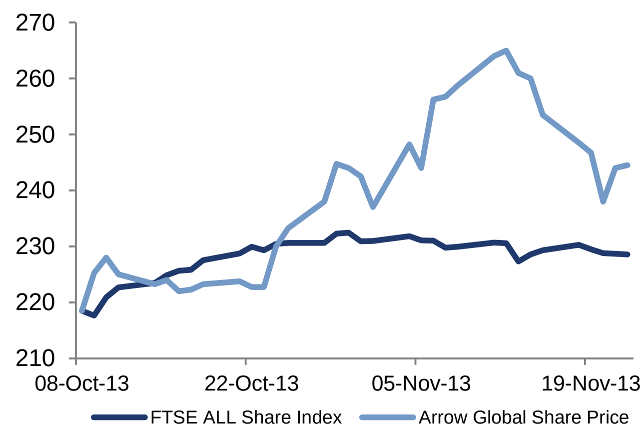
Equity Story

1. A market leader in a structurally high growth market
2. High barriers to entry
3. Leading data and analytics capabilities
4. Diversified origination and disciplined underwriting
5. Highly cash generative growth business, with significant earnings visibility
6. Proven ability to expand into new asset classes, asset management and new geographies

Key Statistics

Issuer:	Arrow Global Group plc
Size:	£208m ($334m) including greenshoe
Size % of Company:	58% (including greenshoe)
Exchange:	London Stock Exchange (Premium Segment)
Offering:	£50m Primary; £158m Secondary sales by RBS SOF and management
Issuer Price:	205p
Issue Mkt Cap:	£357m
Lock Up:	6 months RBS SOF 24 months Directors

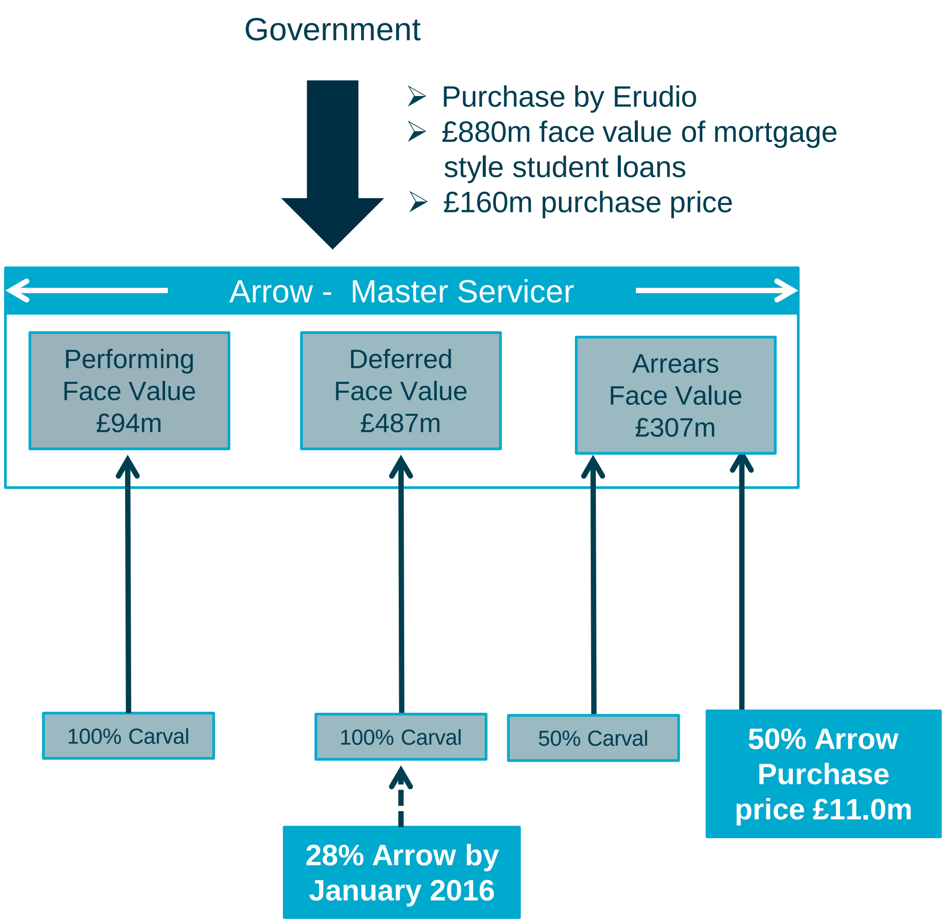
Aftermarket Intraday Share Price Performance



ARROW GLOBAL

RECENT DEVELOPMENTS
STUDENT LOAN INVESTMENT

Structure



Key Highlights

- Third investment in this asset class
- Consortium deal
- Master servicer using Arrows data and analytics capabilities
- Following the 2014 migrations, Arrow will Master Service more than £1bn of student loans
- Initial investment of £11m
- Future investment of up to £22m over a 2 year period in 28% of the deferred assets

II. INVESTMENT HIGHLIGHTS

INVESTMENT HIGHLIGHTS

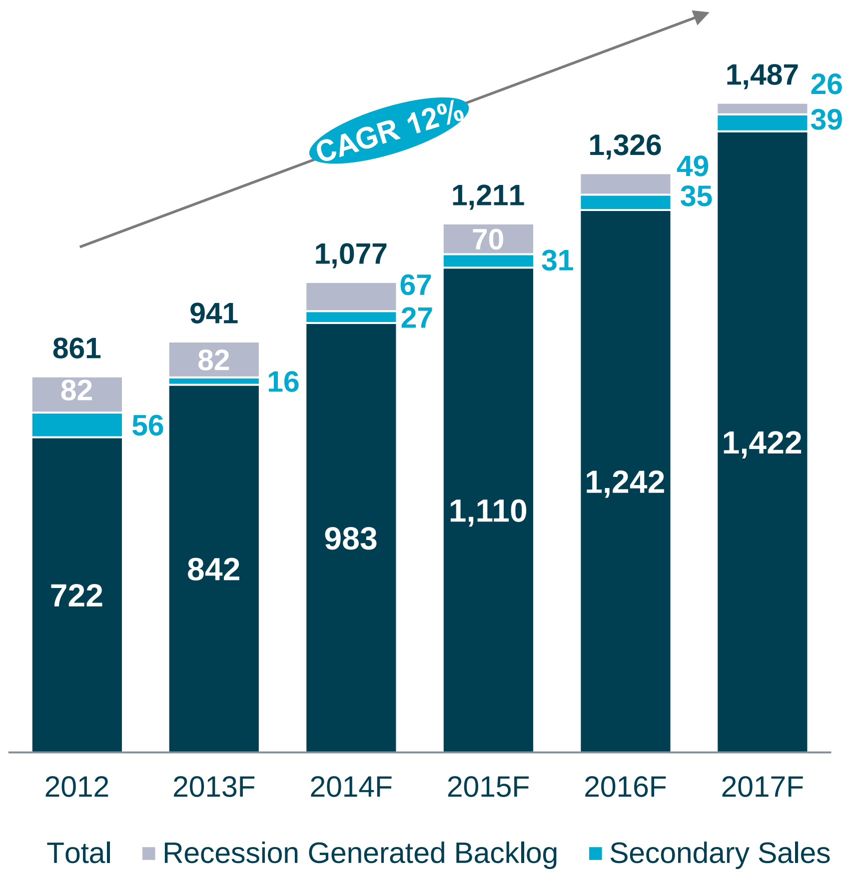
- A market leader in a structurally high growth market
- High barriers to entry
- Leading data and analytics capabilities
- Diversified origination and disciplined underwriting
- Highly cash generative growth business, with significant earnings visibility
- Proven ability to expand into new asset classes, asset management and new geographies

A MARKET LEADER IN A STRUCTURALLY HIGH GROWTH MARKET

Key Highlights

- c.£1bn investment per annum in defaulted unsecured consumer debt in the UK
- Spend on debt expected to grow at c.12% per annum between 2012 and 2017F
- £8bn of face value of unsold backlog of recession-generated defaulted debt expected to add to supply over the next 4-5 years

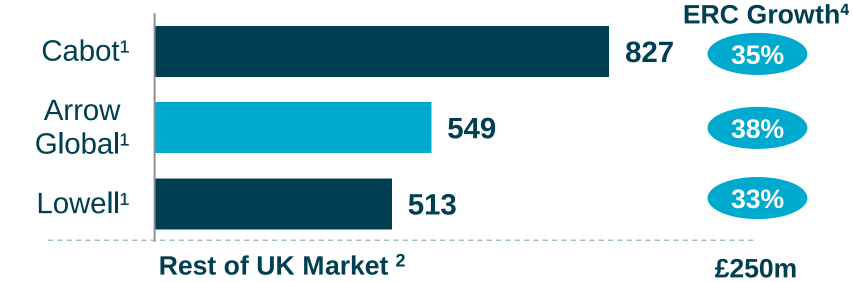
Spend on Debt by Debt Purchasers in UK



ARROW GLOBAL

A MARKET LEADER IN A STRUCTURALLY HIGH GROWTH MARKET

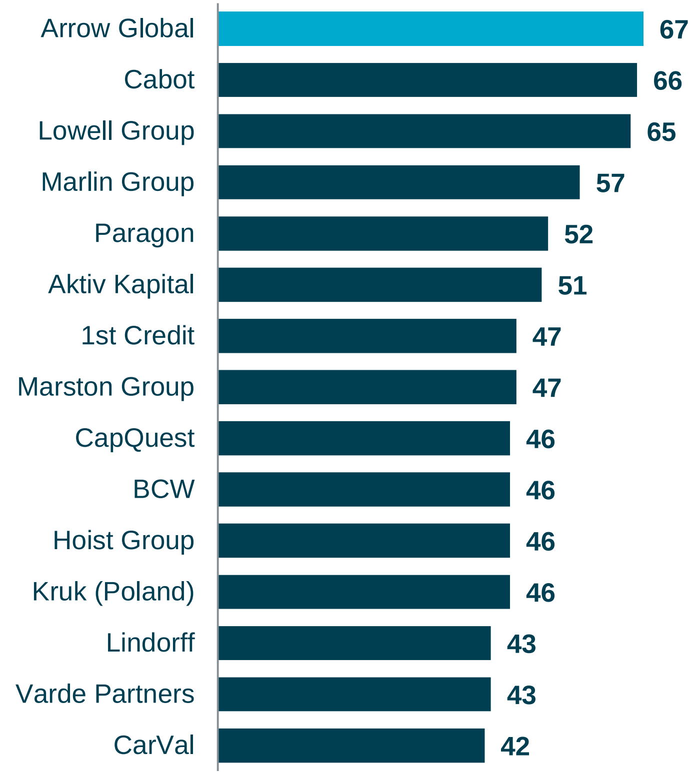
84-Month Estimated Remaining Collections (£m)



Key Highlights

- Arrow Global is the fastest growing of the top 3 players in the UK defaulted debt purchasing market by ERC[3]
- Focus on longer duration payment plans arising from financial services debt which provides longer term predictability
- Arrow Global has a funding cost advantage over key competitors
  - Arrow Global: £220m @ 7.875%[5]
  - Lowell: £200m @ 10.750%[5]
  - Cabot: £265m @ 10.365%[5]

2013 OC&C European Industry Index[4] – Top 15



Arrow Global is well-positioned among the 3 market leaders

Source: Public disclosure

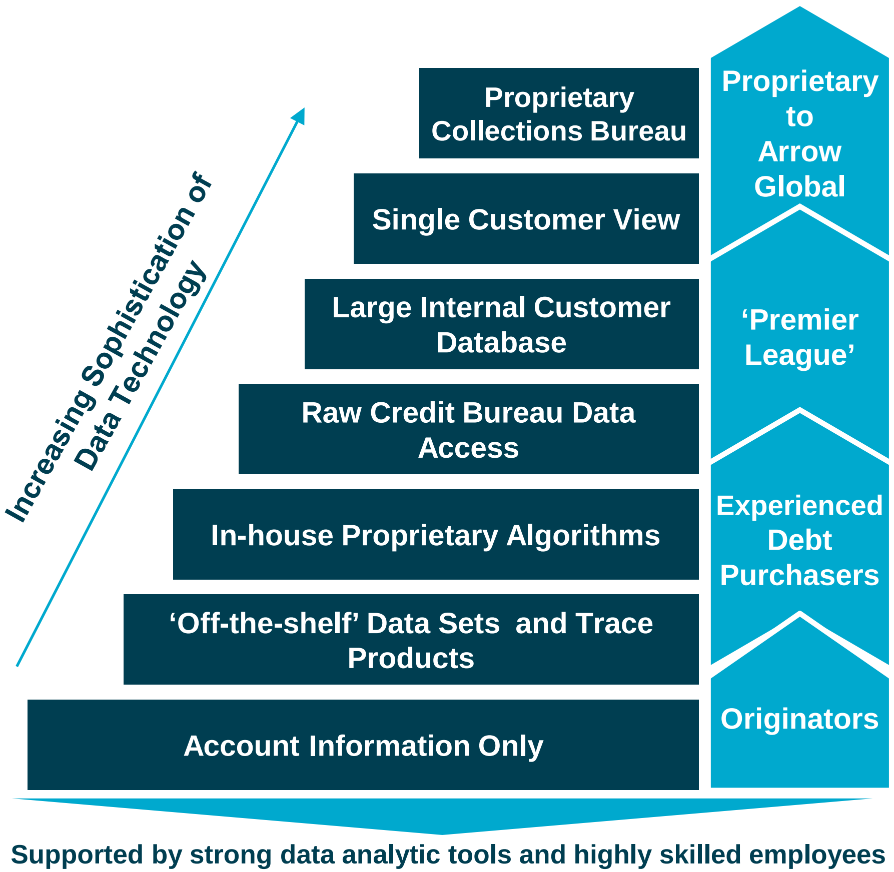
1. From latest publicly available information as of Jun-2013. 2. Based on management estimate. 3. 1 year growth rate LTM from latest reported period. 4. Source is OC&C Strategy Consultants European Industry Index November 2013. The scoring has been calculated using quantitative and qualitative data to allocate scores in four categories: financial performance, operational efficiency, strategy and scope and innovation. 5. Coupon at issue. Cabot has since issued at 8.375 in Aug-2013.

HIGH BARRIERS TO ENTRY

	Creditor Relationships	Scale	Data Excellence	Regulation and Compliance
	➢ Large creditors typically only work with trusted partners who meet stringent panel requirements ➢ Trends towards smaller panels with stronger, longer-lasting relationships	➢ Few buyers with sufficient scale and firepower to acquire and on-board large/mixed portfolios ➢ Cost economies for largest players	➢ Larger data sets and advanced analytical capabilities enable more accurate underwriting and enhanced ability to drive collections	➢ Consumer Credit Licence required ➢ Increased regulatory and compliance requirements
Arrow Global Advantage	**➢ 50+ creditor relationships** **➢ Opportunity to bid on 70% to 80% of all defaulted consumer debt portfolios sold in the UK**	**➢ £8.6bn owned and managed assets** **➢ Access to capital markets funding**	**➢ 15.1m records in the PCB** **➢ > 30% pre-purchase average match rate**	**➢ Low complaint ratio of 16 FOS complaints per million accounts[1]** **➢ Founder member of industry compliance programme[2]**

1. Data for LTM as of Jun-2013. Complaint ratio calculated as the number of initiated FOS complaints per 1m accounts.
2. Assessed by PwC.

LEADING DATA AND ANALYTICS CAPABILITIES



Why is it important to get the data right?

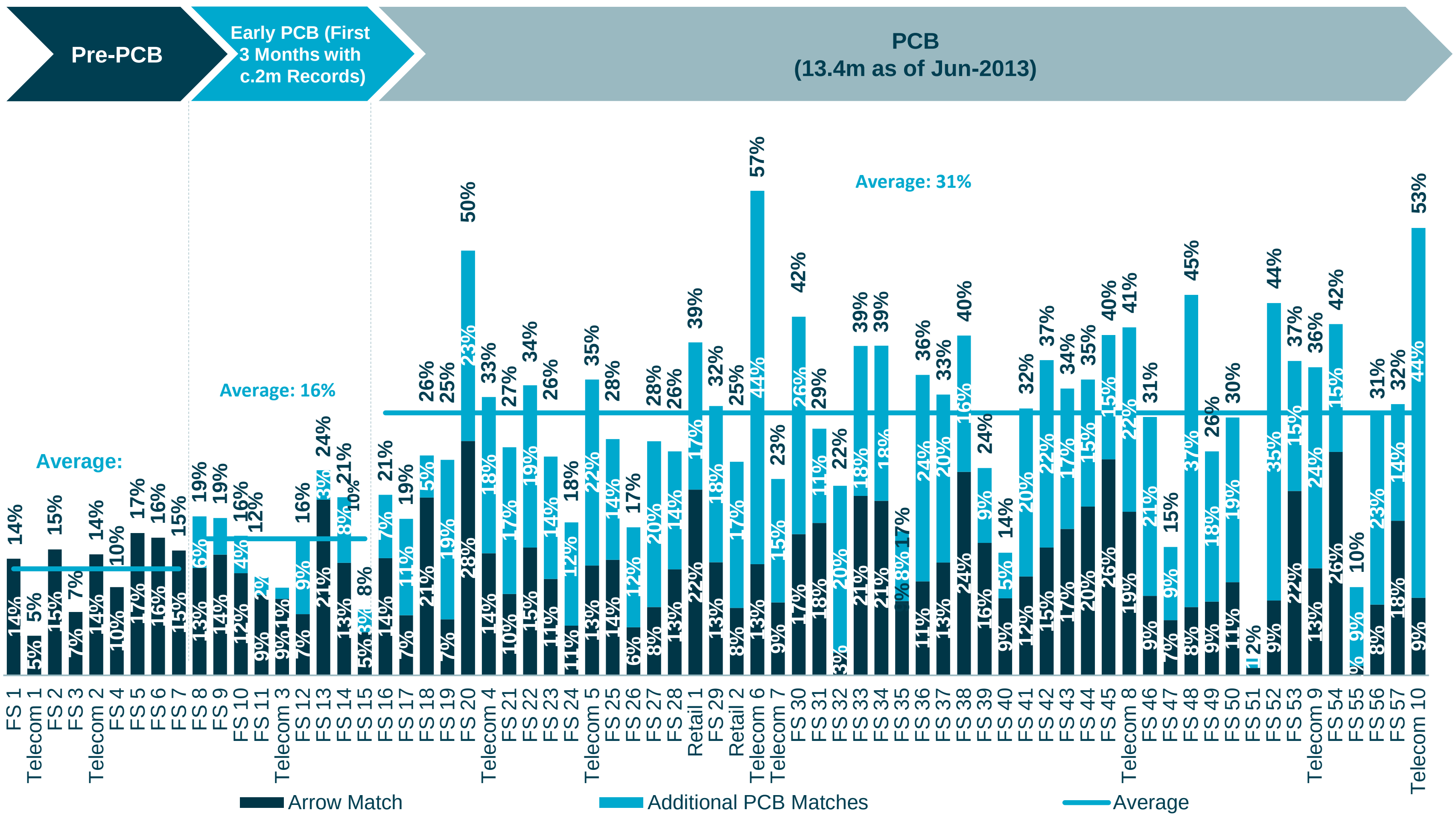
- Reduce underwriting risk / improve pricing
- Drive stronger cash collections
- Improve operational efficiency
- Improve the customer experience

"…Arrow Global has got more data sophistication than anyone else…"
Managing Director, Servicer 1

"…They do some pretty clever stuff. Their analysis proves to be true…"
Managing Director, Servicer 2

Source: OC&C Report 2012

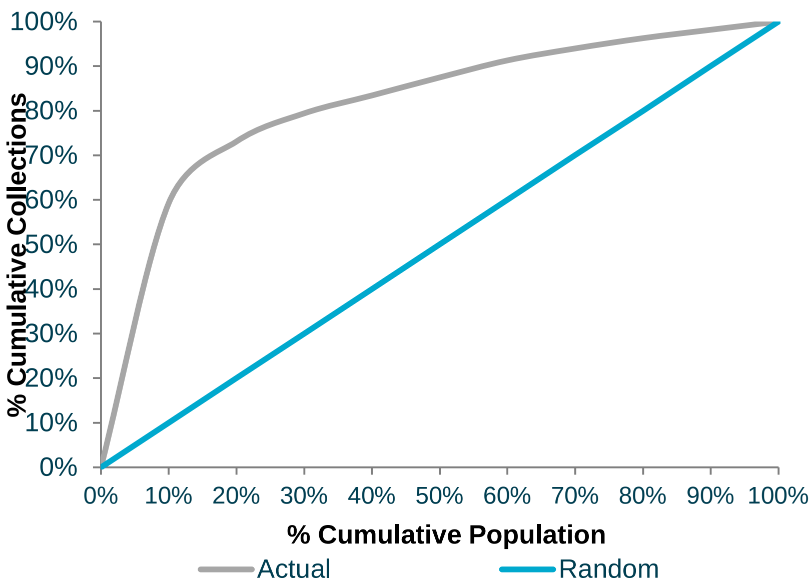
LEADING DATA AND ANALYTICS CAPABILITIES
PROPRIETARY COLLECTIONS BUREAU MATCH RATES



PCB success enhanced by the Arrow Global master servicing model – hard to replicate

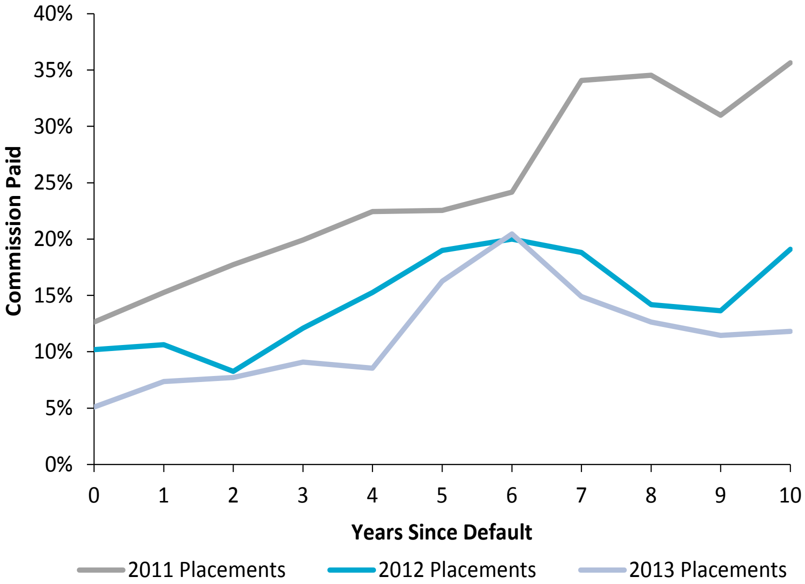
LEADING DATA AND ANALYTICS CAPABILITIES
POWER OF PLACEMENT ANALYTICS AND IMPACT ON COSTS

Placement Model Performance



- Can accurately identify the 30% of accounts that generate 80% of all collections – enables negotiation of lower commissions on better quality accounts and improves the activity and return on portfolios

Commission Paid on Collections by Years Since Default



- Introduction of VBS in 2011 and subsequent strategy developments (TRIAGE, PCB, 3PDM) has reduced the cost to collect regardless of the age of the account

DIVERSIFIED ORIGINATION AND DISCIPLINED UNDERWRITING

UK Debt Seller Relationships

Enables recurring purchases from long-term relationships

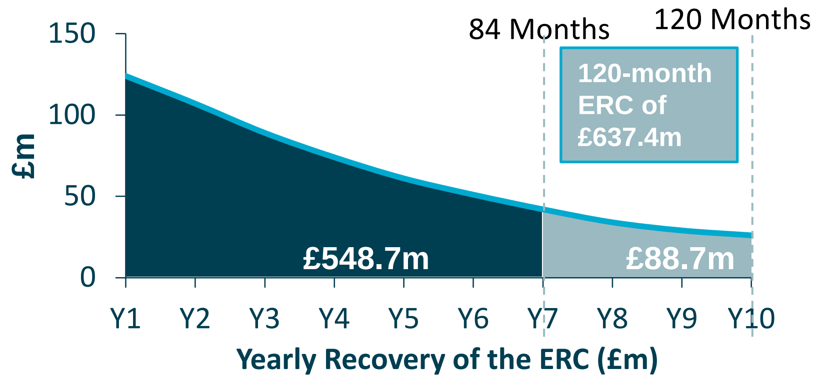
Underwriting Accuracy and Net IRRs

		Gross Cash as % of Underwriting Forecast to Jun-2013	Net 84M IRR
By Vintage	Pre-2010	101%	26.6%
	2010	107%	39.9%
	2011	103%	29.9%
	2012	102%	22.7%
	1H 2013	102%	23.2%
By Asset Class	Financial Services	103%	27.5%
	Retail	101%	24.2%
	Telco	110%	39.1%
Total	Total	103%	27.3%

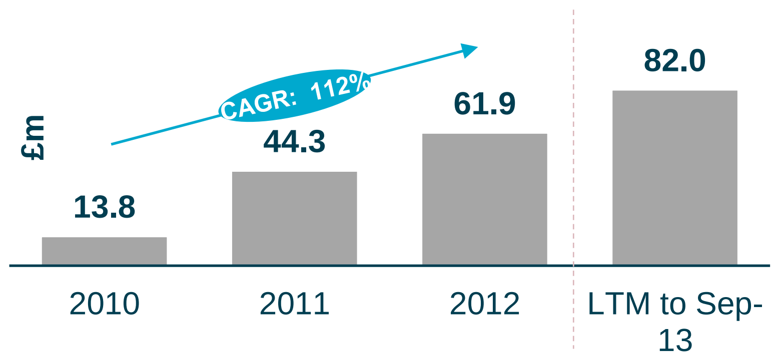
Note: Net IRR calculated using expected Core Collections net of Collection Activity Costs for the next 84 or 120 months subsequent to the date of purchase of the loan portfolio adjusted regularly in line with ERC.
Gross Money Multiples represent the Core Collections to Jun-2013 plus the 84 or 120-Month ERC divided by the purchase price for each portfolio.

HIGHLY CASH GENERATIVE GROWTH BUSINESS WITH SIGNIFICANT EARNINGS VISIBILITY

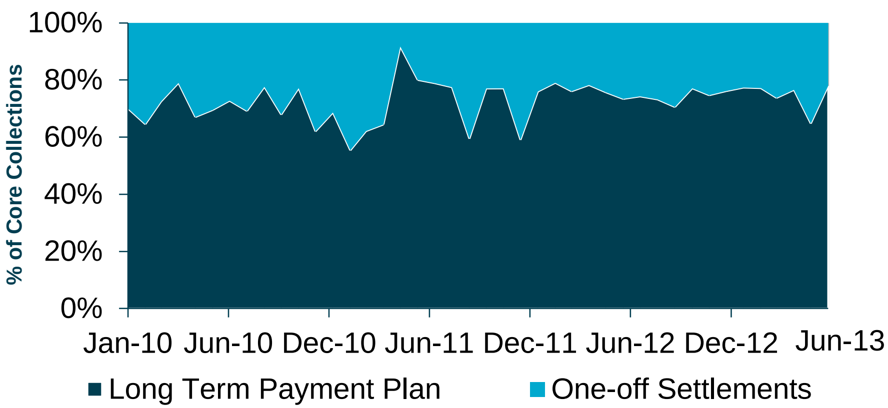
Value Embedded in the Back Book (Jun-2013)



Adjusted EBITDA



Cash Flow Visibility



Key Highlights

- c.75% of Core Cash Collections in the three months ended Jun-2013 derived from small, annuity-like payment arrangements
- For 2012A, 82% of Adjusted EBITDA was driven by assets acquired prior to Jan-2012

ARROW GLOBAL

PROVEN ABILITY TO EXPAND INTO NEW ASSET CLASSES

New Geographies

- Proven ability to introduce business model in Portugal
- Planned further expansion in select European countries

New Consumer Asset Types

- Currently piloting Second Lien Debt and Student Loans
- Public Sector Debt

Asset Management

- Servicing consortium partners' debt portfolios, leading to purchases through secondary sales

Master Servicing Business Model Enables Growth with:

1. Reduced Risk
2. Low Capex Requirements
3. Speed to Market

Business well-positioned and strongly funded to support future growth

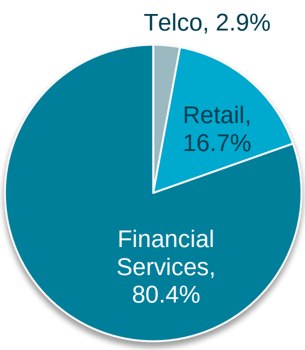
ARROW GLOBAL

Proprietary and Confidential

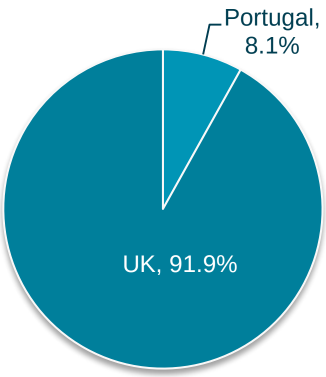
III. FINANCIALS AND KEY TARGETS

ARROW GLOBAL PORTFOLIO SNAPSHOT

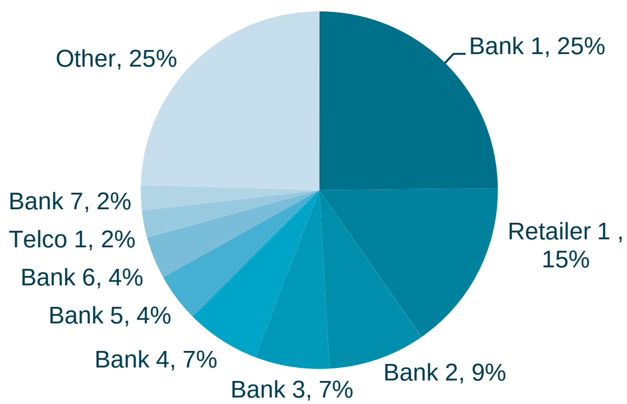
Portfolio Split by Asset Class – Purchase Cost (to Sep-2013)



Portfolio Split by Geography – Purchase Cost (to Sep-2013)



Split by Originator – Purchase Cost (to Sep-2013)

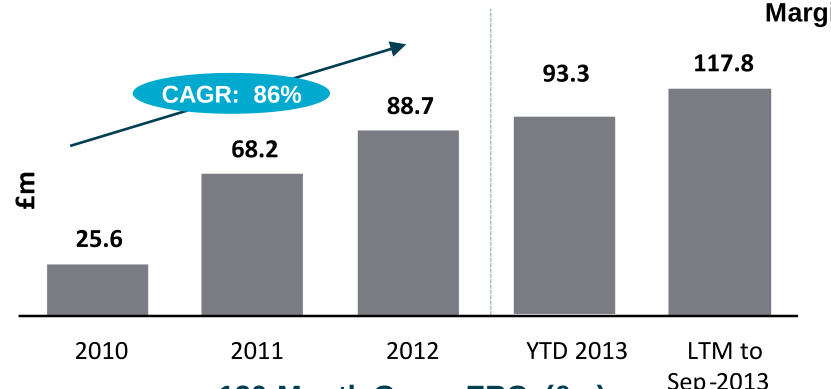


Key Highlights

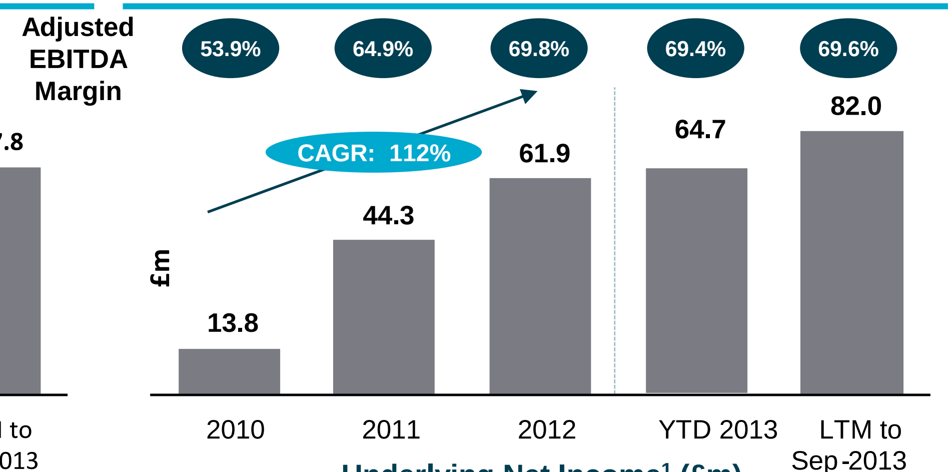
- Mainly invested in the UK – £5.9 billion by face value
- £1.0 billion portfolio in Portugal by face value
- 5.0 million total purchased accounts with average account balance of £1,397
  - Average balance of financial services debt of £2,436, retail of £476 and telco of £322
  - Average balance of paying accounts of £2,542
- Over £1.6 billion of asset management receivables under management
- Cumulative gross collections as of September 2013 are at 103% of underwriting forecast

KEY FINANCIAL HIGHLIGHTS

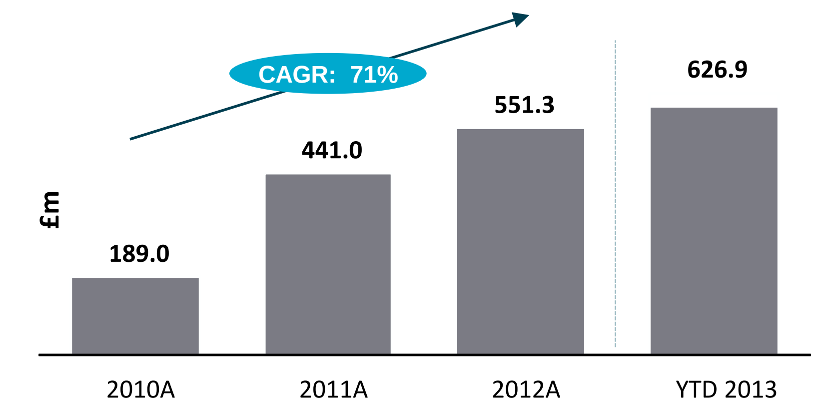
Core Cash Collections (£m)



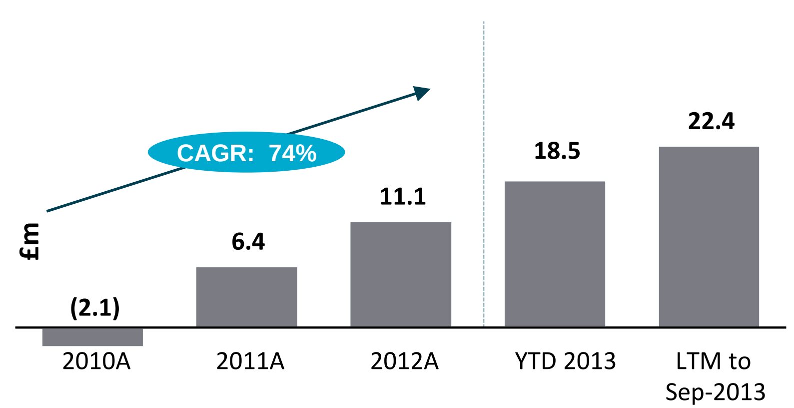
Adjusted EBITDA (£m)



120-Month Gross ERC (£m)



Underlying Net Income[1] (£m)



1. Net income adjusting for post-tax effect of exceptionals. Net income is equivalent to profit/(loss) for the period attributed to equity shareholders.

ARROW GLOBAL

KEY FINANCIAL DRIVERS IN THE ARROW GLOBAL MODEL
ILLUSTRATIVE MECHANICS

Face Value of Purchased Portfolios × Price as % of Face Value = New Purchases × Expected Money Multiple / IRR Target = Collections from New Purchased Portfolios

Collections from New Purchased Portfolios + Collections from Existing Portfolios (ERC) = Core Cash Collections ± Portfolio Amortisation and Revaluations = Revenue

Revenue − Collection Costs − Overhead Costs = EBITDA − Financing Costs − Taxes = Net Income

Key Driver

EXPLAINING INCOME STATEMENT BUILT-UP
DIFFERENTIATING CASH AND NON-CASH ITEMS

		Cash	Non-Cash
	P&L		
1	Core Cash Collections[1]	✓	
2	Portfolio Amortisation		✓
3	Income From Purchased Loan Portfolios		
4	Portfolio Revaluations		✓
5	Income from Asset Management	✓	
6	Other Income[2]	✓	
	Total Revenue		
	Collection Activity Costs	✓	
	Overhead Costs	✓	
	Total Operating Expenses (Pre-Exceptionals)		
	Adjusted EBITDA	✓	
	Non-Cash Operating Expenses[3]		✓
	Exceptional Items	✓	
	EBITDA		
	Depreciation & Amortisation		✓
	Financing Costs	✓	
	Profit Before Tax		
	Taxes[4]	✓	
	Net Income[5]		

Comments

1 **Core Cash Collections:** Sum of the collections from owned purchased loan portfolios (existing portfolios ERC + front book originated in a given year)

2 **Portfolio Amortisation:** Difference between actual core cash collections and income from purchased loan portfolios (see point 3)

3 **Income From Purchased Loan Portfolios:** The effective interest rate (EIR) is defined as the portfolio's gross IRR based on the portfolio purchase price and forecast 84-month core cash collections at the date of purchase. The EIR is specific to each asset portfolio acquired. Income from purchased loan portfolios is calculated by multiplying the opening balance of the portfolio on the balance sheet by the EIR. The difference between the actual cash collected and the calculated income from purchased loan portfolios represents portfolio amortisation which will in turn be netted off the carrying value of the portfolio on the Group's balance sheet

Portfolio Revaluations:

4 **4.A Asset Life Driven:** Should the actual cash collections exactly match the initial forecast, the portfolio would be fully amortised (i.e. carrying value written down to zero) after 84 months and the sum of the income from purchased loan portfolios would equal the difference between the 84-month expected core cash collections and its initial purchase price. Given portfolios are expected to generate cash collections beyond year 7, portfolios are often written up as and when appropriate to maintain a positive carrying value as long as the portfolio generates cash

4.B Performance Driven: Quarterly revaluation reviews based on over / under performance of each portfolio vs latest ERC forecast

5 **Income from Asset Management:** Revenue contribution net of collection costs.

6 **Other Income:** Profit/(loss) on portfolio sales

1. Collections on owned portfolios only, i.e., does not include collections from asset management portfolios.

2. Includes profit/(loss) on portfolio and loan note sales, interest income from secured loan notes and interest income.

3. Amortisation of Bank Facility Fees, foreign exchange (gains) / losses Adjustment

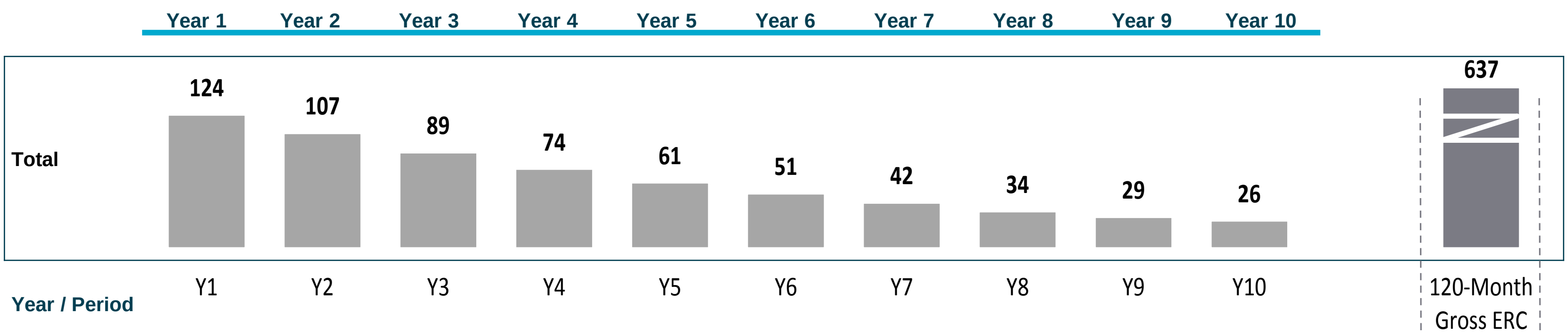
4. Taxes shown in Statement of Comprehensive Income may differ from cash tax paid due to timing differences.

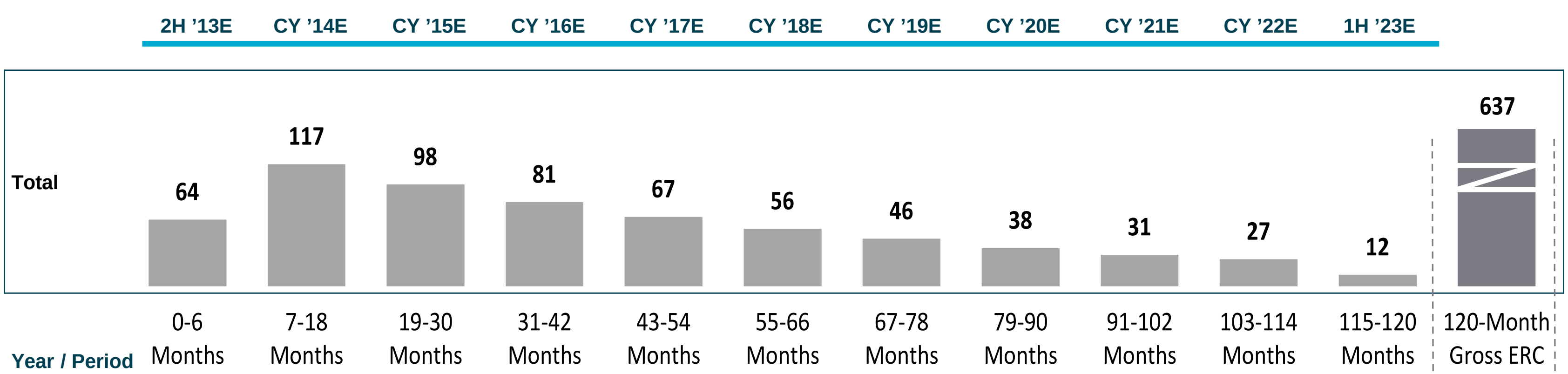
5. Net Income is equivalent to Profit/ (Loss) for the Period attributable to equity shareholders.

ARROW GLOBAL

CORE CASH COLLECTIONS – EXISTING PORTFOLIO (120M GROSS ERC AS OF JUNE – 2013)

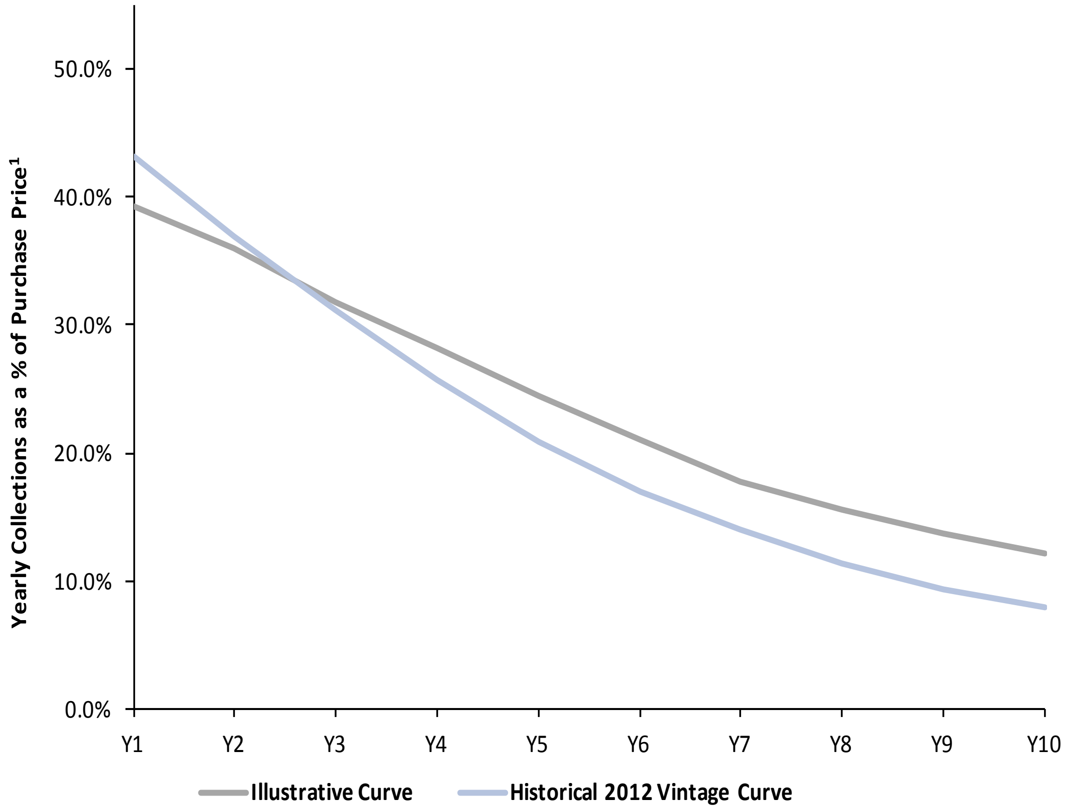
- Collections from existing portfolios are the estimated future collections over the next 120 months based on the purchased loan portfolios as of Jun-2013 and therefore does not include collections related to purchases to be made in the future
- Long term repayment plans and high average account balance allow a good level of visibility in relation to future cash flows
  - c.75% of LTM collections are from established repayment plans
  - For 2012A, 82% of Adjusted EBITDA was driven by assets acquired prior to Jan-2012
- Profitability lags portfolio purchases – for instance, £124m of estimated collections in first twelve months based on the existing portfolios alone is higher than LTM core cash collections of £109m





CORE CASH COLLECTIONS – NEW PURCHASE PORTFOLIO
ILLUSTRATIVE DISTRIBUTION OF COLLECTIONS FOR FS PORTFOLIOS

- In 2012 and 1H 2013, acquired assets underwritten at a 84-month Net IRR of 23%
- Targeting a 84-Month Net IRR of 20%



Illustrative Money Multiples and IRRs

	84 Months	120 Months
Gross Money Multiple	2.0x	2.4x
Net Money Multiple	1.6x	2.0x
Gross IRR	32.4%	34.8%
Net IRR	20%	24%

ARROW GLOBAL

ILLUSTRATIVE EXAMPLE OF ARROW GLOBAL ACCOUNTING METHODOLOGY

- Within IFRS, there are 2 accounting methodologies for portfolio revenue and balance sheet value of portfolios: the Effective Interest Rate (EIR) method and the Fair Value through Profit and Loss (FVTPL) method
- Arrow Global has always accounted under the EIR methodology
- EIR methodology is a conservative approach as it recognises revenue over the life of the asset
- Once set, the EIR is fixed for the life of the asset

- The example shown below is based on monthly EIR[1] Revenue recognition calculation, aggregated to a yearly basis
- Purchased Loan Portfolio value based on a 7-year accounting period with no terminal value
- Because there is value beyond 7 years, revaluation will be required every year

Key Assumptions

- Illustrative Purchase Cost: £100m
- Total Collections over 84 months: ~£200m
- Total Collections over 120 months: ~£240m
- Gross Money Multiple over 10 years: 2.4x
- 84-Month Net IRR: 20%
- Implied EIR of 32% equals the gross IRR over 84 months at the time of purchase

Projections at Acquisition Date	Annual Summary				
P&L	**Yr 1**	**Yr 2**	**Yr 3**	**Yr 4**	**Yr 5**
Core Cash Collections	39	36	32	28	24
Implied portfolio amortisation	(14.7)	(12.1)	(11.0)	(10.1)	(8.8)
Interest Income (EIR x Opening Balance)	24.5	23.9	20.9	18.2	15.7
Portfolio Revaluation	3.8	1.1	1.0	0.9	0.8
Purchased Loan Portfolio					
Portfolio Value BoP - After Write-up	**100.0**	**89.2**	**78.2**	**68.2**	**59.1**
Amortisation of Existing Portfolios	(14.7)	(12.1)	(11.0)	(10.1)	(8.8)
Portfolio Value EoP - Pre Revaluation	**85.3**	**77.1**	**67.2**	**58.2**	**50.3**
Portfolio Revaluation	**3.8**	**1.1**	**1.0**	**0.9**	**0.8**
Portfolio Value EoP - After Write-up	89.2	78.2	68.2	59.1	51.1
Ratio					
Port. Amort. and write-up as % of Core Coll.	27.6%	30.4%	31.3%	32.5%	32.5%

1. Monthly EIR revenue is calculated as (((1+EIR)^(days in month/365)-1) x Purchased Loan Portfolio at the beginning of the period.

2. Portfolio Amortisation through Statement of Comprehensive Income

3. Net present value of monthly collections over the next 84 months discounted at the EIR at purchase

SUMMARY OF ARROW GLOBAL'S REVENUE BUILD UP

- Accounting rules require revaluations for under and over performance against original forecast
- Strong collection performance of existing portfolios has resulted in positive revaluations

	YE 31- Dec, £'000 - IFRS	2010A	2011A	2012A	Sep YTD	LTM Sep-2013	CAGR '10A - '12A
1	Core Cash Collections	25,646	68,248	88,720	93,250	117,833	86%
2	**(Portfolio Amortisation)**	**(7,684)**	**(20,755)**	**(26,459)**	**(29,109)**	**(36,628)**	**86%**
3	Income from Purchased Loan Portfolios	17,962	47,493	62,261	64,141	81,205	86%
4	**Portfolio Revaluations**	**5**	**816**	**1,241**	**4,746**	**5,520**	**NM**
	(Portfolio Amortisation)+ Portfolio Revaluations as a % of Core Cash Collections	29.9%	29.2%	28.4%	26.1%	26.4%	
5	Income from Asset Management	-	1,447	1,818	1,101	1,688	NM
6	Other Income	2,073	130	520	133	335	(50)%
	Total Revenue	**20,040**	**49,886**	**65,840**	**70,121**	**88,748**	**81%**

Revaluation in LTM to Sep-2013 due to strong performance of Portugal and 2011 vintage

- Historical amortisation and revaluation lower than illustrative example based on the targeted forward curve:
  - Higher IRR historically than assumptions under forward curve
  - Higher historical revaluations given strong portfolio performance of Portugal and 2011 vintage

ARROW GLOBAL

STATEMENT OF COMPREHENSIVE INCOME

YE 31-Dec, £('000) - IFRS	2010A	2011A	2012A	9 months to Sept 2013A	LTM to Sep-'13	CAGR '10A-'12A
Core Cash Collections[1]	25,646	68,248	88,720	93,250	117,833	86%
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Other Income[2]	2,073	130	520	133	335	(50)%
Total Revenue	20,040	49,886	65,840	70,121	88,748	81%
Collection Activity Costs	(6,902)	(18,152)	(19,645)	(21,018)	(26,796)	69%
Overhead Costs[3]	(6,985)	(7,359)	(9,473)	(8,751)	(11,072)	16%
Total Operating Expenses (pre-Exceptionals)	**(13,887)**	**(25,511)**	**(29,118)**	**(29,769)**	**(37,868)**	**45%**
Adjusted EBITDA[4]	13,832	44,314	61,940	64,715	81,988	112%
Non-cash operating expenses[5]	(36)	120	(2,671)	(371)	(1,212)	NM
Exceptional Items	-	(2,871)	(1,879)	(7,230)	(9,054)	NM
EBITDA	**6,117**	**21,624**	**32,172**	**32,751**	**40,614**	129%
Depreciation & Amortisation	(244)	(283)	(835)	(557)	(750)	85%
Financing Costs (pre-exceptionals)	(7,882)	(15,132)	(19,189)	(14,455)	(19,490)	56%
Profit Before Tax	(2,009)	6,209	12,148	17,739	20,374	NM
Taxes	(45)	(2,006)	(2,736)	(5,323)	(5,359)	NM
Net Income[6]	(2,054)	4,203	9,412	12,416	15,015	NM
Underlying net income[7]	(2,054)	6,392	11,113	18,502	22,760	NM
Key ratios						
Cost-to-Collect Ratio[8]	26.9%	26.6%	22.1%	22.5%	22.7%	
Adjusted EBITDA Margin[9]	53.9%	64.9%	69.8%	69.4%	69.6%	
Portfolio Amoristaion + Revaluation as % of Core Cash Collections	29.9%	29.2%	28.4%	26.1%	26.4%	

1. Collections on owned portfolios only, i.e. does not include collections from asset management portfolios.
2. Includes profit/(loss) on portfolio and loan note sales, interest income and interest income from secured loan notes.
3. Include: Professional Fees and Services (pre-exceptionals), Other Expenses (pre-exceptionals) net of depreciation and amortisation, amortisation of bank fees and foreign exchange (gains)/losses.
4. See p.38.
5. Consist of amortisation of bank fees and foreign exchange (gains)/losses.
6. Net Income is equivalent to Profit for the period attributable to equity shareholders.
7. Net Income adjusted for exceptional items and tax impact
8. Collection activity costs as a % of Core Cash Collections.
9. Adjusted EBITDA as % of Core Cash Collections.

FREE CASH FLOW GENERATION

- **Near 100% Cash Conversion Ratio**
- **£79.1m LTM to Sept-2013 free cash flow pre-financing, taxes and purchases compared to £45m[6] of purchases required annually to maintain current ERC**

YE 31-Dec, £('000) - IFRS	2010A	2011A	2012A	9 months to Sept 2013A	LTM to Sep-'13	CAGR '10A-'12A
Core Cash Collections	25,646	68,248	88,720	93,250	117,833	86%
Income from Asset Management	-	1,447	1,818	1,101	1,688	NM
Other Income	2,073	130	520	133	335	(50)%
Collection Activity Costs	(6,902)	(18,152)	(19,645)	(21,018)	(26,796)	69%
Overhead Costs[1]	(6,985)	(7,359)	(9,473)	(8,751)	(11,072)	16%
Adjusted EBITDA[2]	13,832	44,314	61,940	64,715	81,988	112%
Capital Expenditures[3]	(265)	(1,777)	(719)	(461)	(483)	65%
Change in Operating Working Capital[4]	31	(3,518)	(2,406)	(1,220)	(2,421)	NM
Free Cash Flow Pre Portfolio Purchases, Tax and Financing Costs	13,598	39,019	58,815	63,034	79,084	108%
Cash Conversion Ratio[5]	98.3 %	88.1 %	95.0 %	97.4 %	96.5 %	

1. Include: Professional Fees and Services (pre-exceptionals), Other Expenses (pre-exceptionals) net of depreciation and amortisation, amortisation of bank fees and foreign exchange (gains)/losses.
2. Adjusted EBITDA represents Core Collections (which includes income from purchased loan portfolios and portfolio amortization), including the effects of income from asset management, other income, and operating expenses, and excluding the effects of depreciation and amortisation, foreign exchange (gains)/losses, amortisation of acquisition and bank facility fees and exceptional items included under professional fees and services and other operating expenses.
3. Capital expenditure comprises leasehold improvements, computer equipment, furniture and software licenses.
4. Changes in Operating Working Capital include deferred consideration, (increase) / decrease in other receivables, increase / (decrease) in trade and other payables and amortisation of legal acquisition fees on portfolios.
5. Cash Conversion Ratio calculated as free cash flow pre-financing, taxes, purchases and exceptional items as a % of Adjusted EBITDA.
6. Arrow Global estimate; assumes that portfolios are purchased at the target money multiples/IRRs.

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BALANCE SHEET

➢ **Purchased Loan Portfolios make up 92% of total assets as at Sept-2013**

YE 31- Dec, £'000 - IFRS	2010A	2011A	2012A	Sep 2013A	CAGR '10A - '12A
Assets					
Cash and Cash Equivalents	4,681	6,440	9,610	6,301	43.3%
Purchased Loan Portfolios	62,435	150,005	208,171	258,108	82.6%
Other Assets[1]	4,427	10,138	11,171	17,279	58.9%
Total Assets	71,543	166,583	228,952	281,688	79%
Liabilities					
Senior Secured Notes	-	-	-	211,586	NM
Senior Secured Notes Interest	-	-	-	1,444	NM
Bank Loan	7,027	58,983	97,381	-	NM
Shareholder's Loan	55,725	91,703	106,585	-	38.3%
Other Liabilities[2]	9,690	12,887	12,431	14,613	NM
Total Liabilities	72,442	163,573	216,397	227,643	73%
Total Equity	(899)	3,010	12,555	54,045	NM
Total Equity and Liabilities	71,543	166,583	228,952	281,688	79%
Key Metrics					
Net Debt[3]	2,346	54,748	90,365	215,143	NM
Net Debt/ Equity	NM	18.2 x	7.2 x	4.0 x	NM
Net Debt/ Adjusted EBITDA[4]	0.2 x	1.2 x	1.5 x	3.3 x	NM
LTV Ratio (Net Debt/ 84-month ERC)	1.5%	15.0%	19.5%	39.8%	NM

1. *Other Assets include: Goodwill, Other intangible assets, Property, plant & equipment, Other Receivables, Loan Notes, Deferred Tax Asset, Derivative asset, Current Tax Asset and Secured Loan Notes.*
2. *Other Liabilities include: Non-Controlling Interest loan, Deferred Consideration, Deferred tax liability, Trade and other payables, Derivative Liability and Current Tax Liability.*
3. *Net debt is calculated as the sum of the Senior Secured Notes, Bank Loan, Senior Secured Notes interest less Cash and Cash Equivalents.*
4. *Net Debt/Adjusted EBITDA ratio for 1H 2013A is calculated with LTM Adjusted EBITDA.*

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NET DEBT AND LEVERAGE

Pro Forma Indebtedness – as of Sep-2013 (£m)

Key Metrics	
Cash and Cash Equivalents	(6.3)
IPO Proceeds	(42.0)
Bond	220.0
Accrued Bond Interest	1.4
Revolving Credit Facility	-
Net Debt	173.1
LTM Adjusted EBITDA	82.0
84-Month ERC	540
Leverage Metrics	
Net Debt / Adjusted EBITDA	2.1x
LTV (Net Debt / 84-Month ERC)	32.1%

- Successful £220 million bond issue increases flexibility and liquidity to continue growth
  - 7.875% coupon
  - 2020 maturity
- £55 million 5-year (to 2018) revolving credit facility currently undrawn
  - LIBOR + 4.25% interest
- Providing significant capacity for future purchases
  - £6m cash
  - £42m primary capital
  - £55m of RCF
  - c.£5m per month of cash generation post interest and tax

1. Based on YTD Sep-'13 financing costs and Adjusted EBITDA.

OUR KEY FINANCIAL TARGETS

Purchases

- c.£100m for 2013 portfolio purchases
- Growth from all opportunities to exceed UK market growth

Returns

- ≥ 20% 7-year unlevered net IRR on portfolios acquired

Leverage

- < 2.5x Net Debt/LTM Adjusted EBITDA
- < 40% Net Debt/84M ERC

Dividends

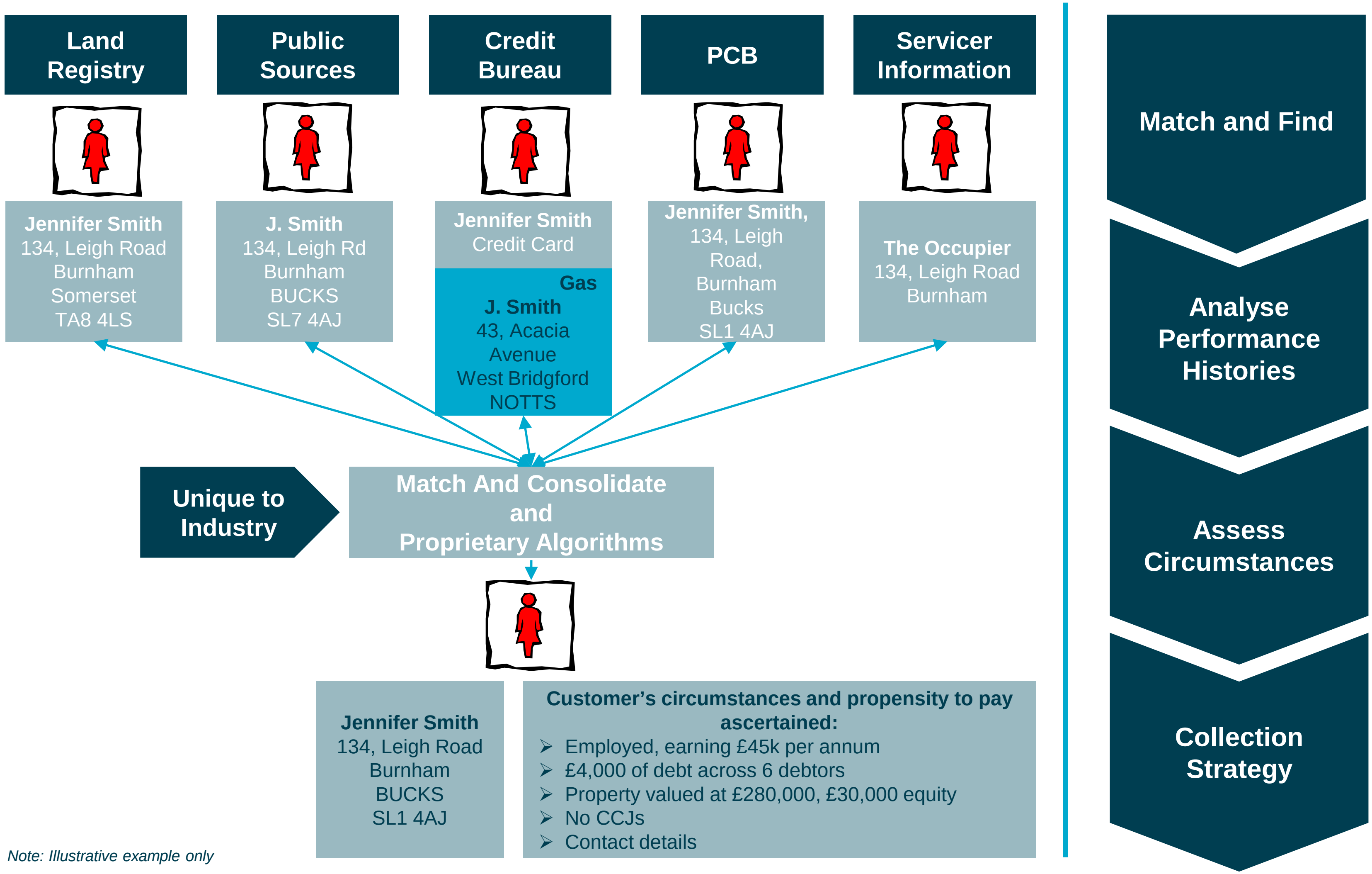
- Progressive dividend policy
- Payout ratio of 25-35% of annual underlying net income[1]

1. Underlying net Income is net income adjusted for the post-tax effect of exceptionals.

ARROW GLOBAL

APPENDIX A:
DATA & ANALYTICS

ARROW GLOBAL'S SINGLE CUSTOMER VIEW



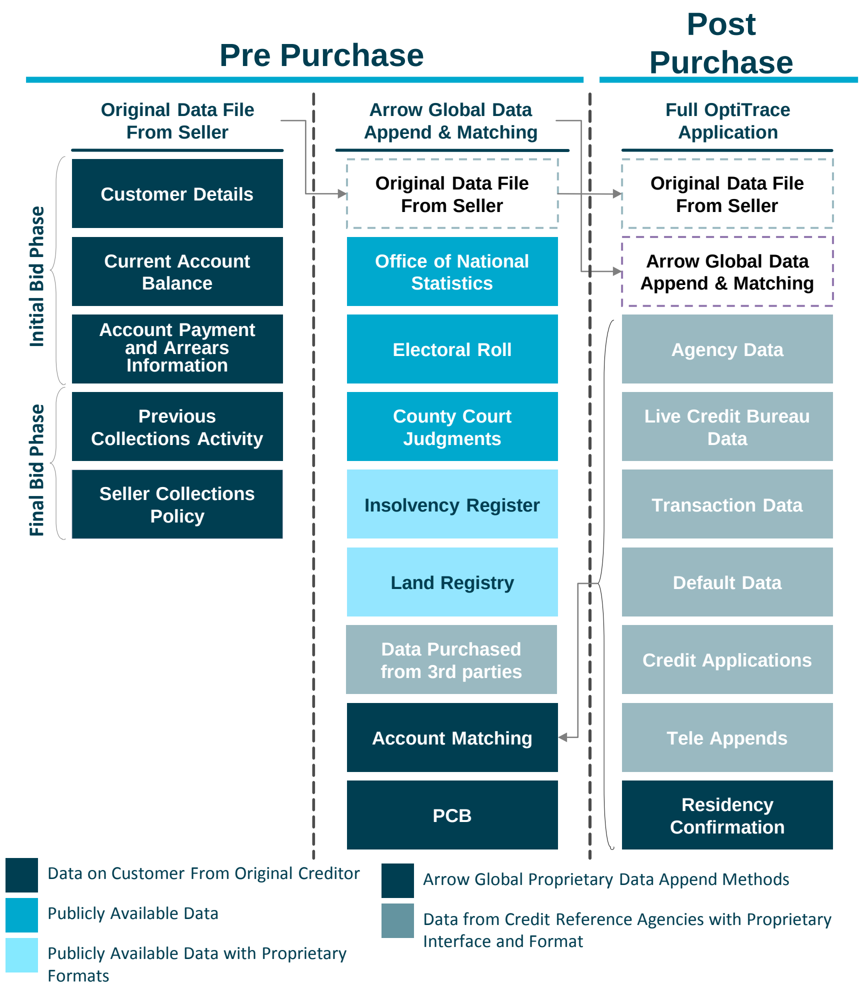
Note: Illustrative example only

FLEXIBILITY FROM MASTER SERVICER MODEL ENABLES ARROW GLOBAL TO COLLECT DIVERSE RANGE OF DEBT TYPES

	Examples
Customer Characteristics	➢ Geography: England, Scotland, Wales, Channel Islands, urban, rural ➢ Homeowner Status: English homeowner, Scottish homeowner, tenant ➢ Residence: Residency confirmed, gone away ➢ Phone Number Status: Confirmed phone contact, phone number needed ➢ Propensity to Pay: High, medium, low ➢ Preferred Communication Method: Phone, email, mail ➢ Special Needs: Mental health, hearing impaired, budget challenged, easily stressed ➢ Language Preference: English, non-English speaking ➢ Other Attributes: Student, elderly, family
Debt Characteristics	➢ Debt Balance: High, medium, low ➢ 3PDM: Cab, StepChange, Payplan, fee charger ➢ In-situ: Agency retained, law firm retained ➢ Asset Type: Credit card, personal loan, overdraft, auto, student loan, retail, telco ➢ Solvency: IVA, BK, Trust deed ➢ Security: Unsecured, secured, second lien, charging order ➢ Type of Debt: Non defaulted, paying, non-paying

Arrow Global has detailed performance histories at the account and characteristic level

ARROW GLOBAL’S DATA MAP



Pre-Purchase Data Challenge

- Distressed data
  - Incorrect contact information due to customer mobility
  - Data transferability difficult due to complex and antiquated bank systems
- No single appropriate UK National ID available for collections process
- No “single customer view” in Credit Reference Agencies
  - Multiple debts of individual debtors are not linked
  - Average UK debtor has 8 debt accounts
- Lack of access to credit reference agencies until post-acquisition
- PCB data is available pre-purchase to increase match rates and enhance underwriting accuracy

Arrow Global manages multiple disparate data sources into a single customer view

PROPRIETARY COLLECTIONS BUREAU
CONCEPT

Arrow Global | **Servicers** | **3PDMs** | **Creditors**

Experian – acting purely as host

Match Output

Arrow Global

- Accumulated internal databases of 3.4m unique UK debtors and c.5m records through own portfolio collection experiences
- Proprietary Collections Bureau offers potential for step-change in access to data and account matches that will increasingly improve with wider industry acceptance
  - 24 partner data contributors
  - 15.1m individual records

Key Benefits

- Greater data accuracy
- Compliance and customer experience improved
- Better matching at underwriting
- Creditors' reputation protected
- Improved placement strategy
- Collection performance increased
- Collection cost reduction

Arrow Global's master servicing model is particularly well-suited to PCB

APPENDIX B: ORIGINATION CAPABILITIES

ESTABLISHED RELATIONSHIPS WITH OVER 50 CREDITORS
INVESTING IN C.20 DEALS PER YEAR

	UK	Portugal
Financial Services	HSBC, American Express, HBOS plc, mbna, Sainsbury's Bank, Intelligent Finance, Nationwide, nab, Cerberus Capital Management, L.P., Hitachi Capital, paragon, HFC Bank, citifinancial, Vanquis Bank, SallieMae, Cetelem, Santander, Bank of America, egg, The co-operative bank, Morgan Stanley, Lloyds TSB, Virgin money, Bradford & Bingley, Carval Investors, RBS The Royal Bank of Scotland Group, Capital One, Alliance Leicester, Barclays	Santander, GE, Cofidis, AXA redefining / standards, Cetelem, Grupo BBVA, Barclays, Cofinoga, BNP Paribas, Carval Investors, Bank of America, Unicre Inovação e Confiança, RCI Banque groupe Renault
Non-Financial Services	orange, Carphone Warehouse, Mercedes-Benz, vodafone, M&S, next, O2, JD Williams Look great, feel good, shop direct group	CEAC

MEMBERSHIP ON CREDITOR PANELS CRITICAL TO SUCCESS

➢ **Arrow has long-term recurring relationships with key creditors**

	Originator	Date of First Acquisition / Asset Management Contract	Date of Latest Acquisition/ Asset Management Contract	No of Portfolios
Financial Services	Bank 1	June 2006	December 2012	22
	Bank 2	June 2006	June 2013	5
	Bank 3	July 2007	January 2013	7
	Bank 4	May 2006	April 2013	16
	Bank 5	June 2006	June 2012	9
	Bank 6	July 2011	October 2012	9
	Bank 8	December 2006	October 2012	5
	Creditor 1	November 2010	January 2013	5
Retail	Retailer 1	March 2011	June 2013	5
Telco	Telco 1	December 2007	December 2012	3
Creditor Panel Requirements	➢ Audited Regulatory licenses, Access to funding, Risk sign-off, Post-sale interfaces, Data security sign-off			

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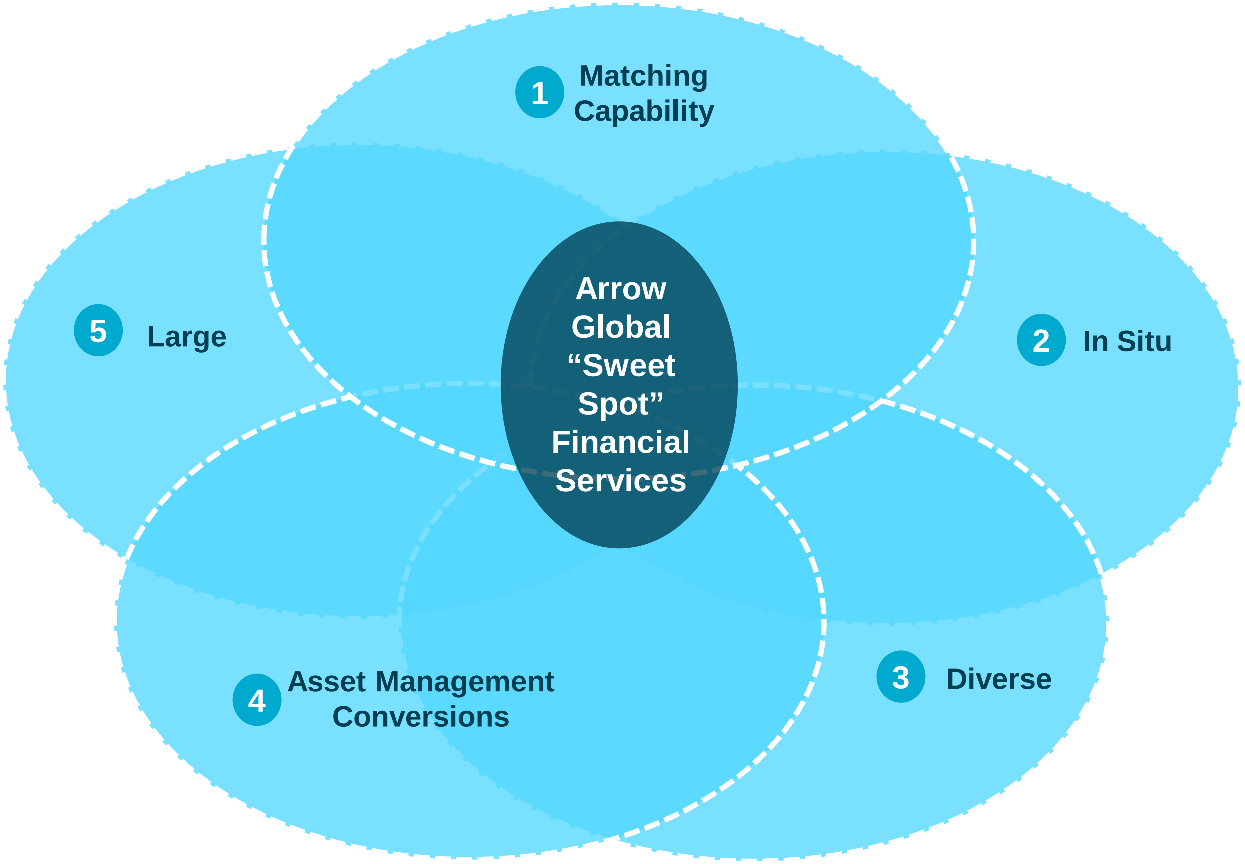
ARROW GLOBAL "SWEET SPOT" CHARACTERISTICS



Source: OC&C 2012 Report

APPENDIX C: UNDERWRITING

UNDERWRITING PROCESS

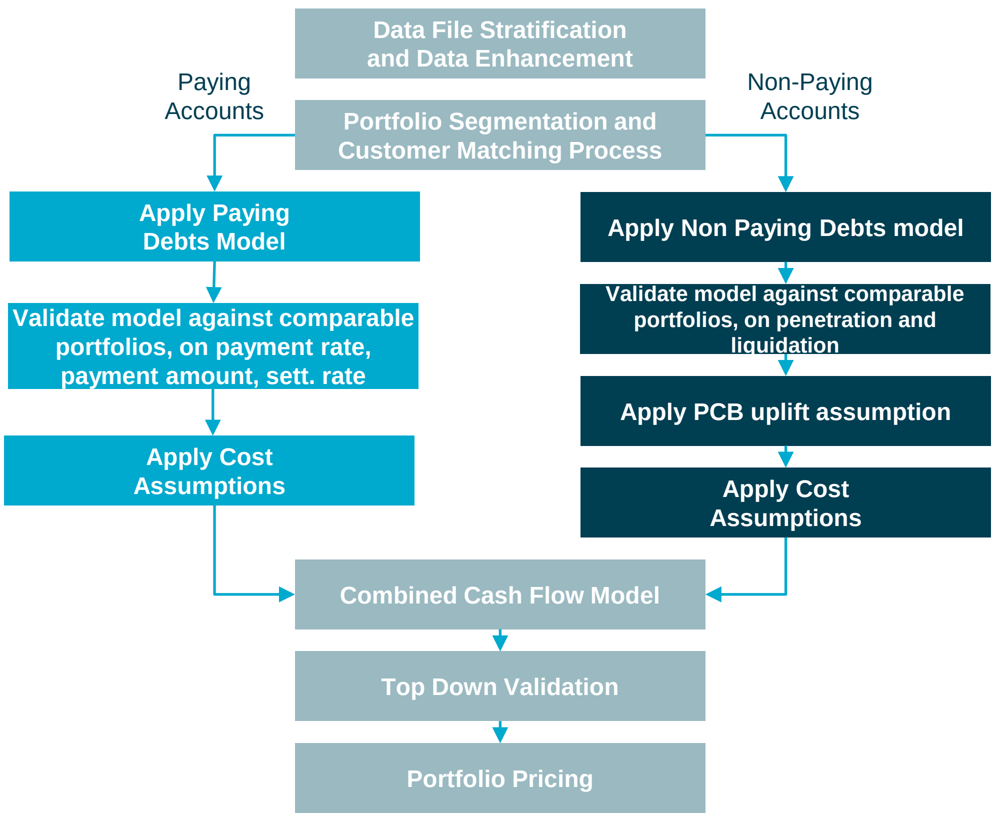
Stage	Process step	Required Arrow Global Members	Filtering of Portfolios - # Deals[1]
Indicative Bid Stage	Preliminary Assessment ↓ Indicative Bid Underwriting Meeting (Gate #1) ↓ Indicative Pricing	**CIO, CEO, CFO, Executive Director**, Investment Manager, Commercial Director and Director of Analytics	**80-100 deals p.a.**
Final Bid Stage	↓ Pre Launch of Final Bid Underwriting Meeting (Gate #2) ↓ Due Diligence and Final Pricing	**CIO, CEO, CFO, Executive Director**, Investment Manager, Commercial Director, Head of Implementation, Legal Counsel, Director of Analytics	**50-60 deals p.a.**
Final Bid Stage	↓ Pre Final Bid Committee Meeting (Gate #3) ↓ Finalise Bid Pricing ↓ Investment Committee (Gate #4) ↓ Investments / Implementation	**CIO, CEO, CFO, Executive Director,** Head of Implementation, Legal Counsel, Head of Portfolio Management, Investment Manager, Commercial Director, Director of Analytics, Head of Compliance, Senior Manager of Implementation, Head of Development	**40-50 deals p.a.** **c.20 investments p.a**

Robust governance and independent review embedded throughout underwriting process

1. *Deal numbers are based on the 2012 vintage and management estimates*

PRICING MODEL

Pricing Process



- Large and diversified database (previously acquired portfolios, PCB) allowing for accounts matching pre-purchase
- Proprietary automated techniques to append missing and inaccurate data, increase matching rate and provide better insight into the portfolio characteristics
- Bespoke and differentiated approaches for paying and non-paying debts
- Proprietary experience driven statistical models managed by highly skilled staff
- Master servicing model and VBS strategy enable optimisation of servicing costs
- Oversight of pricing process by experienced senior management team
- Use of servicer batch tracks to validate collection curves

- **High accuracy of portfolio collection estimate allowing competitive pricing and generation of strong unlevered returns**

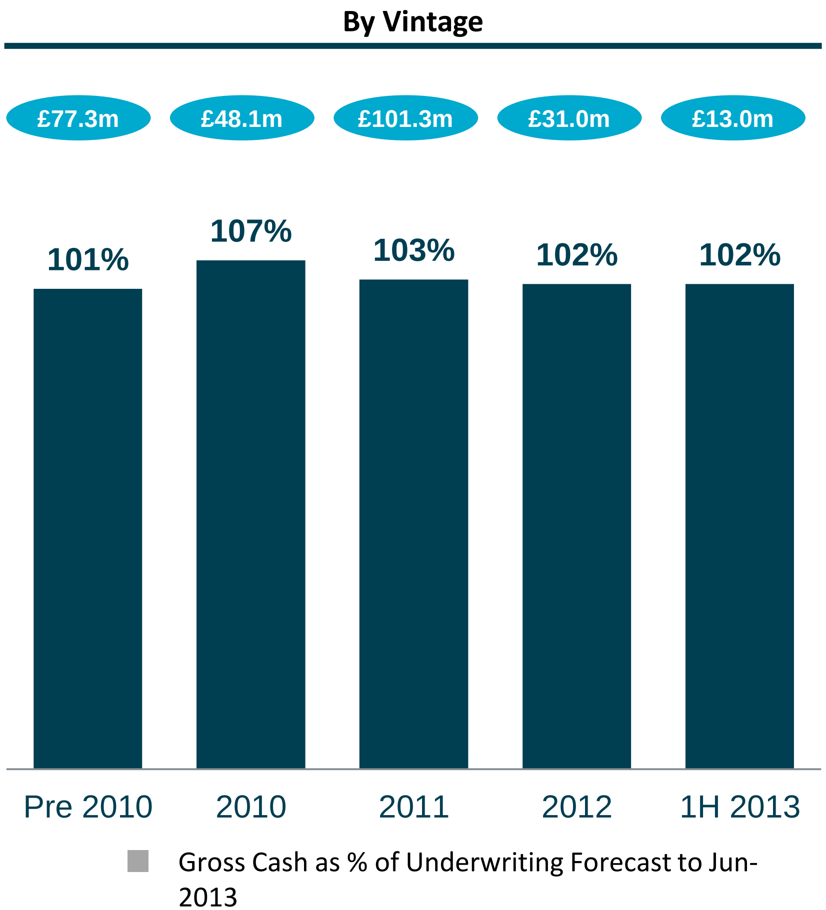
PRE-PURCHASE DUE DILIGENCE PROCESS

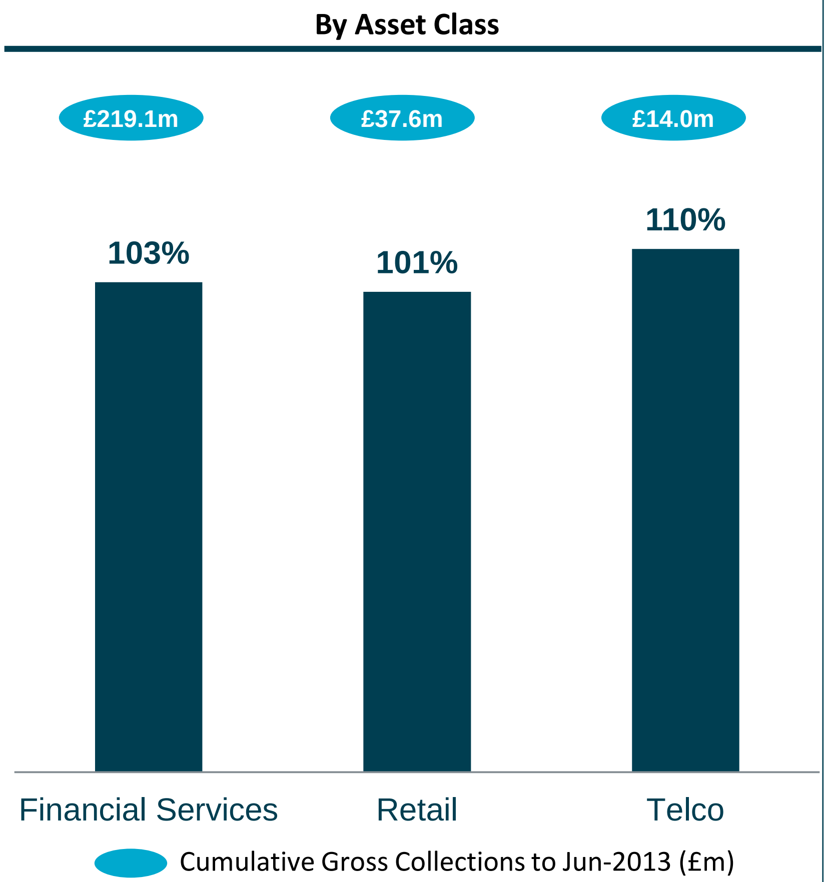
During Pre-final Bid Phase of underwriting process, Arrow Global always performs extensive on-site due diligence

Due Diligence Process

- Review historic collection strategy (based on standard questionnaire)
- Test data file consistency
- Collection process confirmation through account level interrogation
- Operational on-boarding plan prepared by portfolio implementation team

UNDERWRITING ACCURACY WITH A BIAS TOWARDS OUTPERFORMANCE





Data enables sophisticated underwriting and de-risking

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APPENDIX D:
REGULATORY ENVIRONMENT & COMPLIANCE FRAMEWORK

REGULATORY ENVIRONMENT

Current Environment

- OFT credit licence and guidance
  - Key principles: Treat Customers Fairly, be transparent and act proportionately
  - Requirement to hold Consumer Credit Licence
  - Licensees expected to take responsibility for third parties such as servicing partners
- ICO on data protection
  - Responsible for dealing with complaints about data processing
  - Organisations that process personal information must notify ICO

Outlook

- More stringent 'conduct' risk agenda, in line with broader financial services industry
- Move from OFT to FCA – tougher sanctions and closer regulations
- Debt purchasers and servicers are being pro-active, through trade associations CSA and DBSG in shaping tomorrow's regulatory framework
  - e.g., PwC's Continuous Improvement Program
  - **Management actively participates through board positions at CSA and DBSG**
- Greater sophistication in recent years from leading players

Arrow Global is at the forefront of shaping compliance within the industry

RISK AND COMPLIANCE FRAMEWORK EMBEDDED ACROSS THE BUSINESS

Business Risks are considered in four broad categories – reported through risk registers

Strategic Risk:

- Risk of loss to Group earnings associated with lack of responsiveness to changes in the business environment or failure to manage capacity in line with demand

Operational Risk:

- Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including legal risk, e.g.
  - Treating Customers Fairly
  - IT Integrity
  - Fraud
  - Outsourcing

External Environment Risk:

- Risk of loss to the Company as a result of changes in the external environment e.g.
  - Compliance with existing or changes to regulatory requirements (OFT/ICO/CSA)
  - Changes in government policies
  - Changes to macroeconomic environment

Information for Decision Making Risk:

- Risks that impact upon the ability to make decisions such as lack of appropriate information e.g.
  - Pricing
  - Operational/strategic performance measurement
  - Investment evaluation
  - Resource allocation

Underpinned by a suite of Policies and Detailed Procedure Guides

Customer Contact Policies

- General Collections
- Complaints
- Special Circumstances
- Letters, Notices & Copy Documents
- TCF
- Litigation

Governance Policies

- Risk Management
- Compliance Monitoring & Auditing
- Education & Training
- Servicer Agreements
- Environmental
- Cost Control

Data Management Policies

- Data Protection
- Information Security
- Data Retention
- Credit Reference Agency
- Trace
- Aged Debts

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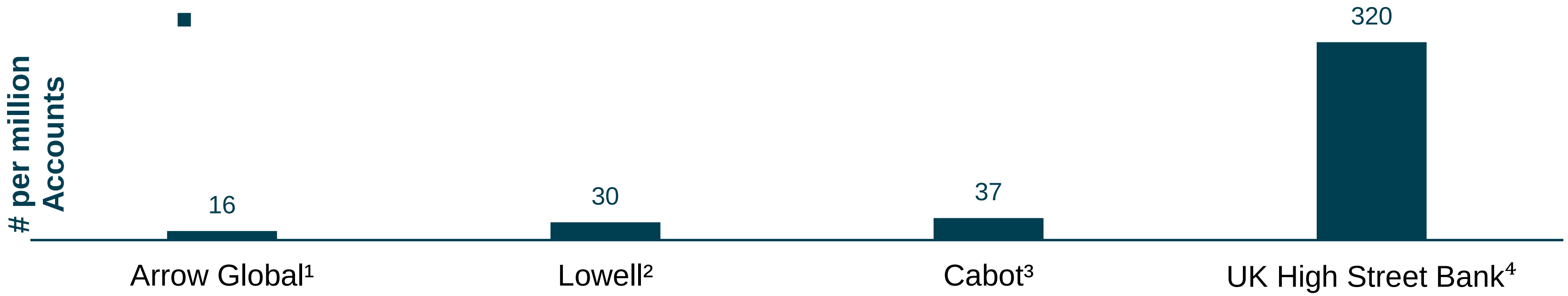
Compliance at the Heart of Operations

- The Group has a history of leading industry efforts to improve standards, by proactively engaging with industry bodies and regulators:
  - Supplier Assurance Framework
  - Internal staff training
  - DBSG Continuous Improvement Programme
  - Proprietary Collection Bureau

Resulting in Low Rate of Complaints



"I have got a lot of trust in Arrow Global's brand and due diligence process – I'm comfortable with a Servicer if Arrow Global has approved them"

Senior Risk Strategy Analyst, Creditor

Source: Company Information, OC&C 2012 Report

1. Arrow Global's figures include complaints registered to servicers servicing Arrow Global's accounts. Arrow Global FOS complaints figure based on the LTM to Jun-2013 data.

2. Lowell March 2012 bond offering memorandum

3. Estimated using number of accounts disclosed in July 2013 bond offering memorandum (3.6m customer accounts disclosed in bond OM) and 132 FOS complaints in 2012.

4. Example UK High Street Bank is for 2012 year. Complaint ratio is based on the FOS complaints excluding PPI and 8.3m accounts as reported by the bank for complaint data (non-FOS complaints).

APPENDIX E:
ARROW GLOBAL GLOSSARY

GLOSSARY OF TERMS (1/2)

- **3PDM:** Third Party Debt Managers – Money advisors who manage debt management plans and provide other services to consumers
- **Adjusted EBITDA**: represents Core Collections, (which includes incomes from purchased loan portfolios and portfolio amortisation), and including the effects of income from asset management, other income, operating expenses, and excluding the effects of depreciation and amortisation, foreign exchange (gains)/losses, amortisation of acquisition and bank facility fees and exceptional items included under professional fees and services and other operating expenses
- **Gross Cash-on-Cash Multiple or Gross Money Multiple**: Collections to Date plus the 84-Month ERC or 120-Month ERC, all divided by the purchase price for each portfolio
- **CCA:** Consumer Credit Act
- **CSA:** UK Credit Services Association
- **Core Collections**: collections on the Group's Existing Portfolioswhich are presented in the Group's financial statements
- **Collection Activity Costs**: direct costs of external collections related to the Group's purchased loan portfolios such as commissions paid to third party outsourced providers, such as commissions paid to third party outsourced providers, credit bureaux data costs and legal costs associated with collections and which are presented in the Group's statement of comprehensive income
- **Cost-to-Collect / Collection Cost Ratio:** ratio of Collection Activity Costs to Core Collections
- **Collections to Date**: Core Collections to date plus putbacks (portions of portfolios re-assigned to the Debt Seller) plus disposal proceeds on portfolio account sales
- **DBSG:** Debt Buyers and Sellers Group
- **DCA:** Debt collection agency
- **EIR**: The effective interest rate (which is loan portfolio's gross internal rate of return) calculated using the loan portfolio purchase price and forecast 84-Month ERC at the date of purchase. EIR is reassessed and may be adjusted 12 months after the purchase of each loan portfolio
- **Gross IRR**: loan portfolio's gross internal rate of return calculated using expected Core Collections for the 84 months from the date of purchase of the loan portfolio
- **Gross 84-Month ERC (120-Month ERC):** estimated remaining collections on purchased loan portfolios over an 84-month (120-Month) period representing the expected future Core Collections on purchased loan portfolios over an 84-month (or 120-Month), calculated at the end of each month, based on the Group's proprietary ERC model, as amended from time to time

- **Existing Portfolios**: all debt portfolios that the Group owns at the relevant point in time, which are shown as “purchased loan portfolios” on its balance sheet
- **Free cash flow pre Financing, Taxes and Portfolio Purchases**: Adjusted EBITDA excluding the effect of capital expenditure and changes in operating working capital
- **Net Cash-on-Cash Multiple or Net Money Multiple**: Collections to Date plus the 84-Month ERC or 120-Month ERC, as applicable, net of Collection Activity Costs, all divided by the purchase price for each portfolio
- **Net Core Collections**: Core Collections less Collection Activity Costs
- **Net Debt**: the sum of the Senior Secured Notes, interest thereon, and amounts outstanding underthe Revolving Credit Facility less cash and cash equivalents
- **PCB:** Proprietary Collections Bureau
- **SCOR:** Steering Committee on Reciprocity
- **TCF:** Treating customers fairly
- **Telco:** Telecommunications sector
- **Underlying Net Income:** Loss/profit for the period attributable to equity shareholders adjusted for the post-tax effect of exceptional items
- **84 or 120-Month Net IRR:** Calculated using expected Net Collections for the next 84 or 120 months, as applicable, subsequent to the date of purchase of the loan portfolio adjusted regularly in line with ERC
- **VBS:** Value based segmentation